INTERNET

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RADIO BROADCASTS

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

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

Governor-General

His Excellency Major-General Michael Jeffery, Companion in the Order of Australia, Commander of the Royal Victorian Order, Military Cross

Senate Officeholders

President—Senator the Hon. Alan Baird Ferguson
Deputy President and Chairman of Committees—Senator John Joseph Hogg
Temporary Chairman of Committees—Senators Guy Barnett, Hedley Grant Pearson Chap- man, Patricia Margaret Crossin, Michael George Forshaw, Stephen Patrick Hutchins, Linda Jean Kirk, Philip Ross Lightfoot, the Hon. John Alexander Lindsay (Sandy) Macdonald, Gavin Mark Marshall, Claire Mary Moore, Andrew James Marshall Murray, Hon. Judith Mary Troeth and John Odin Wentworth Watson
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. Eric Abetz
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 Stephen Parry and Julian John James McGauran
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
Family First Party Whip—Senator Steve Fielding

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(1) Chosen by the Parliament of Queensland to fill a casual vacancy vice Hon. Santo Santoro, 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.
(6) Chosen by the Parliament of South Australia to fill a casual vacancy vice Jeannie Margaret Ferris, died in office.
(7) Chosen by the Parliament of South Australia to fill a casual vacancy vice Hon. Amanda Eloise Vanstone, resigned.
(8) Chosen by the Parliament of Western Australia to fill a casual vacancy vice Hon. Ian Gordon Campbell, resigned.
(9) Chosen by the Parliament of Tasmania to fill a casual vacancy vice Hon. Paul Henry Calvert, resigned.

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

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

Prime Minister
Minister for Transport and Regional Services and Deputy Prime Minister
Treasurer
Minister for Trade
Minister for Defence
Minister for Foreign Affairs
Minister for Health and Ageing and Leader of the House
Attorney-General
Minister for Finance and Administration, Leader of the Government in the Senate and Vice-President of the Executive Council
Minister for Agriculture, Fisheries and Forestry and Deputy Leader of the House
Minister for Immigration and Citizenship
Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues
Minister for Families, Community Services and Indigenous Affairs and Minister Assisting the Prime Minister for Indigenous Affairs
Minister for Industry, Tourism and Resources
Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service
Minister for Communications, Information Technology and the Arts and Deputy Leader of the Government in the Senate
Minister for the Environment and Water Resources
Minister for Human Services

The Hon. John Winston Howard MP
The Hon. Mark Anthony James Vaile MP
The Hon. Peter Howard Costello MP
The Hon. Warren Errol Truss MP
The Hon. Dr Brendan John Nelson MP
The Hon. Alexander John Gosse Downer MP
The Hon. Anthony John Abbott MP
The Hon. Philip Maxwell Ruddock MP
Senator the Hon. Nicholas Hugh Minchin
The Hon. Peter John McGauran MP
The Hon. Kevin James Andrews MP
The Hon. Julie Isabel Bishop MP
The Hon. Malcolm Thomas Brough MP
The Hon. Malcolm Bligh Turnbull MP
Senator the Hon. Christopher Martin Ellison

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

Minister for Fisheries, Forestry and Conservation and Manager of Government Business in the Senate
Senator the Hon. Eric Abetz

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 Revenue and Assistant Treasurer
The Hon. Peter Craig Dutton MP

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

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

Special Minister of State
The Hon. Gary Roy Nairn MP

Minister for Ageing
The Hon. Christopher Maurice Pyne MP

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

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 Justice and Customs
Senator the Hon. David Albert Lloyd Johnston

Assistant Minister for Immigration and Citizenship
The Hon. Teresa Gambaro MP

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

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

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

Parliamentary Secretary to the Treasurer
The Hon. Christopher John Pearce 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 Foreign Affairs
The Hon. Gregory Andrew Hunt MP

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

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

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

Parliamentary Secretary to the Minister for Health and Ageing
Senator the Hon. Brett John Mason
SHADOW MINISTRY

Leader of the Opposition

Kevin Michael Rudd MP

Deputy Leader of the Opposition, Shadow Minis-

Julia Eileen Gillard MP

ter for Employment and Industrial Relations

and Shadow Minister for Social Inclusion

Leader of the Opposition in the Senate and

Senator Christopher Vaughan Evans

Shadow Minister for National Development,

Deputy Leader of the Opposition in the Senate

Senator Stephen Michael Conroy

and Shadow Minister for Communications and

and Shadow Minister for Infrastructure and Water and

Anthony Norman Albanese MP

Information Technology

Manager of Opposition Business in the House

The Hon. Archibald Ronald Bevis MP

Shadow Minister for Homeland Security, Shadow

Minister for Justice and Customs and Shadow

Minister for Territories

Shadow Assistant Treasurer and Shadow Minister

Christopher Eyles Bowen MP

for Revenue and Competition Policy

Shadow Minister for Immigration, Integration and

Anthony Stephen Burke MP

Citizenship

Shadow Minister for Industry and Shadow Minis-

Senator Kim John Carr

ter for Innovation, Science and Research

Shadow Minister for Trade and Shadow Minister

The Hon. Simon Findlay Crean MP

for Regional Development

Shadow Minister for Service Economy, Small

Craig Anthony Emerson MP

Business and Independent Contractors

Shadow Minister for Multicultural Affairs,

Laurence Donald Thomas Ferguson MP

Shadow Minister for Urban Development and

Shadow Minister for Consumer Affairs

Martin John Ferguson MP

Shadow Minister for Transport, Roads and Tour-

Joel Andrew Fitzgibbon MP

ism

Peter Robert Garrett MP

Shadow Minister for Defence

Shadow Minister for Climate Change, Environ-

Alan Peter Griffin MP

ment and Heritage and Shadow Minister for the

Arts

Shadow Minister for Veterans’ Affairs, Shadow

Senator Joseph William Ludwig

Minister for Defence Science and Personnel and

Shadow Special Minister of State

Senator Kate Alexandra Lundy

Shadow Attorney-General and Manager of Oppo-

Jennifer Louise Macklin MP

sition Business in the Senate

Shadow Minister for Sport and Recreation,

Robert Bruce McClelland MP

Shadow Minister for Health Promotion and

Senator Jan Elizabeth McLucas

Shadow Minister for Local Government

Shadow Minister for Families and Community

Services and Shadow Minister for Indigenous

Affairs and Reconciliation

Shadow Minister for Foreign Affairs

Shadow Minister for Ageing, Disabilities and

Carers

Shadow Minister for Federal/State Relations, Shadow Minister for International Development Assistance and Deputy Manager of Opposition Business in the House
Robert Francis McMullan MP

Shadow Minister for Primary Industries, Fisheries and Forestry
Senator Kerry Williams Kelso O’Brien

Shadow Minister for Human Services, Shadow Minister for Housing, Shadow Minister for Youth and Shadow Minister for 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 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
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Thursday, 13 September 2007

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

PETITIONS

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

Nuclear Energy

To the honourable the President and members of the Senate in Parliament assembled. The petition of the undersigned draws to the attention of the Senate that Australians do not need or want an expanded nuclear industry, including nuclear power in Australia.

The petitioners say there is ample evidence that:

(a) engagement in the nuclear cycle leads to growth in nuclear weapons and potentially dirty bombs;

(b) uranium mining and enrichment and nuclear waste reprocessing are energy intensive processes that contribute significantly to greenhouse gas emissions;

(c) uranium is a finite, non-renewable, energy source;

(d) the nuclear cycle creates enormous amounts of long lived radioactive and toxic chemical waste for which there is still no long-term storage solution;

(e) nuclear power is unviable without huge public subsidies;

(f) nuclear power reactors take 10-20 yrs to build and cannot address climate change in the short-term; and

(g) nuclear power generation is not accident free.

The petitioners therefore request that the Federal Government abandon its plans to expand uranium mining, enrich uranium, and build nuclear power plants in Australia, and instead introduce a carbon levy, encouraging investment in renewable energy and energy efficiency.

by Senator Allison (from eight citizens)

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 860 citizens)

Petitions received.

NOTICES

Presentation

Senator Siewert to move on the next day of sitting:

That the following matter be referred to the Community Affairs Committee for inquiry and report by 30 June 2008:

Evaluation of the effectiveness of the national emergency intervention in the Northern Territory in addressing the issues of child sexual abuse and child health and well-being, with particular reference to:

(a) improvements in child protection outcomes and child security, through improved infrastructure and support services;

(b) improvements in child health and well-being, with particular attention to the successful treatment of preventable diseases identified by the health teams, and public health outcomes in relation to healthier environments and improved nutrition;

(c) the efficacy of interventions to reduce alcohol and substance abuse, including measures to restrict supply, education and demand-reduction strategies, and rehabilitation and counselling services;

(d) improvements in educational outcomes with particular attention to rates of school attendance, the delivery of programs to meet the educational needs of Indigenous students, the number of new teachers and classrooms and reductions in student/teacher ratios;

(e) the impact of the quarantining of welfare payments, with particular attention to its efficacy in improving child health and nutrition and school attendance, the number of people being breached and dropping off income support, the cost of administering the system and the challenges faced by both retail outlets and recipients;

(f) the effects of changes to land tenure and the permit system on child welfare, including the number of people moving out of prescribed communities and the number of people moving into regional centres and living in makeshift camps; and

(g) the unintended consequences of the intervention.

Senator Milne to move on the next day of sitting:

That the following matter be referred to the Foreign Affairs, Defence and Trade Committee for inquiry and report by 3 December 2007:

The Australia-Russia Nuclear Cooperation Agreement signed on 7 September 2007, with particular reference to:

(a) the ramifications of the agreement with respect to global and regional security;

(b) the risk that Australian uranium would be exported from the Russian Federation (Russia) to third states, contrary to agreements;

(c) the 2005 Russian deal to sell uranium to Iran to fuel the Russian-built Bushehr nuclear plant, in spite of widespread fears about Iran’s suspected nuclear weapons program;

(d) the implications of the agreement for the sale of nuclear fuel to India;

(e) the extent to which the supply of Australian uranium would enable Russia to increase its export of nuclear material;

(f) the weakness of the rule of law, including corporate law, in Russia;

(g) the ability to verify Russia’s compliance with any agreed safeguards noting, in particular, the European Parliament’s resolution of 10 May 2007 on the European Union-Russia Summit which expressed concern about, inter alia:

(i) Russia’s lack of respect for human rights, democracy, freedom of expression, and the rights of civil society and individuals to challenge authorities and hold them accountable for their actions,

(ii) the use of force by Russian authorities against peaceful anti-government demonstration and reports of the use of torture in prisons, and

(iii) the restriction of democratic freedoms in the run-up to Duma elections in Decem-
ber 2007 and presidential elections in March 2008; and
(h) any related matters.

Senator Bob Brown to move on the next day of sitting:
That the Senate calls for approval of the pulp mill proposed by Gunns Limited to be subject to all environmental considerations being fully satisfied.

BUSINESS

Rearrangement

Senator ABETZ (Tasmania—Manager of Government Business in the Senate) (9.31 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 Maritime Legislation Amendment Bill 2007.
No. 8 International Trade Integrity Bill 2007.
No. 9 International Tax Agreements Amendment Bill (No. 2) 2007.
Financial Sector Legislation Amendment (Discretionary Mutual Funds and Direct Offshore Foreign Insurers) Bill 2007.
No. 10 National Health Amendment (Pharmaceutical Benefits) Bill 2007.
No. 11 Product Stewardship (Oil) Amendment Bill 2007.


Question agreed to.

Rearrangement

Senator ABETZ (Tasmania—Manager of Government Business in the Senate) (9.32 am)—I move:
That the order of general business for consideration today be as follows:
(a) general business notice of motion no. 900 standing in the name of Senator Carr relating to Australia’s manufacturing sector; and
(b) orders of the day relating to government documents.

Question agreed to.

NOTICES

Postponement

The following item of business was postponed:
General business notice of motion no. 897 standing in the name of Senator Bartlett for today, relating to National Child Protection Week, postponed till 17 September 2007.

LANDS ACQUISITION LEGISLATION AMENDMENT BILL 2007

COMMUNICATIONS LEGISLATION AMENDMENT (MISCELLANEOUS MEASURES) BILL 2007

First Reading

Senator ABETZ (Tasmania—Minister for Fisheries, Forestry and Conservation) (9.33 am)—At the request of Senator Colbeck and Senator Coonan, I move:
That the following bills be introduced:
A Bill for an Act to amend legislation relating to lands acquisition, and for related purposes.
A Bill for an Act to amend the law relating to communications, and for related purposes.

Question agreed to.
Senator ABETZ (Tasmania—Minister for Fisheries, Forestry and Conservation) (9.33 am)—I present the bills and move:

That these bills may proceed without formalities, may be taken together and be now read a first time.

Question agreed to.

Bills read a first time.

Second Reading

Senator ABETZ (Tasmania—Minister for Fisheries, Forestry and Conservation) (9.33 am)—I table the explanatory memoranda relating to the bills and 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—

LANDS ACQUISITION LEGISLATION AMENDMENT BILL 2007

This bill makes a number of important amendments to the Lands Acquisition Act 1989.

The amendments proposed in the bill update the Act to:

- enable Commonwealth Mining Regulations to be promulgated;
- apply penalties to breaches of the Act with respect to mining that are commensurate with Commonwealth Criminal Law Policy;
- make the Act more efficient by giving the Minister for Finance and Administration the power to initiate claims and making the Minister for Finance and Administration responsible for an administrative function;
- eliminate an inconsistency by making the Cocos Islands land administration exempt from the Act, consistent with Christmas Island and Norfolk Island Acts;
- to reduce the duplication of tabling of commercial, in the market transactions; and
- repeal the redundant Lands Acquisition (Defence) Act 1968.

The amendment in relation to mining will enable the promulgation of Commonwealth Mining Regulations for the administration of mining on Commonwealth land. In particular, it will enable State and Territory legislation to be applied in a manner consistent with Commonwealth policy.

The amendment also empowers the Federal Court to have jurisdiction in matters arising under such regulations. The amendment ensures the judicial and review process are consistent throughout the Act.

The amendment provides for a penalty regime for breaches of the regulations under the Act that is in line with the Commonwealth’s Criminal Law Policy. The amendment imposes a maximum penalty of 50 penalty units for an individual and 250 penalty units for a body corporate for breaches of regulations made under the Act.

The process of promulgating Commonwealth Mining Regulations will entail extensive consultation and agreement with State and Territories.

Enabling the Minister for Finance and Administration to initiate an offer of compensation to an interest holder without a claim being made promotes efficiencies and fairness in the application of the Act.

This will also expedite the compensation process and eases financial and administrative burdens in relation to compulsory acquisitions.

The proposal will avoid delays to settlement of compensation in relation to acquisitions and provide certainty to the Commonwealth on its financial exposure.

The amendment provides that, in the absence of a claim for compensation, the Minister for Finance and Administration must wait twelve months from the date of acquisition before making an offer.

The Minister for Finance and Administration will also be able to initiate an offer of compensation for losses arising from the Commonwealth’s activities on the land to be acquired prior to the acquisition, regardless of whether or not the acquisition proceeds.

In relation to offers from the Minister for Finance and Administration, the rights of recipients of
offers to review processes under the Act are preserved.

The amendment exempting land on the Cocos Islands from the Act will correct an anomaly. Dealings in land on Cocos Island under the Cocos (Keeling) Islands Act 1955 has, by reason of oversight, not been made exempt from the Act. The amendment would bring the administration of land on Cocos Islands in line with land administration on Christmas Island and Norfolk Island, without the intervention of the Act.

The amendment which removes the tabling of commercial acquisitions in market of an interest in land reduces duplication and administrative burdens. Accountability and transparency of commercial acquisitions is provided by AusTender, which makes public commercial acquisitions of property by the Commonwealth. AusTender has a standard of transparency and accountability equivalent to that of tabling in Parliament.

This amendment brings the acquisition of land in line with the Commonwealth Procurement Guidelines. This amendment accords with Government initiatives to reduce Red Tape. It creates efficiencies by reducing duplication and associated administrative costs.

The amendment dealing with the substitution of the Attorney-General with the Minister for Finance and Administration in connection with the cancelling and amending title documents relating to land held in trust, creates further efficiencies, by bringing the administrative functions of the Act within the responsibility of the Minister for Finance and Administration.

The Act presently enables the Attorney-General to cancel and amend titles to land when land is held in trust and the public purpose for the land is varied.

As the Minister for Finance and Administration has the responsibility for administering the Act, having the Minister for Finance and Administration assume that role from the Attorney-General will streamline the process and promote greater efficiencies.

The repeal of the Lands Acquisition (Defence) Act 1968 eliminates redundant legislation. This legislation was created in order to acquire public parkland in New South Wales. This acquisition has long since passed and the Lands Acquisition (Defence) Act 1968 can now be repealed. This amendment would update Commonwealth legislation.

I commend the bill to the Senate.
quate time to consider the merits of the renewal application.

It is not expected that the acceptance of late applications will be standard practice but instead that ACMA’s discretion to accept late applications would only be exercised in “exceptional circumstances”.

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 bills be listed on the Notice Paper as separate orders of the day.

BUSINESS

Consideration of Legislation

Senator ABETZ (Tasmania—Manager of Government Business in the Senate) (9.34 am)—I move:

That:

(a) the government business orders of the day relating to the Tax Laws Amendment (2007 Measures No. 4) Bill 2007 and two related bills and the Tax Laws Amendment (2007 Measures No. 5) Bill 2007 may be taken together for their remaining stages; and

(b) the government business orders of the day relating to the Judges’ Pensions Amendment Bill 2007 and the Federal Magistrates Amendment (Disability and Death Benefits) Bill 2007 may be taken together for their remaining stages.

Question agreed to.

PARLIAMENTARY ZONE

Approval of Works

Senator ABETZ (Tasmania—Minister for Fisheries, Forestry and Conservation) (9.34 am)—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, to redevelop the National Library of Australia forecourt to create the Humanities and Science Campus Square.

Question agreed to.

WORKPLACE RELATIONS (GUARANTEEING PAID MATERNITY LEAVE) AMENDMENT BILL 2007

First Reading

Senator STOTT DESPOJA (South Australia) (9.35 am)—I move:

That the following bill be introduced: A Bill for an Act to guarantee paid maternity leave, and for related purposes.

Question agreed to.

Senator STOTT DESPOJA (South Australia) (9.35 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 STOTT DESPOJA (South Australia) (9.36 am)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

Workplace Relations (Guaranteeing Paid Maternity Leave) Amendment Bill 2007

The Workplace Relations (Guaranteeing Paid Maternity Leave) Amendment Bill 2007 marks an important and essential reform to the existing Workplace Relations Act 1996, by introducing a system of paid maternity leave for Australian working women.

This is not the first time I have called on the Parliament to support the introduction of a 14-week government-funded paid maternity leave scheme. I am proud that as Leader of the Democrats, I introduced to Parliament a fully-costed paid maternity leave proposal for Australian working women in 2002. We have been at the forefront of calls for a government-funded system of paid maternity leave (PML) and I am proud to intro-
duce today legislation that would help address the systemic discrimination and disadvantage women in the workforce are faced with on a daily basis, and help protect working women from economic hardship as a result of the birth of a child.

From Finland to Portugal, Luxemburg to Mexico, and Iceland to the Slovak Republic, PML is provided to all women yet, despite continuous calls for the implementation of a PML scheme that is in line with the ILO Convention of 14 weeks paid leave, Australian working women remain one of only 2 OECD countries without a comprehensive paid maternity leave system.

Without a minimum national standard for PML across the board, Australian women have been left with no other option than to bargain for paid leave entitlements at the workplace level – and are at the mercy of whether their workplaces provide paid maternity leave.

Research conducted by the Work and Family Roundtable in July 2007, proves just how far behind Australia is compared to other OECD nations, when it comes to basic workplace entitlements. Countries such as New Zealand and the UK are steaming ahead, with a PML system where taxpayers, through government payments, provide a basic period of paid leave that also allows for employer top-ups.

Legislative action in this area is long overdue, with many Australian working mothers forced to ‘pay’ for their maternity leave through the use of their personal holidays, long service and sick leave.

Paid maternity leave has been a long standing Democrat policy, with our members formally balloting in favour of the policy almost two decades ago (1989). After introducing my Private Senator’s Bill in 2002, a Senate inquiry was held into the feasibility of introducing such a scheme in Australia, and the inquiry produced a number of positive recommendations.

These recommendations to strengthen the overall content have been taken into account in the reworking of this Bill, along with the recent changes to the Workplace Relations Act 1996. Since this time, I have also held many discussions with individuals, unions, women’s organisations, business and industry groups, and the broader community, and I thank the many Australians who have taken the time to put their views to me on this important issue.

**What the Bill does:**

This Bill amends the Workplace Relations Act 1996 and builds upon the existing provisions for unpaid parental leave, to provide for a system of paid maternity leave that will assist all eligible Australian working women to take time off from their employment upon the birth of a child.

The Bill provides for 14 weeks paid leave at or around the birth or adoption of a child for all eligible Australian working women, at the level of the minimum wage, or if they earn less than this (eg. part-time or casual workers), at their average wage, with a guaranteed income and a right to return to work at the end of it. This contrasts with the limited one-off payment to cover some of the expenses of having or adopting a baby, provided by the Baby Bonus.

Essentially, this Bill provides paid leave for mothers in recognition of the physical demands of the latter stages of pregnancy, birth, recovery from birth and establishment, where possible, of breast feeding. In recognition of these physical facts affecting mothers, this payment is not intended to be transferable between the mother and her spouse except in exceptional circumstances. In this way, paid maternity leave is different from parental leave, to which both parents have access.

This Bill also provides for an inquiry into the possibility of extending paid maternity leave to self-employed and farming women. The inquiry would investigate the overall cost of the extension, but would also recognise the importance of self-employed/farming women in the workforce.

The final aspect of the Bill requires the mandatory review of the operation of paid maternity leave, three years after its commencement. This would provide an opportunity to consider the level of payment as well as the period of leave.

**Cost to the Federal Government**

Our costings indicate the proposal contained in this Bill would cost in the vicinity of $591.6 million in the first year of operation, not including offsets from Family Tax Benefit A and B and childcare. This assumes that the payment is taxable and that women who receive this new pay-
ment will remain eligible for the existing Baby Bonus and Maternity Immunisation Allowance (with estimated costs to the government of $1.3 billion and the Maternity Immunisation Allowance of $59.3 million in 2007-08.

As this payment is considered taxable income, some families would have their Family Tax Benefit payments reduced for this period leading to savings to the government. Furthermore it is also possible that there could be some savings to government from a reduction in Child Care Benefits and the Child Care Tax Rebate paid to families if they reduce their use of formal child care due to this scheme.

HREOC costed a similar model of PML in A Time To Value (which essentially mirrored my original 2002 bill and our costings) at $219 million for last financial year, including the Family Tax Benefit and childcare costs offsets, highlighting the savings to the government.

As mentioned earlier, while our costings do not include the subsequent savings to the government after offsets to the Family Tax Benefit or Childcare, HREOC’s costings emphasise the potential savings that would be achieved under this Bill.

The Explanatory Memorandum sets out the basis of the calculation for my Bill.

Support for PML
Community attitudes now run well ahead of the legislature, which is why it is time for Parliamentary action on this issue.

Support for PML in the workplace has increasingly gained momentum since I first released a fully costed proposal in 2001. In March this year, Acting Sex Discrimination Commissioner, John Von Doussa, reignited calls for immediate action to introduce a 14-week government-funded paid maternity leave scheme.

A recent Newspoll survey, commissioned by the National Foundation for Australian Women, also showed paid maternity leave remains on top of the agenda for many Australians, not just for working women, but for their families, who are finding it increasingly difficult to balance work and family life.

These results also suggested that a significant 78% of respondents would prefer the financial responsibility for paid maternity leave to be shared jointly by employers, workers and the Federal Government, (above other financing options for the introduction of a paid maternity leave scheme).

A 2007 study, Australian Social Trends, highlighted one in five women are leaving the workforce after having a child because of inadequate or non-existent paid maternity leave. The survey also showed that 57 per cent of women did not use paid maternity leave because it was “not available or offered by the employer”.

Benefits of PML
The Australian economy needs increased workforce productivity to continue to flourish and introducing family-friendly workplace entitlements would assist in this area. We need to increase our OECD standing and challenge other countries in the areas of economic and social development yet, we continue to ignore the importance of fundamental workplace rights such as paid maternity leave. The low workforce participation rate of Australian women in the childbearing age group, (72.4%) is the 8th lowest in the OECD, (trailing well behind Sweden at 86.4%), highlighting the need for a suite of reforms to the Government’s work and family policies to encourage and embrace women’s labour force participation.

According to the Equal Opportunity for Women in the Workplace Agency, provisions for paid maternity leave should be seen as a financial edge for businesses not a burden, with those currently offering it experiencing a 19% higher return rate from maternity leave than those businesses which do not offer it.

While there has been concern in some areas of business about the potential costs of paid maternity leave, this Bill does not propose an employer-funded scheme of paid maternity leave, recognising the burden it would place on small businesses.

Furthermore, paid maternity leave is comparatively inexpensive: costing considerably less than the $1 billion that was spent on the Baby Bonus in the last financial year alone. The Baby Bonus is a scheme that although it does provide a reasonable payment to mothers on the birth of a
child, fails to recognise the importance of women’s labour force participation—something that paid maternity leave recognises.

A paid maternity leave scheme allows women to maintain their attachment to the labour force and also promotes retention of the skills and knowledge that they bring to the workforce.

A recent study released by the Association of Professional Engineers, Scientists and Managers Australia, found that the rate of childlessness was significantly higher amongst professional women. The report highlighted that almost 60 percent of women believed taking maternity leave would be detrimental to their careers.

In recognising the importance of women’s attachment to the labour force, and allowing for the continuation of superannuation payments throughout the period of leave, a paid maternity leave scheme relieves the pressure experienced by women to minimise time taken after the birth, or adoption of a child.

Whereas the Baby Bonus denies access to parents if they adopt a child more than two years old, the paid maternity leave provisions recognise adoptive parents, with no age restrictions associated with the child.

Paid maternity leave as a workplace entitlement would help address women’s disadvantage and inequality in the workforce as much by the legitimacy it gives working mothers, as by the financial incentive it offers.

It is obvious that it is long overdue for the government to legislate on this important issue, and to prevent any further discrimination against mothers in the workplace.

Yet, the Workplace Relations Minister, Joe Hockey, continues to assert that there is no need to legislate on paid maternity leave, due to the so-called increased accessibility to paid maternity leave at an individual workplace level.

As the Director of the Centre for Work + Life at the University of South Australia, Professor Barbara Pocock, has pointed out, figures suggesting a rise in the number of women able to access paid maternity leave are deceptive because the total number of female employees with access to such leave included women of all ages and reflected the highest potential number rather than the level of access that could expected in reality.

While access to paid maternity leave is obviously higher for women in the public sector, the purpose of this legislation is to extend a system of government-funded paid leave to working women in the private sector, that currently have limited access to any such benefit.

**Paid Maternity Leave—It’s time to deliver**

I am proud of the role the Australian Democrats have played in pursuing paid maternity leave as a workplace right, and highlighting the failure of successive governments to strengthen and increase women’s workforce participation.

These very deficiencies in our Government work and family policies show that there is much more to be done by the major parties to bring Australia finally into line with its OECD counterparts.

The major parties have stalled long enough on this issue. We do not need any more dialogue or deferral strategies, costings or options: Australia has spoken, and the right to paid maternity leave is what they want.

It’s time to deliver—and get things right for Australia’s working women and their families.

I commend the bill to the Senate.

**Senator STOTT DESPOJA**—I seek leave to continue my remarks.

Leave granted; debate adjourned.

**TARKINE WILDERNESS**

**Senator BARTLETT** (Queensland) (9.36 am) I move:

That the Senate—

(a) acknowledges the World Heritage significance of the Tarkine wilderness in the north-west of Tasmania;

(b) notes that a nomination for the Tarkine to be listed on Australia’s National Heritage list was submitted in 2004;

(c) notes the Government has:

(i) placed the Tarkine National Heritage nomination on the Australian Heritage Council’s 2007-08 priority assessment program,
(ii) indicated it will thoroughly and carefully assess this complex nomination, including the public consultation required by the provisions of the Environment Protection and Biodiversity Conservation Act 1999, and

(iii) asked the Australian Heritage Council also to examine, identify and advise the Minister for the Environment and Water Resources (Mr Turnbull) of any World Heritage values contained in the areas proposed; and

(d) supports:

(i) subject to listing, the development of strategic and conservation management plans for any listed areas, and

(ii) the development of sensitive and appropriate eco-tourism infrastructure only after thorough assessment of potential impacts on any National Heritage-listed areas under the Act.

Question agreed to.

NORTH AMERICA'S WESTERN CLIMATE INITIATIVE

Senator BARTLETT (Queensland) (9.37 am)—At the request of Senator Allison, I move:

That the Senate—

(a) notes that California, Washington, Oregon, Arizona, New Mexico and British Columbia, as part of North America’s Western Climate Initiative, have:

(i) agreed to cut greenhouse gas emissions by 15 per cent by 2020, and

(ii) committed to designing an emissions cap and trade scheme by August 2008;

(b) congratulates the leaders of these states and this province for taking action rather than waiting for the federal administration to deal with this serious threat to the environment and economy of the United States of America; and

(c) urges Australian state premiers to do likewise, but to aim for a 20 per cent reduction by 2020.

Question negatived.

STOLEN GENERATION COMPENSATION BILL 2007

First Reading

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

That the following bill be introduced: A Bill for an Act to provide for ex gratia payments to be made to the stolen generation of Aboriginal children, and for related purposes.

Question agreed to.

Senator BARTLETT (Queensland) (9.38 am)—I present the bill and move:

That the 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) (9.38 am)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

It is now more than a decade since the “Bringing Them Home” report was first tabled. This report set out the gross human rights violations that so many Aboriginal and Torres Strait Islander people endured because of official government policies and laws which enabled and often encouraged Indigenous children to be removed from the parents and separated from their community and culture solely on the basis of the colour of their skin.

There is still a lack of appreciation in various parts of Australian society about just how profound and far-reaching the trauma caused by these practices has been, and how strongly it continues to affect many Indigenous people and communities today.
As a result of this inquiry, some important and effective actions have been taken to facilitate family reunion and to improve counselling and family support services for victims. However, many recommendations from the report were rejected or remain inadequately implemented by governments at both state and federal level.

The federal government still refuses to support a formal national apology and has considered it inappropriate to provide monetary compensation for those forcibly and unjustifiably separated from their families, on the grounds that such practices were sanctioned by law at time and were allegedly intended to assist the people whom they affected.

The Democrats are pleased to table this bill, which seeks to put the uncompleted recommendations from the Bringing Them Home report back on the agenda and to provide an example of a way to redress some of the wrongs of the past.

I initially tabled an exposure draft on this bill in the Senate in April this year, which was largely modelled on the Act adopted by the Tasmanian Parliament to provide compensation to stolen generations victims. I sought comments and feedback from Aboriginal and Torres Strait Islander groups and organisations and other people from across the country. The bill that I table today reflects the valuable contributions and comments that I received. I am grateful for their time and the recommendations that many people put forward to improve the workability of this bill. It is clear that what may be suitable in Tasmania will not always translate well into the situations from other parts of the country, so I have made amendments to that initial exposure draft.

The majority of the changes are reflected in the area of eligibility for compensation which has been broadened out to ensure that a more meaningful degree of justice is delivered. The eligibility criteria have been extended to take into consideration:

- Those who were subject to previous government policies which removed Indigenous children from their families. This ensures that eligibility can be extended to provide for children of those removed under previous government policies of removal to claim compensation payments to which their parent(s) would have had an entitlement;
- Those Aboriginal and Torres Strait Islander children of mixed race descent:
  - who were subject to legislation for removal from their families regardless of the process of conferring wardship or any other official status bringing about their removal from their families;
  - to apply for a compensation payment whether cared for by an Aboriginal family during that period or not;
- Children of deceased persons who were subject to previous government policies or removal of Aboriginal and Torres Strait Islander children from their families;
- The ability of the Stolen Generations Assessor to accept oral evidence in relation to the removal of Aboriginal and Torres Strait Islander children; and
- The surviving children of those Aboriginal and Torres Strait Islander people removed from their families under previous government policies.

While I acknowledge that money can never fully compensate for such a wrong, it is nevertheless a mechanism for some reparation and recognition of the harm done to the individual person. Feedback I received also drew attention to other aspects of the Bringing Them Home report, and included proposals for the establishment of healing centres and services of assistance for people in receipt of compensation as a result of removal from their families. In addition to this, the establishment of a Funeral Trust Fund to provide funeral services for the deceased and to assist families with this expense are reflected in this bill.

It is important that we as a nation recognise the significant loss in relation to cultural knowledge, relationship to land, inability to claim land, loss of enjoyment of family life, and impairment to access of economic opportunities that our First People have been subjected to. This loss experienced by Aboriginal and Torres Strait Islander children fundamentally harmed not only their life chances, but also life chances of their children and grandchildren.
It is important that we allow for a new generation to be part of the healing process in order to move into the future. Governments must show leadership on this issue and the Democrats recommend that the federal government also support the following initiatives as a positive step towards this process:

- Making funding available for initiatives such as convening a conference to provide the opportunity to those removed from their families to determine future policy in relation to the support required to address the effects of separation from their families for themselves and their children;
- The implementation and promotion of historical information about the Stolen Generations and the effects of previous government policies which removed Aboriginal and Torres Strait Islander children from their families in schools and public institutions to the benefit of a national identity in spirit of true reconciliation;
- Implement a bill of rights established which includes a guarantee of protection and safe custody for Aboriginal and Torres Strait Islander children. This would provides for the cultural and spiritual obligations to be enshrined within the legal framework of national and state legislation to ensure that wrongful removal of Aboriginal and Torres Strait Islander children from their families does not occur again.

This Bill is intended to assist in rebuilding momentum towards addressing major areas of unfinished business, including but not limited to the many unimplemented recommendations of the Bringing Them Home report. It should be emphasised that there has been a general failure of governments at state level as well as federal to address these issue. The time for action on these areas is long overdue, and must occur before we can genuinely move forward and reach our full potential as a nation. Whilst I have taken heed of public feedback to amend the initial exposure draft of the legislation, I am open to further suggestions about how to further improve this bill by way of more amendments.

I commend this bill to the Senate.

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

Leave granted; debate adjourned.

NEW SOUTH WALES ELECTRICITY INDUSTRY

Senator NETTLE (New South Wales) (9.39 am)—I note for the Senate that my partner works in the New South Wales electricity industry. I move:

That the Senate—

(a) notes that:

(i) the New South Wales Government is openly canvassing the privatisation of its electricity industry, despite going to successive elections with a promise to keep the industry in public hands,

(ii) electricity generation is responsible for 37 per cent of greenhouse gas emissions from New South Wales,

(iii) public utilities in New South Wales employ 24,000 people,

(iv) privatisation of the New South Wales electricity industry will have serious, irreversible and negative effects on Australia’s response to climate change, employment in regional Australia and government revenue, and

(v) the New South Wales Government was forced to abandon its plan to privatise the Snowy Mountains Scheme by a concerted community campaign; and

(b) calls on the New South Wales Government to also abandon its support for privatising the electricity industry either by sale or lease.

Question put.

The Senate divided. [9.43 am]
(The President—Senator the Hon. Alan Ferguson)

Ayes ............  5
Noes ............  46
 Majority ........  41

AYES
Brown, B.J.  Milne, C.  Siewert, R. *
Fielding, S.  Nettle, K.

NOES
Abetz, E.  Adams, J.  Barnett, G.  Bernardi, C.
Birmingham, S.  Bishop, T.M.  Brandis, G.H.  Brown, C.L.
Bushby, D.C.  Campbell, G.  Chapman, H.G.P.  Colbeck, R.
Cormann, M.H.P.  Crossin, P.M.  Eggleston, A.  Ferguson, A.B.
Fieravanti-Wells, C.  Fifield, M.P.  Fisher, M.J.  Forshaw, M.G.
Hogg, J.J.  Humphries, G.  Hurley, A.  Hutchins, S.P.
Johnston, D.  Kirk, L.  Ludwig, J.W.  Lundy, K.A.
Moore, C.  Nash, F.  Parry, S. *  Payne, M.A.
Polley, H.  Ray, R.F.  Ronaldson, M.  Sherry, N.J.
Webber, R.  Wortley, D.

* denotes teller

Question negatived.

BUDGET
Consideration by Estimates Committees

Additional Information

Senator PARRY (Tasmania) (9.46 am)—On behalf of the respective chairs, I present additional information received by the Senate Standing Committee on Community Affairs and the Senate Standing Committee on Legal and Constitutional Affairs in response to the 2007-08 budget estimates.

SYDNEY HARBOUR FEDERATION TRUST AMENDMENT BILL 2007

FAMILIES, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS
LEGISLATION AMENDMENT (CHILD DISABILITY ASSISTANCE) BILL 2007

First Reading

Bills received from the House of Representatives.

Senator ABETZ (Tasmania—Minister for Fisheries, Forestry and Conservation) (9.47 am)—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 the bills listed separately on the Notice Paper. I move:

That these bills may proceed without formalities, may be taken together and be now read a first time.

Question agreed to.

Bills read a first time.

Second Reading

Senator ABETZ (Tasmania—Minister for Fisheries, Forestry and Conservation) (9.47 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—

SYDNEY HARBOUR FEDERATION TRUST AMENDMENT BILL, 2007

The purpose of the Sydney Harbour Federation Trust Amendment Bill 2007 is to make amendments to the Sydney Harbour Federation Trust Act 2001 (the Act).

The Act, which commenced in 2001, gave effect to the Commonwealth government’s commitment to preserving the Sydney Harbour foreshore for future generations. The Act provides for the management of former defence and other Commonwealth lands in the Sydney Harbour region including the preparation and implementation of
plans to maximise public access, clean up contamination and preserve the heritage and environmental values of these historic sites.

Since the Act came into effect, the Sydney Harbour Federation Trust has gained significant experience in transforming and managing seven important historic sites. The Sydney Harbour Federation Trust has also received strong public support for its role.

The Act currently provides for the repeal of the Act within ten years of its commencement, which would have been in September 2011. This bill will extend until 19 September 2033, the date by which the Act is to be repealed, thereby also extending the life of the Sydney Harbour Federation Trust, to that date.

The Australian Government’s original intention was for the Trust to be a transitional body to manage Commonwealth lands in and around Sydney Harbour and maximise public access until 2011 when suitable land would be transferred to New South Wales for inclusion in the national parks and reserve system. The extension of the life of the Trust supports a recent agreement between the Commonwealth and New South Wales to transfer Crown land at North Head to the Trust until 2032. The extension of the date by which the Act is to be repealed will ensure that the Trust is in existence when the North Head site is transferred back to New South Wales.

The extension of the life of the Trust until 19 September 2033 will enable the Trust to continue its work of remediating and making available to the public these magnificent former Commonwealth sites for another twenty-six years.

FAMILIES, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS LEGISLATION AMENDMENT (CHILD DISABILITY ASSISTANCE) BILL 2007

The measure in this bill is a further demonstration of the government’s commitment to people with disability and their carers. These changes ensure that families receiving an instalment of carer allowance on 1 July 2007 for caring for a child with disability will be paid $1,000 to help them purchase assistance, including things like additional respite, equipment or early intervention therapy for their child.

This is an annual payment for eligible families in receipt of carer allowance on 1 July each year. The payment will be made for each child under 16 who attracts a payment of carer allowance for their carer.

The Australian Government recognises that children with disability and their families have diverse needs which may also change over time. Young children with disability can benefit from early intervention and therapy to maximise their early childhood development and learning. Some families and children will benefit from a break such as respite care. As they develop, older children may outgrow aids and equipment and need them replaced. Home or vehicle modifications such as a hoist in the home or help to travel in the family car may be necessary.

Through this initiative, the Australian Government will help families with the purchase of such assistance. Importantly, the payment will help carers to purchase the form of assistance that best suits the needs of their family.

The payment provided by this bill will not be subject to income tax, nor will it count as income for social security or family assistance purposes. In 2007, the $1,000 payment will be automatically paid to eligible families in October. In subsequent years, the payment will be automatically paid to eligible families in July. No claim is required.

This payment will improve the quality of life for around 130,000 children with disability, their families and carers.

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

Ordered that the bills be listed on the Notice Paper as separate orders of the day.

TAX LAWS AMENDMENT (2007 MEASURES No. 5) BILL 2007

First Reading

Bill received from the House of Representatives.
Senator ABETZ (Tasmania—Minister for Fisheries, Forestry and Conservation) (9.48 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 ABETZ (Tasmania—Minister for Fisheries, Forestry and Conservation) (9.49 am)—I table a revised explanatory memorandum relating to the bill and 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—
This Bill makes numerous improvements to Australia’s tax laws. Schedule 1 modifies the tax treatment of leasing and similar arrangements between taxable entities and tax-exempt entities (including foreign residents) for the financing and provision of infrastructure and other assets. The measure applies where, broadly, a tax-exempt entity effectively controls the use of an asset and the taxpayer does not have a predominant economic interest in the asset. If the changes apply, capital allowance deductions will be denied and the arrangement will be treated as a loan that is taxed as a financial arrangement on a compounding accruals basis.
This reforms an integrity measure that restricts the transfer of tax benefits between a taxable entity and a tax-exempt entity. These changes streamline the existing harsh rules and will reduce the ongoing compliance costs of Australian businesses by providing greater flexibility.
Schedule 2 will ensure that the thin capitalisation rules operate as intended by amending the definition of ‘excluded equity interest’ to remove those equity interests that remain on issue for a total period of 180 days or more.
Schedule 3 also amends the thin capitalisation rules. These amendments provide that certain authorised deposit-taking institutions (ADIs) known as specialist credit card institutions may be treated as if they were not ADIs. The changes reflect the different level of prudential regulation applied to these ADIs. The changes will reduce the compliance costs for these companies.
Schedule 4 extends the capital gains tax (CGT) marriage breakdown roll-over to in specie transfers of personal superannuation interests from a small superannuation fund to another complying superannuation fund under certain conditions. This will ensure that CGT need not be an impediment to separating spouses achieving a ‘clean break’ from each other in terms of their superannuation.
Schedule 5 to this Bill will exempt from income tax the Prime Minister’s Prize for Australian History and the Prime Minister’s Prize for Science, to the extent that the prizes would otherwise be assessable income.
Schedule 6 amends the company loss recoupment rules to remove the $100 million total income cap on the same business test. This will give all companies access the same business test to determine whether prior year losses can be deducted against future income.
Schedule 7 extends the existing statutory licence CGT roll-over. The roll-over will apply where a statutory licence ends and is replaced by one or more new licences that authorise substantially similar activity to the activity authorised by the original licence or licences. The measure also provides a partial roll-over where a statutory licence ends and is replaced by a new licence or licences and other capital proceeds are also received.
Schedule 8 provides those with ownership interests in stapled entities with a CGT roll-over to allow for the reorganisation of stapled groups, and in particular Australian listed property trusts. Australian listed property trusts will be able to interpose a head trust so that they can be treated as a single entity for the purpose of overseas acquisitions. These, and other amendments to the trust provisions, will improve the international competitiveness of Australian property trusts.
Schedule 9 amends the list of deductible gift recipients in the Income Tax Assessment Act 1997. Deductible gift recipient status will assist these organisations in attracting public support for their worthy activities.

Schedule 10 introduces a package of incentives that will reform and strengthen the Australian film industry. This package will encourage private sector investment and improve Australia’s international competitiveness.

Schedule 11 extends the premium 175 per cent research and development (R&D) tax concession to Australian R&D activities undertaken on behalf of multinational companies. This measure will encourage additional expenditure on R&D in Australia by subsidiaries of multinational enterprises.

Schedule 12 establishes a new board called Innovation Australia to administer and oversight the Industry portfolio’s innovation and venture capital programmes.

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

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

AUSTRALIAN CITIZENSHIP AMENDMENT (CITIZENSHIP TESTING) BILL 2007

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

Environment, Communications, Information Technology and the Arts Committee

Reference

Senator MILNE (Tasmania) (9.50 am)—I move:

That—

(a) the Senate notes that:

(i) the Fourth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) concluded that:

(A) the sea level would rise by between 0.18 metres to 0.59 metres by the end of the century and that these projections do not include the full effects of changes in ice sheet flow because a basis in published literature was lacking,

(B) there is medium confidence (that is a 50 per cent chance) that at least partial deglaciation of the Greenland ice sheet, and possibly the West Antarctic ice sheet, would occur over a period of time, ranging from centuries to millennia for a global average temperature increase of 1° to 4°C (relative to 1990-2000), causing a contribution to a rise in sea level of 4 to 6 metres or more, and

(c) many millions more people are projected to be flooded every year due to a sea level rise by 2080 and the numbers affected will be largest in the mega-deltas of Asia and Africa, while small islands are especially vulnerable,

(ii) recent scientific research, published too late for inclusion in the IPCC reports, suggests that the sea level is rising more quickly than previously thought and many eminent climate scientists, including Dr James Hansen, Head of Atmospheric Research for the National Aeronautics and Space Administration, warn that a warming of 2° to 3°C could melt the ice sheets of West Antarctica and parts of Greenland, resulting in a sea level rise of 5 metres within a century,

(iii) assessing the impact of even a moderate rise in sea level in Australia remains inadequate for adaptation planning,

(iv) assessing the vulnerability of low coastal and estuarine regions requires not only mapping height above sea level but must take into account factors
such as coastal morphology, susceptibility to long-shore erosion, near shore bathymetry and storm surge frequency;

(v) delaying analysis of the risk of the rise in sea level exacerbates the likelihood that such information may affect property values and investment through disclosure of increased hazards and possible reduced or more expensive insurance cover, and

(vi) an early response to the threat of rising sea levels may include avoiding investment in long-lived infrastructure in high risk areas; and

(b) the following matter be referred to the Environment, Communications, Information Technology and the Arts Committee for inquiry and report by 3 December 2007:

An assessment of the risks associated with the rise in sea level in Australia, including an appraisal of:

(i) recent science relating to projections on the rise in sea level,

(ii) ecological, social and economic impacts for the full range of projections,

(iii) adaptation and mitigation strategies,

(iv) knowledge gaps and research needs, and

(v) options to communicate risks and vulnerabilities to the Australian community.

I rise today to seek the support of the Senate in referring a matter relating to sea level rise in Australia for assessment by a Senate committee. The reason for this referral is that global warming is proceeding at a rate faster than anyone has anticipated. In fact, sea level rise is now proceeding 50 per cent faster than was predicted by the 2001 report of the IPCC. That is an extraordinarily frightening idea. I will repeat it: the most recent information reveals that sea levels are rising 50 per cent faster than levels predicted in that 2001 IPCC report.

In recent days we have had reports from many highly regarded scientific institutions telling us that the drought is going to be much worse because we are not going to get the rains that people had thought were coming. Overnight from the International Institute for Strategic Studies we have had a report saying that climate change could have global security implications on a par with nuclear war unless urgent action is taken. Yet yesterday we had the Prime Minister in waiting, the current Treasurer, Peter Costello, rushing out to tell us about his future agenda for Australia—and he did not mention climate change! It is completely unthinkable that anyone seeking a leadership position anywhere could not be considering climate change.

Unfortunately, we have got to a situation where a level of complacency has set in again. It is as if it is enough to say, ‘I now believe climate change is real and I’ll get around to doing something about it in the next 50 years.’ That is where we are up to at the moment—flexible targets for reducing energy intensity, not targets to reduce greenhouse gas emissions overall. Since I got into the Senate I have been warning about the implications of sea level rise not only for Australia but for the whole world. But I have not gone as far as the International Institute for Strategic Studies. They say the global security implications of climate change are ‘on a par with nuclear war unless urgent action is taken’. They say global warming would hit crop yields and water availability everywhere, causing great human suffering and leading to regional strife. They say the effects would cause a host of problems, including rising sea levels, forced migration, freak storms, droughts, floods, extinctions, wildfires, disease epidemics and so on and so forth.

It is as if the discussion is now about whose target is the relevant one. But let us
get back to the substance of the debate. We are talking about a catastrophe for human-kind and the ecosystems on which we depend. We have to take action now. When I first moved this motion for a reference to examine the impact of sea level rise on coastal Australia it was defeated in this place by both the major parties. I hope that today I will at least be able to secure the support of the Labor opposition for this motion, because sea level rise and its impacts around Australia are likely to be dramatic. We are not just talking about sea level rise from thermal expansion of the oceans; we are talking about storm surges and we are talking about increased ice melt in the west Antarctic shelf and Greenland.

I would remind the Senate that scientists from around the world have just recently been telling us that the estimates of sea level rise are completely out of date. We know that the Greenland icecap is melting so quickly that pieces of ice several cubic kilometres in size are breaking off and triggering earthquakes. The chairman of the Arctic Climate Impact Assessment says we have seen a massive acceleration of the speed with which these glaciers are moving into the sea. He was in Greenland looking at the problem of the melting icecap. He said the ice is moving at two metres an hour on a front five kilometres long and 1,500 metres deep. He said that means that this one glacier—at Ilulissat in Greenland—puts enough fresh water into the sea in one year to provide drinking water for a city the size of London for a year. The melt-water is pouring through to the bottom of the glacier, creating a lake 500 metres deep, which causes the glacier to float on land. He said these melt-water rivers are lubricating the glacier, like applying oil to a surface, and causing it to slide into the sea. It is causing a massive acceleration which could be catastrophic. And nobody is listening! I cannot believe the level of studied ignorance that is going on.

Since I first moved a very similar motion in the Senate some months ago, the government has moved to start the process of looking at sea level rise around Australia. I welcome that and I recognise that the Australian Greenhouse Office is coordinating some work with Geoscience Australia. They are looking at areas around Australia that are potentially vulnerable to sea level rise. By late next year they will have a first-pass national coastal vulnerability assessment. By the end of 2008 we are going to have the very first preliminary analysis of which areas of Australia are extremely vulnerable to sea level rise. Of course, we know from the Natural Hazards Research Centre at Macquarie University—just talking about the wider Sydney region, including the Central Coast and the South Coast—that there are almost 13,000 dwellings that are less than two metres above mean sea level and there are over 140,000 dwellings that are less than six metres above mean sea level. The reason that is significant is that, if the Greenland and west Antarctic icesheets go, we are talking about a five- to seven-metre sea level rise. But even a sea level rise of less than one metre would have huge ramifications for estuaries, for coastal Australia, and certainly for our Pacific island neighbours. Millions of people around the world are living in such vulnerable areas, so we have to do something.

When we have floods around Australia, as occurred recently in Tasmania, we see what happens when that is linked with strong and high seas, heavy rain and the highest tide we have seen in a long time. We get extensive flooding. We know that this is going to occur, yet there is no planning for it. Local government around Australia has been extremely slow to change local government planning schemes to accommodate sea level
rise and the implications of coastal vulnerability. We still get local government giving planning permission for people to build right on the coast in areas that are vulnerable to flooding. Who is going to pick up the bill? The insurance industry has already said that it will not be responsible in the longer term for insuring properties that are built in areas that are known to be vulnerable to flooding. Is local government going to be sued by people who get planning permission and then have their places flooded? Who is going to compensate those properties and people? It is an issue that is certainly not going to go away. In fact, I would argue that the reason the government—and, in fact, state and local governments—have refused to look at the issue of vulnerability to sea level rise is that they are afraid that property prices on the coast will collapse and angry communities will start demanding answers as to who is going to compensate them if they cannot get insurance as a result of storm surges and flooding.

This is an extremely critical issue, and I can understand why property councils and local, state and federal governments are not interested in addressing it. But they have to get onto it. They have to do something about it. I am arguing that what the government has done by having this first-pass assessment of coastal vulnerability is not good enough and that is why this Senate inquiry is needed. It is not good enough because it is based on the assumptions that came out in the IPCC report earlier this year. Let me say at this point that I support the Intergovernmental Panel on Climate Change processes absolutely, but I also recognise that they are extremely conservative in their estimates of sea level rise. That is because scientists are by nature conservative, and they have been under such scrutiny and criticism by governments, with the IPCC process also being a political process, that they have made predictions of sea level rise which are, in my view, the most conservative scenario. Several leading scientists have come out recently and said that. In fact, James Hansen, who is known as the father of climate change scientists, recently said that scientific reticence is inhibiting communications of a threat of potentially large sea level rises and that delay is dangerous because of a system inertia that could create a situation with future sea level changes out of our control. He is arguing for the calling together of a panel of scientific leaders to hear evidence and issue a prompt, plain-written report on current understanding of sea level change. He is saying that it is far more serious, that it is accelerating at a far greater rate, that the IPCC in 2001 got it wrong to the extent of 50 per cent—that is, there will be a 50 per cent greater sea level rise than they predicted. So if you go to the most recent report of the IPCC, which said that the sea level rise this century would be between 0.18 metres and 0.59 metres, and if you think that is 50 per cent wrong, then at the higher level you are talking about a 1.2-metre sea level rise. That is a more likely scenario, in my view, given the accelerated melt of the glaciers and what we know about sea level rise.

In August we had a visit to Australia of leading scientists from around the world. Professor Rahmstorf from Germany was here releasing a report saying the same thing, that the risks were not properly represented in the most recent IPCC report. At the time that report came out, Australia’s own Professor John Church said his research on the speed of the melt in the Antarctic and the extent of sea level rise had not been adequately taken into account by the IPCC. So let us assume that these scientists from all over the world are correct and that the IPCC’s report is the most conservative. It is then not good enough for the government to have set up a first pass over Australia’s coastline for a vul-

CHAMBER
nerability analysis that is based on the IPCC’s figures. We should assume that is the absolute baseline, but we should be expanding the capacity of that assessment. We need to look not only at the recent science relating to projections on the rise of sea level but also at the knowledge gaps and the research needs. I believe we should be looking at setting a range of assumptions for this vulnerability to sea level rise analysis that includes the work of these other scientists, such as Professor Church, James Hansen and others around the world, so we get a much broader analysis of sea level rise.

Of course, governments will not want to do that because that will mean a greater number of Australian coastal communities are going to be seen to be in the vulnerable category. But surely it is better for us to err on the side of saying, ‘We need to know what we estimate to be the worst-case scenario, and work back from that,’ rather than saying, ‘Let’s not scare the horses and let’s just look at the minimal impacts of sea level rise.’ We know what happens when you get it wrong. We saw what happened in New Orleans: they had been told that those levees were inadequate but, no, they thought they were okay based on what they knew from the last 100 years—and the place was devastated by Hurricane Katrina. We know, for example, that with sea level rise and global temperature increases the storm belt around Australia will move south. We know that Brisbane is going to be vulnerable to cyclones. Where is the adequate planning in south-east Queensland for the devastation from events that will occur because of global warming? We have also had recent studies looking at the thermohaline conveyor, the ocean conveyor that controls temperature in so many parts of the planet, including in Europe, where it controls the climate and makes northern Europe liveable because of its modifying effect. We now know that that is slowing down.

All of these trends are indicating that the world is facing a major crisis. Yet in Australia the best we can do is have a Prime Minister who is a sceptic; a Prime Minister in waiting who cannot even remember that climate change is an issue when he sets out his agenda for the future; and a government in waiting, in the opposition, who say they acknowledge climate change but will not set a short-term target and keep supporting expansion of the coal industry and the logging of high-conservation-value forests, which are huge carbon sinks. The opposition say they have a target but they will not say how they are going to meet it because two of the ways of meeting it—coal and forests—are off their agenda in terms of any reduction of ongoing activity. Australians deserve better. Australians deserve some honesty from government and an opportunity to have input. That is why a public inquiry, like a Senate inquiry, is essential. We need the scientists to come forward and tell us what their views are about whether the IPCC’s predictions are adequate and whether the terms of reference for the vulnerability analysis that is currently being conducted are adequate or should be expanded to include this new science, which is so very frightening, about how fast the glaciers are melting, how fast the temperatures are rising and how dramatically that is impacting climate and ecosystems.

Overnight from Europe we have had the release of the IUCN red list of threatened species for 2007. Once again we are being told that species are being lost at a far greater rate than before. Once you lose species and ecosystems you lose ecosystem services, which provide clean water and clean air to communities. We have a planet on which there are millions of people vulnerable at this very moment to sea level rise. Our Pacific island neighbours are sitting there, begging...
for assistance to deal with adaptation to known sea level rise and with concerns about planning for the future.

We need to mitigate increased global temperatures. We need to underpin all our policies with a commitment to constraining a rise in global temperature to less than two degrees. We need to have an honest discussion with the Australian people about the latest science on sea level rise, the vulnerability of coastal communities and the adequacy of planning in those coastal communities. We need to recognise that in some places we will be able to adapt to climate change by a range of engineering solutions but in other places we will not. In many areas, like Kakadu, for example, we will see the loss of large parts of the ecosystem because of saltwater incursion.

There will be coastal communities around Australia which will be tagged, as they have been in Britain, for managed retreat. It is shocking for Australians to hear, I am sure, that the British government, having analysed sea level rise and vulnerability around the UK, have said, ‘We cannot save the entire coastline of the UK. So there will be communities which we must assist in managed retreat.’ They now have a series of strategies to do that.

Australia is not even at first base. We cannot produce a map today that tells us what are the likely implications of sea level rise for vulnerable coastal communities. That is a disgrace when we know the science of climate change. So I urge the Senate and the ‘Prime Minister in waiting’ to get realistic about climate change, to stop obfuscating, to recognise that we are facing the greatest crisis that we have known in our lifetime. This is a much bigger issue than terrorism. Climate change and the earth’s vulnerability are in our face right now. We, as elected leaders, must respond to that. (Time expired)

Senator WONG (South Australia) (10.10 am)—I rise to speak on the motion moved by Senator Milne. I indicate that the opposition will be supporting this motion. I came in for the conclusion of Senator Milne’s speech. I may have misheard her, but I think she was being critical of the Leader of the Opposition, Mr Rudd, as not being realistic about climate change. I have to say that that is yet another extraordinary example of Green hyperbole in this chamber, which I am getting a little tired of, given that the federal Labor Party has made its position in relation to climate change very clear. We have said for some time that this is a critical issue. I challenge people on the crossbenches to find a time in Australia’s history where there has been a leader of one of the major political parties, one of the parties capable of government, who has made an environmental issue such as this such a central political issue in their agenda for the future.

Labor absolutely understands the reality of climate change. We recognise that this is one of the key challenges facing Australia. This is one of the critical issues a government must face and must tackle. Unlike the Howard government, we accept the science. We say the science is in. We are not, unlike the government, in the game of pretending that this does not exist. What we see on the other side is Mr Howard belatedly recognising that climate change is a political issue, belatedly recognising that he has to be seen to be responding and putting forward a whole range of pretend policies, aspirational target type policies through APEC and so forth, to look as if he is doing something about it.

We on the other side know that this is a government filled with people who deny the reality of climate change. That is not verbalising them. All you have to do is listen to some of the speeches given by Senator Minchin, the Leader of the Government in
the Senate. Read some of what he has said, or read the recent article by Senator Cory Bernardi, from my own state of South Australia, who yet again put forward the view that the jury in the case for human activity having impacted on climate change is still out. I think the Australian electorate is tired of that debate. I think the Australian electorate is tired of politicians who, for ideological reasons, want to hide their heads in the sand and run away from one of the critical, central challenges that this country faces, that the globe faces and that humanity faces.

We on this side of the chamber understand how important this issue is. We recognise that it is important not just in environmental terms but in economic and social terms. This is one of the issues that Senator Milne’s motion goes to. That is why Mr Rudd has made this a central aspect of Labor’s agenda for change, a central aspect of Labor’s plan for the future. We believe that any future government has to realistically and practically tackle climate change. We have put forward a range of policies to deal with that.

We saw the Leader of the Opposition hold a climate change summit which was instrumental in progressing the discussion about how to deal with this. We have said we would commission the equivalent of the Stern report, to be done by Professor Garnaut, to look at some of the economic impacts. This is the issue that the government seems to misunderstand. Senator Minchin, Senator Bernardi and Mr Macfarlane seem to think that this is some sort of fringe issue. They cannot get over their blind prejudices when it comes to this issue. The reality is that this is a central economic issue. This is a key economic issue, as well as a social and environmental one. You cannot assert that you are prudent and good economic managers if you are hiding or refusing to acknowledge the extent of the consequences of climate change on the Australian economy and the Australian community.

We on this side understand absolutely that climate change will have a dramatic impact on our nation and, in relation particularly to the sea level rise which was flagged in the IPCC fourth assessment report, obviously climate change will have a dramatic impact on Australia’s coastal communities. The federal government knows this. They may like to try to obfuscate and have various ministers and backbenchers write about it—and I see Senator Bernardi has come in. I acknowledge, Senator Bernardi, that I probably did not give you any warning that I was going to mention you in this debate, but I am glad that you are here to respond. Senator Bernardi, like Senator Minchin, is another one of those on that side who deny or are sceptical about the reality of climate change and whether human activity has in fact affected it. You are entitled to that view. I have to say I find it extraordinary given the weight of scientific agreement about this.

Senator Bernardi—Why didn’t you quote it in your rebuttal?

Senator Wong—Senator Bernardi, you can continue to come in here and run this hardline ideological position that is out of step with the Australian community and the South Australian community if you wish—that it is entirely your decision—but the reality is that Australians understand the reality of climate change. Those of us from South Australia are actually in the grip of an extraordinarily bad drought. Senator Bernardi knows that. People understand that we have had—and I cannot recall the statistics—something like nine of the driest years on record in the last 10. We understand the reality of climate change, unlike the government, who continues to deny it. It is quite extraordinary. It really demonstrates who the ideologues are in this chamber.
Who are the ideologues in this chamber? Are the ideologues the people who talk about choice, while putting forward radical and extreme industrial relations laws which make life harder for working people, or those who recognise that balance in the workplace is a good idea and having a fair day’s pay for a fair day’s work is an Australian value? Who is the ideologue in the chamber who says that the science is still out in relation to human activity actually affecting climate change? Who are the ideologues? We know: they are Senator Bernardi, Senator Minchin and various others on the government benches who are still, in the face of all this scientific agreement, standing there saying, ‘Well, we’re not sure this is true.’

It is an extraordinary thing, isn’t it? It is like King Canute, but the other way around. It is saying, ‘No, we don’t believe this is really happening,’ as the evidence of climate change continues to grow, and it flies in the face of the government asserting that they are prudent economic managers. This is one of the largest economic challenges, if not the largest economic challenge, Australia will face in the years to come. This is one of the most central economic, social and environmental challenges this government or any government will face.

Senator Bernardi interjecting—

Senator WONG—Senator Bernardi, you can keep interjecting, but I assume you are actually going to participate in this debate.

Senator Bernardi—No, I am not, actually.

Senator WONG—So he is not going to participate in this debate? He is happy to sit on the sidelines and have a go at me but he is not going to participate in the debate. How typical of the Howard government! You sit there knocking and saying, ‘This is not good,’ but what do you actually do? You have been in power for 11 long years. Where is the evidence that this government has ever seriously understood the enormity of the challenge that climate change represents to the Australian community, to the Australian
environment and to the Australian economy? The government know about it because their 2005 report Climate change: risk and vulnerability suggests that as a result of climate change our country is likely to see an increase in annual average temperatures of between 0.4 and two degrees by 2030 and between one and six degrees by 2070.

Senator Bernardi interjecting—

Senator WONG—Mr Acting Deputy President Chapman, I do not mind people interjecting, but Senator Bernardi actually has not stopped interjecting for the last five minutes. If he wants to do that for the entirety of my speech, I am happy to continue to talk over him, but I would suggest that if he has something worthwhile to say—which is very unlikely in this debate—perhaps he could get up and give his own speech on it, because I would quite like to hear from Senator Bernardi, one of Senator Minchin’s acolytes, who does not believe that climate change has been impacted by human activity.

I would like to get him to stand up in the Senate and say that, because if it does not have anything to do with human activity, if human activity has not impacted on climate change, tell me what the Prime Minister was doing at APEC, Senator Bernardi. Why did he do that? If your thesis is correct and human activity has not impacted on climate change, tell me what the Prime Minister was doing at APEC, given that you do not believe that human activity actually has anything to do with climate change.

I will return now to the federal government’s own 2005 report, which I referred to earlier, which outlined some major threats to our marine environment and coastal communities. These include rising sea levels; more severe cyclones, storm surges and storms; possible reductions in average rainfall and run-off in southern and much of eastern Australia; rainfall increases across the tropical north; a reduction in rainfall in south-west Australia of a further 20 per cent—which is really quite chilling for those of us who live in South Australia—and a change in ocean currents affecting our coastal waters. These are amongst the consequences that the government’s own 2005 report, Climate change: risk and vulnerability, identified. Of course, we did not see action from the Howard government in response to that.

As Senator Milne’s motion outlines, one of the most significant consequences of global warming will be rising sea levels. The total observed sea level rise over the 20th century was in the order of 10 to 20 centimetres. Whilst there will be regional and local variations in that rise, there is clear scientific agreement—which Senator Bernardi obviously does not agree with—that sea levels are rising in response to past greenhouse gas emissions and that they will continue to rise during the 21st century.

The IPCC report published in February this year, about which there has been much discussion, projected a sea level rise of between 0.18 metres and 0.59 metres by 2100. Since that report was released, a number of reports have suggested that in fact that was an underestimation of the possible sea level rise as a result of melting glaciers and polar ice sheets. America’s leading climate change scientist, James Hansen, and five other leading scientists have suggested that sea level rises could be as much as several metres by the same date. As a consequence, it is generally accepted that the coastline will retreat...
horizontally 50 to 100 times the vertical sea level rise. Dr Barrie Pittock, a leading Australian climate change scientist, has stated:

There’s a crude rule of thumb which applies theoretically just to straight sandy beach, which suggests for every metre rise in sea level the coastline will retreat or go inland by 100m.

Similarly, Dr John Church of CSIRO argues that for every one centimetre of sea level rise you get about a metre of coastal erosion. The IPCC’s April report, *Climate change 2007: impacts, adaptation and vulnerability*, stated that, with regard to coastal impacts, coastlines are projected to be exposed to increasing risks including coastal erosion; corals will be vulnerable to thermal stress; increases in sea surface temperature will lead to more frequent coral-bleaching events and widespread mortality; and, of course, there will be an effect on coastal wetlands such as salt marshes and mangroves—especially where they are constrained on the landward side.

Any rise in sea levels will have an impact on coastal communities, which will face a significant challenge in the future. They already face one now as they prepare for the dramatic impacts of climate change. The fact is that the Commonwealth government must help them to meet this challenge.

The 2007 report of the Prime Minister’s Science, Innovation and Engineering Council, entitled *Climate change in Australia: regional impacts and adaptation: managing the risk for Australia*, nominated cities and coastal communities as one of the six key sectors at risk in the nation. Five priority coastal regions were identified for particular attention: the Brisbane-Gold Coast-Tweed Heads coastline, the Newcastle-Sydney-Wollongong coastline, Melbourne-Geelong, and Adelaide and Perth. Continuing on the point I made at the outset, which is that climate change is an economic challenge as well as a social and an environmental one, one of the areas in which this has already started to occur is in relation to insurance costs. We know that insurers have to factor in the additional cost of various events which are predicted to increase as a result of climate change. I outlined some of these earlier: increased cyclones, storms and so forth. Obviously sea level rise is another one. This is one of the areas where we see that the Howard government lags behind not only community sentiment but also business sentiment. If you go and talk to many of Australia’s leading insurance companies, you will find that these companies have been pricing into their forward projections for some time the likelihood of increased weather disruption, severity of storms and so forth, as a result of climate change. My recollection is that Insurance Australia Group is one of the companies which were part of the Australian Business Roundtable on Climate Change. These are companies that recognise, as prudent corporate entities, that they have to manage the risk of climate change just as they manage any other business risk. It will have a financial impact, and that is why these companies want the government to do its part to set the framework to enable them to more effectively meet it. What we know is that insurers and other leading Australian companies have been factoring the cost of climate change into their business risk management plans. It is unfortunate that the government has not factored it in over 11 years and continues to simply engage in window dressing.

As I said, rising insurance costs and issues of compensation and appropriate zoning will need to be factored into Australia’s future coastal planning and management. Climate change pressures, particularly the threat of increases in the severity and frequency of extreme weather events, have led to reconsideration of existing actuarial assessments of extreme weather risks. A potential outcome of these impacts is an increase in the...
cost of insurance cover, higher excesses and even possibly withdrawal of coverage in some areas as insurance companies would not be able to provide insurance at a reasonable cost or at all. Mr Bruce Thomas of Swiss Re stated:

Houses built on the coast and rivers, in areas that have a larger than one-in-100-year flood events, would find insurance too prohibitive.

Frankly, what we have is a change in the earth’s weather patterns that is of extraordinary proportions over time. It is the largest and most significant economic, social and environmental challenge that any future government should face. What is regrettable is that the Howard government, after 11 long years, has done nothing to prepare Australia for this. What we have instead is a government that is stacked with climate change sceptics. This has impacted on its ability to reasonably respond. It has no plans for the future when it comes to climate change; what it has is a plan until the next election. (Time expired)

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (10.30 am)—Senator Milne’s motion points to the important and serious role that the Greens take, and have taken over the last decade and more, in trying to bring to the attention and the notice of government and this parliament the incredible impact that climate change is going to have on every Australian’s life over the coming centuries. The motion from Senator Milne is notable for its conservatism. It is a motion to have a Senate inquiry look at the impact of sea level rises on Australia—to gather from the scientific community, the planning community, the business community and from all Australians information about the impact that climate change, through sea level rises, is having and will have on every Australian.

It needs to be reiterated, if I may shorthand it, that Sir Nicholas Stern said in this city, in Canberra, earlier this year, that if we are not prepared to have a one per cent diversion of our wealth now to tackle climate change then the impact on our grandchildren may be a 20 per cent diversion of wealth. With that will come a massive disruption to the psychology of peace and happiness for this planet as it tangles with mass migrations and, potentially, civil conflicts and wars, huge impacts on business and on the general sense of wellbeing on the planet as the environmental catastrophe overtakes us in all areas of living on the planet. I congratulate the opposition, by the way, it having rejected Senator Milne’s earlier move for an inquiry three months ago, for now seeing the sense in our proceeding with an inquiry and agreeing with Senator Milne that this is the responsibility of the Senate, that this is the proper function of the Senate.

The question now comes onto the government. This is again a very big test of the Howard government’s commitment to using its numbers in the Senate with prudence and in the interests of all Australians. There is no way the government can use its numbers to prevent this inquiry and stick with that commitment. Yesterday the Prime Minister reasserted his authority in government. He said he is about to reveal goals for the future and he will see them through before handing the reins to his Prime Minister-in-waiting, Mr Costello. One of the challenges for Mr Howard is to throw off the inhibition, if not the scepticism, of the last decade and to not only make this nation prepared to deal with the reality of the impact of climate change but also put us back in the forefront of the world in legislating to minimise that impact, which is coming down the road on our children, our grandchildren and their offspring for many generations to come. This is a prime responsibility of us as parliamentarians. It is a re-
sponsibility that Prime Minister Howard has failed to meet and which now challenges him as Prime Minister of this country. If the direction from the Prime Minister’s office to this Senate, through the government, is to squash an inquiry to look into the fundamentals of the impact of climate change on Australia’s coastlines, it will be a clear statement by the Prime Minister that he is still unable to rise to the Australia of the 21st century, that he is still back in last century’s thinking.

As Senator Milne has pointed out, even the scientists have been too conservative on the matter. Anybody watching our television programs in the last week will have seen the astonishing and extremely frightening breakup of the Greenland icecap. Senator Milne is talking about massive glaciers, which were almost static just a few decades ago, now moving at two metres per hour. We know about the loss of glaciers around the world. In Glacier National Park in the United States 30 glaciers that were there just a century ago are now non-existent. They are rapidly melting in the Himalayas, in the Andes, in tropical West Papua and in Papua New Guinea. Right around the world this is happening. And now there are grave fears for the west Antarctic icecap. The sea level rises that Senator Milne is talking about, of four to six metres, as a result of the Greenland and west Antarctic icecap events, are again conservative measures. To bring this into focus, when you put the tip of a measure at four to six metres on the historic buildings of the Salamanca waterfront in Hobart, the tip is up at window level on the first floor. We have to face the reality of that prospect—

Senator Bernardi—So why is your office on the ground floor?

Senator BOB BROWN—Senator Bernardi—with a little bit of humour—asks why our offices are on the ground floor. They are not. It is a humorous interjection from an arch sceptic. But he should pay some attention to the reality and seriousness of this matter, because he is going to be here long enough to see worse coming down the line.

It is an extraordinarily serious burden of duty on every senator to consider this motion brought forward by Senator Milne this morning in the Senate. This inquiry should be set up. To oppose the inquiry is simply to say that we wish the parliament, the Senate and ipso facto the Australian community, including the business community, to be denied the information that will allow us to make the decisions to (a) mitigate, as best we can, the causes of climate change and (b) meet the massive disruption to our environment, our economy, employment prospects and the quotient of human happiness that is coming down the line from a climate change impact which the former Prime Minister of Britain, Tony Blair, pointed out could relegate the spectre of terrorism.

Senator Milne said earlier that the effects of climate change have been likened by the International Institute for Strategic Studies—which normally studies the nuclear threat around the world and has been a leader in looking at the nuclear threat around the world—to the catastrophic level of a nuclear war. The International Institute of Strategic Studies said the effects from climate change would cause a host of problems, including rising sea levels, forced migration, freak storms, droughts, floods, extinctions, wildfires, disease epidemics, crop failures and famines. Australia is right in the firing line. We are not an island unto ourselves. In fact, because we have a 12,000 kilometre coastline we are more vulnerable to this coastal impact than almost any other country on the planet.

And yet there is the frightening possibility for us here this morning—and we will know in a minute, when Senator Eggleston gets up
to speak on behalf of the government—that the government will vote down an inquiry into the impact on Australia's massive coastline, where the majority of Australians live and where all our big cities except this one are situated, and opt for no inquiry. I have no doubt we will hear that somebody has been asked to study this and some group has been asked to study that, but this Senate and its inquiry system has the primary responsibility on issues just like this for coordinating the state of knowledge and converting that into a call for action or study to the body politic. We will wait and see, but, if the government is going to say no to this inquiry, it will echo the failure of Prime Minister Howard in dealing with this enormous issue for Australia in the last weeks or months of his prime ministership.

Senator Wong said, 'I'm getting a little tired of Green hyperbole on this matter.' If only Senator Wong and the Labor Party had listened to the Greens over the last decade, we would be a long way further down the line. Senator O'Brien is shaking his head. Senator O'Brien is the shadow minister for forests in this country. He agrees with Prime Minister Howard that we should keep logging and burning the great carbon banks, the great natural forests, of Tasmania, Victoria and southern New South Wales. This is a completely irresponsible act of sabotage of the environment by the government and the Labor Party at this stage of the nation's debate about climate change. How can you be knocking down these great wild forests, which hold carbon back out of the atmosphere, and then burn them? To be in Tasmania and see the Senator Kerry O'Brien outcome—huge columns of greenhouse gases—

Senator O'Brien—I would rather it go into power plants; but you do not like that!

Senator BOB BROWN—Senator O'Brien says he would prefer that the wood goes into power plants. He says the Greens do not like that—he has been listening to something! What an extraordinary thing! He is talking about Gunns pulp mill. They are creating a forest furnace—

Senator O'Brien—You are wasting your time.

Senator BOB BROWN—I see he is leaving the chamber. At least he is retreating! The retreating Senator O'Brien supports a Gunns pulp mill which will have a forest furnace attached to it, which will burn 500,000 tonnes of forest wood per annum, next to a pulp mill which at the outset is going to have 80 per cent of its resource stock of native forests. In other words, they are going to create a massive factory to burn the carbon banks or chemically break up the carbon banks now sitting there in the Tasmanian valleys and mountains holding back climate change and they are going to promote the transformation of those great saving forests into an added hit on the global climate change phenomenon.

The Rudd opposition have to come to grips with the destruction of Australian forests if they are going to be seen as responsible on climate change. This simply cannot be allowed to proceed. It is not good enough to support an APEC move to reforest or to prevent the destruction of 20 million hectares of forest outside Australia while promoting the destruction through that pulp mill of 200,000 hectares of native forest here in Australia. I would have thought an opposition would have very quickly taken up what the public knows to be true: that there is a need for us to protect these great living carbon banks in Australia in the age of climate change emergency that we are now in.

The second factor here is the burning of coal. We know that that is having the most prodigious impact on the global climate. Australia is the biggest coal-exporting coun-
try in the world. When I made a call earlier this year that in the next three years of government we should look at how we are going to reduce the impact on climate change of burning vast amounts of coal, some sectors of the press went into orbit about it and misrepresented what I said. We Greens say that we must move to energy efficiency and to renewable energy. It is not as if we are talking about an unreality here. If Governor Arnold Schwarzenegger, in California, can set short-term goals—which the Greens, here in Australia, want to see in Australia—why can’t the Rudd opposition do that, let alone the Howard government? Why is it that these two great parties cannot meet the challenge of climate change?

I congratulate the Labor Party on supporting the Greens’ move for an inquiry to help give us the sensible information upon which this parliament can make better decisions, and I hope the government will, on this occasion, change its mind block on climate change—its obfuscation, as Senator Milne put it—of the last decade. We will test here this morning whether Mr Howard—now that he has confirmed his leadership of the government into the next election—is up to it. He can do that with a single act: by supporting this call for a Senate inquiry into the impact of climate change on Australia’s coasts, its cities, its concentrated areas of population and its magnificent environments. There can be no excuse that warrants saying no to this motion.

Senator EGGLESTON (Western Australia) (10.48 am)—Nobody denies the reality of climate change, and we have said this many times before in debates here in this very chamber—I must say with the same players: Senator Brown, Senator Milne and Senator Wong. It is almost as though everybody is reading off a script and not listening to what the government has said and not paying any attention to what the government has done in respect of greenhouse, climate change and renewable energy.

We cannot deny climate change. In the south-west of Western Australia, where I come from, there has been a massive decrease in rainfall over the last 20-odd years. That is climate change, and it is very evident in Western Australia. Senator Brown has talked about the melting of Greenland’s icecaps. It is happening, it is real, and that is climate change. I have a brother who lives in Munich, in Germany. He loves skiing, but he could not ski very much last winter in Europe because there was not very much snow. And that is climate change. We hear of icebergs floating off Auckland, suggesting that the Antarctic icecap is melting. Well, that is climate change too. So it is there, it is real and it is all around us, but it has been going on for centuries. That is the other point that cannot be denied.

Europe was, once upon a time, a tropical area. There is evidence of tropical vegetation over most of southern Europe, and the Sahara was once fertile—so more evidence of long-term climate change. I heard a program on Radio National not so long ago about coral core samples being taken off the coast of Java which suggested that there has been cyclical climate change on earth for the last 10,000 or 20,000 years. Thus the issue of climate change is not new. We have to be fair and recognise that.

I looked up on the web causes of climate change—and I have said this in another speech as well—and the listed causes of climate change include continental drift, volcanic eruptions and changes in the orbit of the earth. The earth sometimes just slightly changes its axis and inevitably that brings climate change, because the seasons are related to the position of various parts of the world on the globe—therefore, if the axis of the globe changes, then obviously there will
be climate change. Most importantly, there seems to be a correlation between climate change and episodes of sunspots. That has been going on for thousands and thousands of years.

More recently: there have been increases in world’s greenhouse gases since the 1700s and the industrial revolution. It is true that there have been increases in the levels of CO2 and methane in our atmosphere and that those emission levels have accelerated, particularly in this century. In the opinion of many people greenhouse gases do contribute to climate change, but they are not the whole story. There are other things to consider, such as changes in the earth’s orbit and sunspot activity. I do not think the Greens or the ALP can rationally deny that those are factors in climate change.

Another thing that is very evident, and totally and absolutely undeniable, is the fact that, since it first came into office in 1996, the Howard government has been very proactive about dealing with greenhouse issues and with recognising the need for us to change from the use of fossil fuels and move to other energy sources. In fact, the Howard government has a very proud record of having set up the world’s first government greenhouse office, back in 1996. That is undeniable. I think this is about the fifth speech I have given on this subject where Senator Wong has participated in the debate and lambastes the Howard government for its failure to do anything about greenhouse, when she knows—it is a simple fact—that this government established the world’s first greenhouse office when it first came into office 11 years ago.

As part of the government’s comprehensive climate change strategy, the government has committed some $2 billion to the management of environmental issues. That commitment of $2 billion has leveraged something like $6.5 billion from private sector sources for environmental programs. The government’s climate change strategy—which, as I said, has involved a commitment of over $2 billion—has recognised our reliance on fossil fuels at the moment and our need to change to renewable and other energy sources. The government’s strategy provides a pathway for moving Australia’s energy sector to a low-emissions future. That is something undeniable. It is a simple reality of this government’s history in office. It shows that the comments that Senator Wong, in particular, keeps making are totally wrong. She knows they are wrong. She comes into the Senate repeating her allegations about the government not doing anything about greenhouse emissions when in fact we have a long history of having been very concerned about it.

Our policies have included the $500 million Low Emissions Technology Demonstration Fund, the $100 million Renewable Energy Development Initiative, the $75 million Solar Cities trial, the $20 million advanced electricity storage technology initiative and the $14 million wind energy forecasting program. The government has explored lots of areas or sources of energy which are not going to emit greenhouse gases. That is something that Senator Wong, the Greens and perhaps the Democrats—who may claim otherwise—simply cannot deny. The runs are on the board. This government has been very conscientious and concerned about climate change during its whole period of office.

People like talking about Kyoto—and I am surprised it has not got a run so far. But I guess it will; there is still time.

Senator Forshaw—Toyoto? Did you say ‘toyoto’?

Senator EGGLESTON—Kyoto. I went to a private school, so I have a different sort
of accent—but there we are. I am just surprised that it has not had a run and the fact that Australia has not signed the Kyoto treaty has not been mentioned. Kyoto is really just symbolic. It is symbolic of the world’s concern about climate change, and it really would do very little to reduce CO2 levels or alter climate change around the globe.

Although the ALP swears on a stack of bibles that it is an important treaty and should be signed, I note that Mark Butler, who Senator Kirk and anyone involved in the left wing of the ALP in South Australia might know—not that I believe that Senator Kirk is involved in the left wing—is on record as saying that Kyoto is nothing more than symbolic. So much for Senator Wong’s point of view! The government strategy on climate change was endorsed by APEC only a week or so ago when some of the world’s greatest emitters—the Chinese government and the United States government—agreed to work towards setting achievable greenhouse gas emissions targets. So there is no question that this government does not have a great record. It is simply nonsense for the opposition parties to keep coming back in here alleging that this government has a poor record on climate change.

I will now turn to the specific issue of the rise in sea levels. Senator Milne said that the government was not listening, that there was a studied ignorance of what is going on, and that this government seemed to be totally indifferent to the implications of rising sea levels. May I assure the Senate, and Senator Milne in particular, that the government is aware of recent research and reports on rising sea levels and of the risks that such sea level rises could pose to coastal properties and infrastructure around Australia. We have a lot of very low-level communities close to oceans—only a metre or so above sea level. I came from Busselton, down in the south-west of Western Australia. The whole of Geographe Bay is really just a metre or two above sea level. Very large areas of places like Dunsborough, which is a very popular holiday resort down in the south-west, and Quindalup are only a metre or two above sea level.

So sea level change is a very important consideration for Australia. In every part of this country, in a similar way, there are towns, ports and roads which could be affected by rising sea level. Anybody coming in here and alleging that the federal government is not concerned about the implications of that, knowing full well that there is already a government agency at work looking into the implications of rising sea level change, is, at one end of the scale, being quite unfair to the government and, at the other end of the scale, perhaps being deliberately misleading to those assessing the comments.

Australian scientists are world leaders in research into the area of sea level rise, and the government is supporting research into the causes of sea level rise which has occurred over the last century. We are also supporting research into the contribution of melting ice sheets to future sea level rise around the globe. Accordingly, we do not think there is a need for an inquiry by a Senate committee into the risks associated with sea level rise in Australia, because assessment of these risks is already underway by an agency sponsored by the Australian government. The Australian government is leading work to assess the vulnerability of the coastal zone to climate change through the Natural Resources Management Ministerial Council. This council, which has been set up under the jurisdiction of not only the Commonwealth but also, perhaps, other bodies, is charged with the assessment of coastal vulnerability to sea level rise, and it is due to report in 2002.
The terms of reference include analysis of the risks from erosion in the coastal zone exacerbated as a result of climate change. Erosion of course is very important because it changes the ecology. The second reference is analysis of the risks to infrastructure and coastal ecosystems from climate change. The third includes assessment of the changing vulnerability of the coastal zone as a result of changing demographic and other socioeconomic trends. Those two points cover Senator Milne’s concerns about local government, because obviously if towns are going to be flooded that involves socioeconomic and demographic change. We also have to think about infrastructure like ports, which is a very important point. There are a lot of ports that would be very adversely affected by a three- or four-metre rise in sea level, let alone a six- or 10-metre rise, and there are roads which run along seafronts, and parks. In many places, such as in Kwinana in Western Australia, there are large industrial plants right on the seafront. The impact of sea level rise on facilities such as all of those needs to be given careful consideration and, under this program, the Australian government is undertaking research into the impact of sea level change on those sorts of facilities. The last point of reference is development of information and other tools for managers and planners of the coastal zone to better incorporate the risks of climate change in decision making. In other words, having assessed what the impact will be on infrastructure, on towns and on the ecology of the area, they will provide the basis for decision makers to make decisions about dealing with the prospect of sea level rise.

Senator Milne referred to the fact that we did not have adequate maps and tools available to work out what the impact of sea level rise would be. But the government does recognise the need for better tools and maps to enable more adequate assessment of risks from climate change and sea level rise. To accompany and support the national coastal vulnerability assessment, the Spatial Information Council, ANZLIC, is developing for the first time a national digital elevation model, a three-dimensional picture of the earth’s surface, which will enable modelling of inundation at a resolution that will be useful for decision makers to work upon. In other words, computer modelling is being developed based on data from around the world on what the impact of sea level rise will be.

All of this work will be supported by the new Australian Centre for Climate Change Adaptation, announced by the Prime Minister in April this year, which has a budget of $126 million over five years. That is quite a lot of money and should enable a good job to be done. This centre will be working with the new CSIRO adaptation flagship to improve the science underpinning adaptation, provide better information on climate change to decision makers and support the development of targeted adaptation strategies, including those for the coastal zone as a result of climate change and sea level rise.

So, with all of that being done, the government’s view is that there is no need for a Senate inquiry at this point of time, because, to some degree, it will only duplicate the work of this centre for climate change and in fact may not do the work as thoroughly or as comprehensively as the centre which the government has set up. All it will really do is call attention to the fact that sea level rise is a risk, a potential adverse outcome of climate change. I think there has been plenty of evidence here in the Senate today that all political parties are aware that sea level rise is a risk. Therefore, on that ground, I do not think there is anything to be gained by setting up a Senate committee and advise the Senate that the government will be opposing this motion.
Senator BARTLETT (Queensland) (11.07 am)—The Democrats support this proposal for a Senate inquiry into this particular component of serious climate change regarding the rise in sea level. It should be noted at the start that it is no particular secret that there is a federal election very much in the air. It is quite probable, in my view, that next week will be the final sitting week of the parliament before the election is announced, although that is not a certainty.

The motion before us has a reporting date of 3 December, which could be two days after a 1 December election or a few days before an 8 December election—to go as late as is practically possible. In my view, that is not a sufficient reason not to support an inquiry. As senators probably know, but for those who do not, an inquiry can be initiated to start and, whilst it might be suspended or prorogued during an election campaign, it is quite possible to then pick up and continue to run with it after the election. Of course, the composition of the current Senate will stay the same until 30 June next, so in some respects you could argue that the reporting date is probably a bit short for this inquiry. In any case, the initial part of the inquiry of seeking public submissions and input could well be done and, indeed, could continue whilst the rest of us are off doing our campaigning. So I do not think the election should be seen as a reason not to go ahead with this.

If there is one issue this Senate needs to grapple with and really pressure the next government on, whether it is a Liberal or a Labor government, then it has to be climate change. I could list a few other issues, but climate change has to be right up there at the top of the pile. It is an area in which the current government has failed dismally. The current opposition has shown some signs belatedly of treating the issue with some greater degree of seriousness. But, frankly, both alternative governing parties still have a long way to go to be really grappling with the finer detail on the specifics.

Because we have had such an era of wasted opportunity, of culpable negligence, from the current government the time frame is short. The need to pull together comprehensive, wide-ranging action in a vast array of areas is much more urgent. It is unfortunate that significant, complex and comprehensive measures will be needed to be pulled together in quite a short space of time. But, unfortunately, because of the neglect of the issue for 20 years, that is the situation we are in: we cannot afford the luxury of more drawn out, considered assessments about how best to go about this. It is urgent and that is a reason why this inquiry is appropriate at this point in time, despite the pending election. We can get on with the job now by starting to pull that information together and build on that momentum in the new parliament.

That is not to say that the inquiry before us deals with every single aspect of what needs to be done about climate change. Indeed, to some extent this particular proposed inquiry to do with the risks associated with the rise in sea level in Australia is in part looking at dealing with the consequences of climate change that is likely to happen and, in some cases, is already happening. The separate issue of how to reduce the risks of climate change, the extent of it and the impact of it is something that we also need to be working on.

Frankly, whoever are in government, I do not think that is a task where the rest of us can just sit back and hope they get it right. We all need to be working on it together across the political spectrum and across all parts of the community as cooperatively as possible. It is worth noting that one of the benefits of Senate committees in the vast majority of cases—but not in all—is that
once they get underway most of the time people from across the political spectrum will seek to work together to develop a range of solutions.

I should take the opportunity to point out that it was the Democrats that initiated the first comprehensive Senate committee inquiry into issues relating to climate change. We did that back in 1988. I think. The report, tabled in 1991, was called *Rescue the future: reducing the impact of the greenhouse effect*. It was a unanimous report. It is a real tragedy that, despite the urgings and concerns of the Democrats and the recognition of the need for action, the recommendations for action that were put forward by people across the parties in 1991 were not meaningfully and genuinely picked up by the then Labor government. It is just one of the earlier examples of a terribly long list of missed opportunities.

There was a further comprehensive inquiry by the Senate Environment, Communications, Information Technology and the Arts References Committee—again initiated by the Democrats, in the parliament before this one. It produced a report called *The heat is on: Australia’s greenhouse future*. From memory, I do not think that report was unanimous but it certainly still produced a comprehensive range of recommendations. That inquiry was not just initiated but also chaired by the Democrats, and its recommendations received support from the majority of senators on that committee. Again, that was a missed opportunity on the part of the government in failing to respond to those recommendations.

There are many other examples, such as the missed opportunity of the government by failing to fulfil its promise to look at inserting a greenhouse treaty in the Environment Protection and Biodiversity Conservation Act back in 1999. The then Minister for the Environment and Heritage, Senator Robert Hill, backed down and totally acquiesced to the resource lobby within cabinet and the government, totally pushing aside any direct mechanism in our federal environment laws for assessing greenhouse impacts in particular proposals—despite his concrete pledge to do so to this very Senate in this very chamber. So there have been a range of missed opportunities on the part of the current government, and it must bear enormous responsibility for that.

It must be said in passing that, despite the overnight emergence of Mr Costello as the Prime Minister in waiting who is suddenly going to reinvigorate us with a new vision and a new agenda that he has not yet articulated, he has been absolutely in lock-step with every single component of this government’s actions, including Iraq, Work Choices and its absolute failure to take any action or responsibility for the housing affordability crisis, and Mr Costello has also been up-front and centre in the government’s strategy of refusing to act on climate change. He not only refused to act but actually set about actively and deliberately sabotaging efforts in the global arena to get action with regard to climate change.

There has been no indication at any single step along the way that Mr Costello has been anything other than an enthusiastic advocate of that policy of culpable negligence on the part of the federal government with climate change. As far as I am aware, the words ‘climate change’ have not escaped Mr Costello’s lips since he started talking again in the last 12 hours or so. As we all know, it took until this year for him to even mention the words ‘climate change’ in any of his 10 or 11 budget speeches, so forgive me if I do not have a great deal of confidence that we will see any major leap forward. I do not see any sign that Mr Costello has exercised a single synapse on this issue in all the time he has been Treasurer.
That is all the more reason why collectively we need to work on this to overcome the intellectual and political shortcomings of some in positions of influence within the government. There is no doubt that there is a wide range of expertise and ability, including from among many in the coalition who would contribute enormously by being able to engage with this debate rather than leaving it up to a few that have shown they do not have the capacity or an interest in the issue.

The other point I would like to make in speaking to this motion is about the issue of sea level rises. It is a serious problem. It is already happening and there is evidence with regard to some Pacific island nations and parts of Papua New Guinea of the damage that has already been done. It is important to emphasise that sea level rises do not just mean people finding the tide creeping up bit by bit and eventually lapping around their doorstep and around their ankles in a nice, gentle, slow rise. The real danger is not so much that, although that over time is obviously not a good thing, but the greater vulnerability of communities close to the coast to extreme weather events and to storm surges and the impact on rising water tables harming the viability of agricultural land and bringing up saline water into water sources that the people use for drinking water or for watering crops, and there is also the damage to foundations of buildings and infrastructure as well. So it is a lot more than just homes or land being flooded or drowned over time. These things can come on quite quickly and it is devastating for many communities.

I should point out, as a Queensland senator, that it is already a serious concern for Australians living in the Torres Strait, for example. One of the Torres Strait Islands particularly has experienced a number of serious storm surges in recent times. One could argue about whether that is or is not directly related to climate change. To some extent it does not matter; they are experiencing it and have to deal with it. I do not think that there is any doubt that climate change is making the risks from such things as storm surges and the loss of potable water supplies more and more of an issue. The amount of arable land on some islands including those in the Torres Strait and the amount of available fresh water on some islands is a serious problem already, and it is likely to become more serious.

Those sorts of valuable issues would be useful to put to an inquiry like this. It is not just an intellectual exercise with a bunch of scientists giving some theories and different scenarios; it is an opportunity to actually hear from people directly. The point needs to be made as often as possible that these sorts of inquiries and debates are not just intellectual exercises. We are actually examining an issue and the consequence of its direct impact on human beings, on Australians and, in some cases, on some of the poorest people living in our immediate vicinity in the wider region around Australia. We need to be looking at what this means for people at community level as well as what it means for the natural environment with the risks it brings to biodiversity.

Again, as a Queenslander, I have to emphasise the grave concern about the impact on the Great Barrier Reef and the marine park more broadly. It might sound like sea level rises should not matter for a reef because it is under water anyway. But obviously sea level rises can impact on the viability of the reef in different areas, particularly when accompanied by changes such as extreme weather events and changes in the temperature of the water in particular. That can certainly happen with sea level rises and it can also happen with changes in currents. All of these things can impact significantly and rapidly on the reef. Of course, there have been changes in sea level rises over time in
the past, and sometimes in the fairly recent past, but the real issue with climate change and sea level rises is the rapidity of the likely changes.

So this is about forward planning and trying to prevent or minimise damage. It is a serious issue, and for those who want to say that it is too close to the election it should be pointed out that it would have been helpful if the government had not blocked previous inquiries into these sorts of areas. Once again it appears we are trying to have an inquiry that the government is blocking. It should be pointed out in passing that this is now one of a very long list of substantive and substantial proposed inquiries the Senate has put forward where the government is using its numbers in this place to block that from happening. I am not saying that governments should support every single proposed inquiry that is put forward—although, having said that, I think that the growing habit of blocking inquiries even into legislation is setting a very dangerous precedent.

One thing that the government should recognise is that they are not going to be in government forever—they might not be in government for much longer at all, depending on what happens at the election. All of the precedents that they put in place now when it seems like a good idea while they have the power are ones that the next mob will look at and say: ‘That’s not too bad an idea at all, actually. We might do the same thing.’ If the coalition does not regain government, then clearly the Labor Party is not going to control the Senate after the next election. But it does nonetheless create a circumstance where the precedents have been set. There is no doubt that the number of Senate inquiry proposals that have been not passed by the Senate in the last couple of years is at a level unprecedented for decades, as a direct result of the government’s use and abuse of their Senate majority.

As I said, there is no obligation to support every proposed inquiry that is put up. The Democrats do not support every inquiry that is put up. It may be that we should be a bit more judicious with regard to the inquiries that we adopt, the workloads that committees bring on and those sorts of things. I am happy to indicate my interest and preparedness to in the future look at considering ways to make sure that any inquiries that are put forward are as effective as possible. But that is a long way from the approach that the government are taking, which is just blocking anything that is politically inconvenient. They have done it time and time again. There have been more blocked than agreed to. Over periods of time, we have had committees sitting there with no work before them at all. That might sound like a nice idea, particularly given that both chairs and deputy chairs get paid allowances these days for those positions, even when in some cases the committees have not had a lot of work to do.

I should emphasise, because it is almost forgotten in this place, that there was a convention which was around for quite a period of time that there would always be one or two—and often more—Senate select committees going. These committees would be put together specifically and solely for the purpose of examining a particular issue, which is different from how the standing general purpose committees that we have are put together. We have not had a select committee initiated in this chamber for a prolonged period of time. That also indicates the clear attitude of the government that they will let a few inquiries go forward if it is in their interest but they do not want to have focused, rigorous and independent examination of any issues. They do not want to divert any attention or any power away from themselves. That has degraded the role of the Senate quite significantly.
The problem with trashing conventions is that they become much harder to restore. We have had a high turnover of people in this chamber in recent times, and we will have some more at the next election. It does not take long before the corporate knowledge and corporate memory disappears and people will not realise that select committees, rather than being out of the ordinary, were very much part and parcel of the day-to-day work of this Senate. There were select committees stretching over the life of a number of parliaments, like the Senate Select Committee on Superannuation. Previous to that, there was the Senate Select Committee on Animal Welfare. We had the Senate Select Committee on Mental Health, which was chaired by the Democrats. That produced an incredibly valuable, comprehensive and unanimous non-partisan report. That provided a catalyst for big advances in the area of mental health.

The government should not be afraid of Senate committee inquiries. They actually give them a hand. They help; they assist. They also assist the community in being able to have a say and in being able to access the resources and information that gets tabled and put on the public record through the process. It is not just about what suits the government. One day, perhaps, there will be a recognition that parliament and politics are not just about the immediate contest for political advantage for each of us but about trying to do what is best for the community and about trying to provide more avenues for their expertise to be engaged and used and for people to have a say. It is real tragedy that once again that opportunity is being denied by the government’s refusal to support this proposal.

Senator MILNE (Tasmania) (11.26 am)—I thank senators for their contribution to this debate. I welcome the support of the Australian Labor Party and the Democrats for this reference for the Senate Standing Committee on Environment, Communications, Information Technology and the Arts to investigate the implications of sea level rise in Australia as a result of climate change. It would have particularly looked at the recent science relating to projections of sea level rise; the ecological, social and economic impacts; adaptation and mitigation strategies; knowledge gaps in research; and options to communicate risks and vulnerabilities to the Australian community. It is appalling that the government is using its numbers to block a Senate inquiry into this absolutely vital issue.

We heard from Senator Eggleston that the reason that the government is opposing this is because there is a government agency at work looking into it. There are government agencies at work looking into lots of things. That is not a reason for the Senate not to investigate this. In fact, as James Hansen, the climate scientist, said—regarding the US, but it is equally applicable here—government science agencies have public affairs offices which are now staffed with political appointees and those political appointees have a big impact on what science gets reported and how it is reported. I am very disturbed about that. Public affairs officials should be helping scientists speak in a language that the public can understand; they should not be massaging the information. But that is exactly what has gone on after 11 years of this government. There has been suppression of information and massaging of information. Government agencies look into what governments tell them to look into and report accordingly. What we want is an inquiry without fear or favour.

Let us assume for a moment that the work that is currently being done by the Greenhouse Office and Geoscience Australia into coastal vulnerability in Australia is completely open-ended and reasonable. The point that I made earlier which Senator Eggleston
failed to appreciate is that the assumption underlying the work that is currently being done is the IPCC projection. As I indicated, the IPCC has said that it expects sea level rise to be between 18 centimetres and 59 centimetres this century. That is the assumption that is being fed into all the work that is currently being done in Australia.

My point is that those assumptions are wrong or are very likely to be wrong. That is why I have said we need to look at the recent science relating to projections of sea level rise, because when the IPCC report came out the work of those scientists who are working particularly in the area of icecaps and the melting of glaciers, on Greenland and on the west Antarctic iceshelf, was not adequately included in that report. If you take on board what they are saying, that in addition to the thermal expansion of the oceans and storm surges you have to take into account that ice melt, then the predictions will be of a sea level rise of between 50 centimetres and 1.4 metres this century. If you extrapolate that out taking account of what Barrie Pittock has said, that for every metre of sea level rise the coast will retreat or go inland by 100 metres, we are talking about large parts of the world, Australia included, that are going to be significantly impacted by sea level rise.

Senator Eggleston, on behalf of the government, says: ‘It’s all under control. We’re looking into it. We’re going to have a map.’ Well, the Insurance Council has been asking for a map for a long time. Everybody wants a digital elevation map of Australia’s coastline. Everyone who buys a house should be able to go online and look at that digital elevation map and see where the property they are going to buy sits on that map so that they know about the vulnerability of that property to sea level rises, storm surges and flooding, whether the property is on an estuary or on the coast or on a river. We need to know that. Instead of that, we have a government agency looking into it, and by the end of 2008 it will only have the first cut of areas in Australia which have vulnerability to sea level rise. We will not have the digital elevation maps. We still do not have the maps of the result of the recent Newcastle and Hobart floods. We do not have the capacity at this stage to inform the community of what they need to know and of how to adapt.

It is interesting that Senator Eggleston talks about ports. In 1993 the Japanese did this very study of their own ports. Why has it has taken Australia until 2007 to start the first cut? What the Japanese found was that the costs of protecting port facilities and coastal structures in the Japanese coastal zones against a one-metre rise in sea level were massive: with a one-metre sea level rise, the total costs for protection were estimated at $US115 billion. That was in 1993. Japan then said, ‘Okay, what are we going to do?’ and then started looking at a process involving three strategies. They looked at whether they should go into adaptation and whether, as part of their adaptation strategy, they should go into managed retreat. They also looked at a range of engineering solutions, as I indicated before, such as building seawalls, changing facilities and so on. Other things are being done in other places in the world. In the Netherlands, for example, they are considering putting out to tender the building of a whole new coastline because they realise that their current strategies are not going to work. They are also moving people from low-lying areas and vulnerable floodplains to other areas. So they are virtually saying they are going to let some areas go because they recognise they can no longer protect them.

Those are the kinds of strategies that are already underway in other countries where this work was done more than a decade, even 15 years, ago. But in Australia we have sat here listening to a government say it is not
happening. I am appalled to hear Senator Eggleston continue with the absolute climate sceptic behaviour that is so entrenched in the government, saying time and time again that he is still not persuaded that the current rate of global warming is human induced. He said, ‘There is a reasonable view that greenhouse gas emissions have a role in climate change.’ No. There is a scientific view held by the world’s leading scientists, through the Intergovernmental Panel on Climate Change, that says they are more than 90 per cent certain it is human induced global warming. That report came out on 2 February this year, and the government is still clinging to the nonsense and scepticism being put out through the Great Global Warming Swindle program, which obviously government members have all watched and decided to cling to. When is the government going to get beyond climate scepticism? When is it going to realise that not only is climate change real but it is urgent?

There is another point I want to make about the claim that there is ‘a government agency looking into it’. The IPCC has said that global emissions must peak by 2015. We are in 2007. That does not give us very much time. Talking about nuclear reactors that are 20 or 30 years away and about energy intensity reduction by 2030 is just pie in the sky. We have got less than a decade to take radical action here in Australia to significantly reduce our emissions and to assist our Pacific neighbours to do so as well. Next week we are going to have here in the parliament a delegation of people from the Carteret Islands, off Bougainville, in Papua New Guinea. I hope some of the government members are going to come and listen to those people, who will tell them that they are in danger of losing their land and their culture because their islands are disappearing under the sea. What are we going to do about that? We still have a government that says it will not accept a definition of environmental refugee. Why? Because Australia does not want to take people from the Pacific island nations or from Papua New Guinea or anywhere else when they are driven from their communities because of climate change. We are in danger of losing not only the places where those communities live but the cultures and languages that go with those communities. New Zealand has opened its arms to many of its Pacific island neighbours and has entered into some transition strategies in some of those communities, but not Australia. Is it any wonder those neighbouring countries are increasingly sceptical about Australia’s role in global geopolitics?

I return to the issue of sea level rise and Senator Eggleston’s view. He says that, yes, they have started the mapping. Show me the maps. I cannot go now—neither can the insurance industry nor any person in the community—and get an elevation map of the area I live in which tells me, if the IPCC is right and there is an 18- to 59-centimetre sea level rise in the next 100 years, what it means for my property. If they are wrong and the other scientists are correct and it is going to be more like a 1.4-metre rise, I cannot find out what that means for me, and that is a disgrace.

What the government is currently doing will not provide that information either, because it is based on the most conservative assumptions. That is why this Senate inquiry is important. We need to hear from scientists like Dr John Church who can come and tell us whether the assumptions behind the mapping, behind the assessments that are currently going on, are adequate. I do not believe those assumptions are adequate. In fact, as I said a while ago, Professor Stefan Rahmstorf, in his latest work, is making very serious warnings.
We know that the United Nations estimates that 150 million people live less than one metre above the high tide level and 250 million live within five metres of it. We are talking about massive global dislocation. Even with the most conservative measurements, we know that 700,000 people are already vulnerable to sea level rise in coastal communities around Australia right now. They do not even know it. That is why the final point of this reference to a Senate committee for inquiry is so important—because it is looking at options to communicate risks and vulnerability to the Australian community.

I thought it was very telling that Senator Eggleston said at the end of his speech that all such an inquiry will do will ‘draw attention to the risk and potential adverse impact’. We would not want people to know what risks they were facing, would we? We would not want to tell the people of Cairns that they are extremely vulnerable to cyclone induced sea level rise because of the changes to global temperature and because of the low-lying nature of the area around Cairns. We would not want to tell that to the people in south-east Queensland or south-west Western Australia, an area which Senator Eggleston acknowledged. There are areas right around Australia which today are extremely vulnerable to these risks. Also, people who live there probably have not checked their insurance policies to find that they are not covered for any damage as a result of storm surge and flooding, because insurance policies do not recognise the risks from the sea in many cases.

We are dealing with a crisis situation here, and we are told that we do not need to look into it because a government agency is looking into it. I would like to read some words from James Hansen. As I said, he is the father of climate change science globally. He is sending out a very strong warning to scientists around the world about their reticence to speak out. He is calling for plain communication with people so that they know how serious climate change is.

We know that neither the government nor the opposition is going to really level with Australians about the urgency of the risk, because if you have an urgent risk it means you have to take drastic action and take it quickly. Neither the government nor the opposition is prepared to do that. I say that because, again, we have heard from the Labor opposition that in government it will do an assessment of how much it costs to deal with climate change and will make decisions accordingly. At the same time it is saying that there will be ongoing coalmining, ongoing coal-fired power stations and ongoing logging of carbon sinks. So, again, my question to the Labor Party is: how are you going to meet emissions reduction targets if you are going to continue to put carbon dioxide into the atmosphere through the logging of forests and through coalmining and coal-fired power stations? Where are your wedges to get serious reductions? The Greens have said we need a 30 per cent reduction in 1990 levels by 2020. How is Labor going to get anywhere near that?

I would like to read to the Senate what James Hansen has said about the melting of the ice sheets. It is something which has not been taken into account yet, and it is horrific. You only have to see, as Senator Bob Brown said, the television pictures of those huge chunks, kilometres wide, coming off the glaciers of Greenland and west Antarctica to start realising how serious this issue is. James Hansen says:

Under [business as usual] forcing in the 21st century, sea level rise undoubtedly will be dominated by a third term ... ice sheet disintegration. This third term was small until the past few years, but it is has at least doubled in the past decade and is now close to 1 mm/year, based on gravity
satellite measurements ... As a quantitative example, let us say that the ice sheet contribution is 1 cm for the decade 2005-2015 and that it doubles each decade until the West Antarctic ice sheet is largely depleted. That time constant yields sea level rise of the order of 5 m this century. Of course I can not prove that my choice of a 10 year doubling time for non-linear response is accurate, but I am confident that it provides a far better estimate than a linear response for the ice sheet component of sea level rise.

There is one of the world’s leading scientists saying that that is what is happening and that is the level of sea level rise we can expect. He goes on to talk about the legacy of scientists in this regard. He says:

The broader picture gives strong indication that ice sheets will, and are already beginning to, respond in a nonlinear fashion to global warming. There is enough information now, in my opinion, to make it a near certainty that IPCC [business as usual] climate forcing scenarios would lead to disastrous multi-meter sea level rise on the century time scale.

There is, in my opinion, a huge gap between what is understood about human-made global warming and its consequences, and what is known by the people who most need to know, the public and policy makers. IPCC is doing a commendable job, but we need something more. Given the reticence that IPCC necessarily exhibits, there need to be supplementary mechanisms. The onus, it seems to me, falls on us scientists as a community.

Important decisions are being made now and in the near future. An example is the large number of new efforts to make liquid fuels from coal, and a resurgence of plans for energy intensive “cooking” of tar-shale mountains to squeeze out liquid hydrocarbon fuels. These are just the sort of actions needed to preserve a [business as usual] greenhouse gas path indefinitely. We know enough about the carbon cycle to say that at least of the order of a quarter of the CO2 emitted in burning fossil fuels under a [business as usual] scenario will stay in the air “forever”, the latter defined practically as more than 500 years. Readily available conventional oil and gas are enough to take atmospheric CO2 to a level of the order of 450 ppm.

He goes on to say that he thinks that, unfortunately, that will be achieved. So the world’s leading scientists are now saying it is almost over. We are going to get to that critical limit of 450 parts per million. We are going to go over the two degrees and, once we go over, there is no going back, because of the self-fulfilling loops that we know about climate. He goes on to say:

In this circumstance it seems vital that we provide the best information we can about the threat to the great ice sheets posed by human-made climate change. This information, and necessary caveats, should be provided publicly, and in plain language.

He goes on to say that the National Academy of Sciences should report on that. He poses a question. He says:

Reticence is fine for the IPCC. And individual scientists can choose to stay within a comfort zone, not needing to worry that they say something that proves to be slightly wrong. But perhaps we should also consider our legacy from a broader perspective. Do we not know enough to say more?

And that is the opportunity I want to give scientists and the community through this Senate inquiry. I want them to be able to come and tell the Australian people exactly how much at risk this coastal community is and how vulnerable we are to climate change.

I think it is disgraceful that the Prime Minister and the Prime Minister in waiting do not want Australians to know and will not address climate change seriously. If you do not address climate change seriously, you have no future agenda. There is no more important future agenda than addressing climate change and the vulnerability of Australians, our Pacific neighbours and the world generally, and farmers, fishermen and community people will tell the government that
at this election because people out there in the community know, as I do, just how critical this issue is.

Question put:
That the motion (Senator Milne's) be agreed to.

The Senate divided. [11.51 am]
(The Acting Deputy President—Senator JOW Watson)

<table>
<thead>
<tr>
<th>Ayes</th>
<th>33</th>
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<td>Noes</td>
<td>36</td>
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<td>Majority</td>
<td>3</td>
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AYES
Bartlett, A.J.J.
Brown, B.J.
Campbell, G.
Crossin, P.M.
Faulkner, J.P.
Forshaw, M.G.
Hurley, A.
Kirk, L.
Lundy, K.A.
McEwen, A.
Milne, C.
Murray, A.M.
Polley, H.
Sherry, N.J.
Sterle, G.
Webber, R.*
Wortley, D.

NOES
Abetz, E.
Barnett, G.
Birmingham, S.
Boyce, S.
Bushby, D.C.
Colbeck, R.
Cormann, M.H.P.
Ellison, C.M.
Fifield, M.P.
Humphries, G.
Joyce, B.
Lightfoot, P.R.
Mакdonald, J.A.L.
McGauran, J.J.J.
Parry, S.*
Payne, M.A.

Scullion, N.G.
Troid, R.B.

PAIRS
Carr, K.J.
O’Brien, K.W.K.
Stephens, U.

* denotes teller

Question negatived.

Employment, Workplace Relations and Education Committee

Report

Senator TROETH (Victoria) (11.55 am)—I present the report of the Senate Standing Committee on Employment, Workplace Relations and Education, Quality of school education, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator TROETH—I seek leave to move a motion in relation to the report.

Leave granted.

Senator TROETH—I move:
That the Senate take note of the report.

This inquiry was one of the most interesting I have ever been engaged in. I would like to thank the members of my committee, notably Senator Barnett, Senator Mary Jo Fisher, Senator Birmingham, Senator Fifield and Senator Lightfoot, who all contributed substantially to the remarks of the majority report.

As a former teacher, I feel that at this particular point in Australia’s education history it was necessary for the committee to be brave. And so we have made several recommendations which, on the one hand, carry on some of the initiatives that have been implemented by this government and, on the other hand, take them into further unknown territory. I would like to go through the recommendations and outline some of the things that we have been talking about. The com-
mittee received a vast amount of evidence and there was genuine interest and enthusiasm from both the teaching sector and also from members of the general public such as parents who obviously have children at school at the present time. We took account of all of this in the things that we recommended.

At the present time, there are national benchmark tests in literacy and numeracy and, as I understand it, children are tested at year 3 and at year 5. The government plan to extend those benchmark tests to year 7 and year 9, but we also want to go further than that. When the national benchmark tests are done the school receives the results, and then what happens to them? One of the conclusions drawn by the committee is that although Australia has a number of very high achieving students, according to international studies and international rankings, we also have a very long tail of what I could only describe as underachieving students. The reason for putting recommendation 1 in place was to see that the national benchmark tests are not only done but also used. That is, the school uses that information to identify students who need more help and that help is given. It seemed to the committee that, at the moment, the tests are done, the results are received by the school, and then there is not a lot of action after that.

As well as the quality of curriculum—as in the teaching of literacy and numeracy as two of the basics—we also looked at the quality of teachers and teacher training. The committee discovered that more teachers, possibly at secondary level, now do a four-year BEd course, which is a general education course. The committee decided that we would like the government to consider ways of restructuring teacher training so as to encourage or require aspiring secondary teachers to commence their studies in arts, science and other relevant disciplines before they go on to undertake specific studies in education by degree or diploma.

Although I did my university course at Melbourne University some 1,000 years ago, this is what I did, and then I continued as a teacher. I did history and geography as my majors and I did a submajor in English. At the end of successfully completing that arts degree I went on and did a specialised Diploma of Education, which gave me my teacher skills, and I then—although I did not feel it at the start—felt relatively well equipped to go out and teach year 11 and year 12 English, year 11 and year 12 history and middle school geography, because I had that subject discipline. So often these days it seems that teachers have the general experience of the Bachelor of Education degree, which teaches them the skills of pedagogy but does not instil the subject disciplines into them, and we feel there should be a move back to that.

We want to see greater professional development in mathematics. Because universities tend to have dropped their requirements for entry into maths courses at universities, schools do not provide in years 10, 11 and 12 those harder maths subjects for entry into university courses, because they are no longer required. Universities often have to take remedial action for their first-year students—not only in maths, I must say, but also in general literacy. That is not the role of universities.

There are several other recommendations that I consider to be very important. We want to train teachers better, particularly with regard to literacy and numeracy. We want to develop a comparable year 12 curriculum across our country, not a national curriculum dictated from Canberra but one looking at common standards and expectations of achievement at designated levels of study.
and agreed common standards of assessment, because the states differ in all of that.

Last, but certainly not least, we recommend that governments take steps to improve the remuneration of teachers. Teachers do not have the standing and the degree of esteem that they should have in our society. Part of that is because teaching is regarded as a low-paid profession, so you no longer have quality graduates clamouring to go into teaching as you have with other professions. Part of that, although not all of it, is the remuneration that they are paid. We would certainly like to improve that. We would also like to provide incentives so as to provide greater retention rates. We have foreshadowed the introduction of performance pay, after a degree of inquiry to choose the best system.

I would like to look briefly at the opposition senators’ report. I was very disappointed to find some of the very negative comments that they made. For instance, they say in their report that the inquiry demanded: ...

... a span of attention by committee members which could not reasonably have been expected of senators.

Why not? We are on this committee—we presumably have an interest in education, because that is what we are looking at. I would have thought that the span of attention by the senators would necessarily be a basic requirement. I was also very disappointed that very few Labor senators took an interest in this inquiry. I think Senator Crossin, who was on the committee, appeared at one of the hearings, in Brisbane, and Senator Marshall appeared at the other hearings but he would not come to Perth, where we had some extremely valuable evidence presented from Notre Dame University and from the Western Australian department about their failed outcomes based education experiments and so on.

Our sampling was not limited. If you look at the list of witnesses and submissions, we had across-the-board interest. In their report opposition senators talk about ‘no substantial evidence’ provided to the committee. How do they regard the Australian Council for Educational Research and the subject associations, all of which made detailed submissions to us? They talk about the failure of the Commonwealth. This report is largely about teachers and curriculum. The Commonwealth, as every senator would know, does not employ one teacher. And the curriculum depth and breadth is not in our hands. But I can tell you that we have made strenuous attempts at the Commonwealth level. What about the Investing in Our Schools Program, which has put over $1 billion into our schools and further rounds of application? The opposition report talks about ‘run-down’ government schools. That is what we are doing with Investing in Our Schools, to provide basic necessities. That is what the state Labor governments should be doing, which they are not. If the state Labor governments do not do that, how can we expect a federal Labor government to do any better? They would simply be passing the buck again.

We also got taken to task for our questioning of Professor Wiltshire, a witness in Queensland, over our criticism of the present Leader of the Opposition, Mr Kevin Rudd, who, at the time of the Wiltshire report, was part of the bureaucracy in Queensland. Professor Wiltshire simply said that Mr Rudd—on the report by Professor Wiltshire being delivered in respect of the state of the Queensland education system—simply did not implement many of the reforms and just let the whole thing slide. If Mr Rudd cannot perform in a state bureaucracy, what hope does he have as Prime Minister? The opposition report also talked about how the government will react to this report. I have men-
tioned the Investing in Our Schools Program—(Time expired)

Senator MARSHALL (Victoria) (12.06 pm)—Labor welcomed this inquiry when it was first proposed by the government, even though we were a little bit sceptical about the motivations of the government when initiating it. We understand how important education is. It is what underpins our civilisation. It is what underpins our economic prosperity. It is what underpins our democracy. It is what underpins all innovation. It is fundamental in every aspect of our way of life. We do not underestimate the importance of it.

What we have just heard from Senator Troeth brings an element of truth to the concerns that we had at the time—that this was more about politics than good policy. I will talk in some detail about some of the issues that Senator Troeth raised. I was not going to but, now that she has drawn the Senate’s attention to the fact that not all senators attended some of the hearings—even though she only talked about the inability of some Labor senators to attend some hearings—I will talk about it. If she were going to be a bit more fair dinkum maybe she would have provided the attendance list of all senators and all members for all of the hearings.

It is difficult, from time to time, when the government simply determines that hearings will be held in different cities on particular dates and not all senators can actually attend. It is difficult when the government has the numbers and goes ahead with those hearings, regardless of opposition senators saying that they are unable, for various reasons, to attend on those days. The committee simply goes ahead anyway.

If we want to talk about some examples of other inquiries where opposition senators were able to attend, I can mention a very recent inquiry where not a single government member was able to attend. This was an inquiry that was referred to a committee by the government. But not a single government member made themselves available—an inquiry on a bill that was referred by the government. I think it was a little bit silly—quite frankly, stupid—of Senator Troeth to raise this as an issue, just reaffirming our view that this inquiry was probably more to do with politics than good policy.

The other issue referred to was Mr Ken Wiltshire’s contribution to the committee. His sole contribution in terms of the submission was a copy of an opinion piece he wrote for the *Australian* some time before. His sole academic contribution to our inquiry was an opinion piece he wrote in a newspaper. We get to the inquiry, and what is the line of questioning from the government senators? They run an argument like this: ‘Education in Queensland has failed. Mr Rudd used to be the chief of staff to a former premier of Queensland; therefore, Mr Rudd now, as opposition leader, is responsible for the failure of Queensland education.’

Of course, there was no evidence that the Queensland education system has failed—none whatsoever. It was an enormously long bow to draw. Then what happened? At the end of Mr Wiltshire’s submission to the inquiry, he went out to a pre-organised press conference and talked about how Mr Rudd is responsible for the failure of education in Queensland. What a set-up! What an absolute set-up by Liberal members of this committee, questioning a witness about a subject that he had already organised to talk to the press about afterwards. If we wanted an example of the politicisation of this issue—instead of looking at good policy, which is what this committee was supposed to do—there is another example.

Senator Troeth talked about attention spans. I did not want to go hard on that issue in the report, but now I am sorry that I did
not. That referred to a written complaint from one of the witnesses about a Liberal member of this committee who mocked her evidence during the committee and attacked the issues that she was trying to portray and then went off and read a magazine for the rest of her contribution. The witness felt she had to complain formally in writing to the committee about the attention span of the particular senator. I was not going to talk about that. Senator Troeth introduced it, as if to turn it back on the opposition. We will be talking more about this report in days to come, when I will go into more detail about those matters, given that Senator Troeth wanted to introduce those issues.

This inquiry had very broad terms of reference. In their efforts to politicise this as an issue, instead of coming to a process where we hear from witnesses, we take the evidence, we consider that evidence and we come to considered conclusions, the government members seem to have, all of a sudden, become experts on the education system. Education is something that has billions of dollars every year spent on it. Curriculum development, process and teaching methods employ thousands and thousands of people with enormous expertise who have been working on these issues—as their life’s work, in most cases. That has been going on for generation after generation.

Then we have a couple of government senators, over four or five days of inquiry, hearing from witnesses, who spend 30 or maybe 45 minutes talking to the committee. Some, but not all, of them have put in written submissions. As a result, the government senators suddenly become absolute experts on everything to do with education. In the Labor Party, we tend not to do that; we tend not to overstep our ability or our area of expertise.

It is one thing to collate the evidence, talk about it and put it forward as a policy direction to try assist the parliament in directing where the money should go, assisting the government, bringing these issues to the table and getting all sorts of different people together so that we can talk about the evidence. But here we have a government that all of a sudden comes to all these conclusions and, if anyone takes the time to read this very lengthy report, they will see that on page after page the government has come to all of these conclusions—not all of those have become recommendations, but they are conclusions. When we went through the government’s report, we just could not sign on to that, because, quite frankly, we have no idea how they could come to most of those conclusions. Well, that is probably not quite right. They could not have come to those conclusions based on the evidence that was presented to the committee. They could come to those conclusions based on the politics that they wanted to drive.

Shall we talk about what happened today? If we want to talk about politicisation of this report, we only have to look at the headlines in the Age. Obviously somebody has talked to the press about this. “Schools produce ‘illiterate’ students” is what it says. What an unfortunate headline about the politicisation of this particular government report. Quite frankly it is an abuse of Senate process—an absolute abuse. What they have done with this report is to try to grab a cheap headline and have people believe that education in this country is failing this country, when all the evidence that was presented to the committee says that the education system in this country is amongst the best in the OECD.

We do have a serious problem of equity, and not all students come out with the results that we would expect. Our recommendations go to those very equity issues. In its report the government should have talked about the
broad policy framework and identified areas where a good education system has not been good enough, and it should have pointed to the policy areas that need to be addressed. That is what Labor has done, and that is what the government should have done rather than politicising this report for cheap headlines.

This is yet another report—dozens and dozens of reports have been tabled in this place and in the other place but the government has paid little or no regard to them. Often, the government pays them lip-service; it has never resourced any of the programs. This is just another education-bashing political exercise by this government. It is time the government seriously looked at education in this country—at how to make it work across the board for all our citizens in the best possible way—instead of going for cheap political shots.

Senator BARNETT (Tasmania) (12.16 pm)—I stand to speak to the Quality of school education report of the Senate Standing Committee on Employment, Workplace Relations and Education. In the first instance I commend the committee’s chairperson, Senator Judith Troeth, and the members of the committee for the time and effort put into preparing this report. I also thank the secretariat for their efforts over the many months of deliberations and hearings and for their responses to the submissions that were made. I thank the people who put in submissions and the witnesses who appeared at the various hearings.

The report is a good one. It is very comprehensive, and Senator Troeth has referred to it in some detail. Senator Marshall made a number of allegations against Senator Troeth and the government senators on that committee. I reject them entirely. I think Senator Marshall is doing his very best to defend what I would consider to be the dilatory performance of the state Labor governments around Australia in delivering high-quality education to Australian students.

Senator Marshall has picked up on a few finer points, and those are matters between him and Senator Troeth, but all in all I think the report is very comprehensive. It is thoughtful, and it criticises in very many respects the performance of the state Labor governments. It is sad and disappointing for Tasmanian students and their parents that key performance indicators show that Tasmanian schools have very low outcomes compared with interstate students.

The Essential Learning program was a failed experiment in Tasmania that was instituted by former Minister for Education, Paula Wriedt. The state government should apologise to the Australian families, particularly the children, for this failed experiment. So much time, effort and money was put into the program but we can at least thank to some degree the current Minister for Education for throwing it out and heading back to the basics in terms of the curriculum and teaching standards in Tasmania. The report notes that there is a need for further training and support and increased resources to lift teaching standards. In respect of mathematics, recommendation 3 says:

The committee recommends that schools and school systems take particular measures to improve teacher professional development in mathematics.

Recommendation 2 says:

The committee recommends that the Government consider ways of restructuring teacher training courses so as to encourage and require aspiring secondary teachers to commence their studies in arts, science and other relevant disciplines before undertaking specific studies in education by degree or diploma.

Senator Marshall indicated that he did not agree with Senator Troeth in many respects about what this government is doing to support schools around Australia. I commend
Julie Bishop, the federal Minister for Education, Science and Training, who has done so much to support schoolchildren all around Australia through the Investing in Our Schools Program, the capital grants program and the Country Areas Program. These programs are so successful. I go to schools all around Tasmania, particularly in the Lyons electorate, and these programs are very much appreciated and well received. The government is trying to fill the gaps left by the state governments, which are letting down the students and their families.

The report is critical of the various state governments. Recommendation 1 is a very key recommendation. It says:

The committee recommends that efforts be made to give the national benchmark tests more credibility and usefulness as teaching instruments.

On page 13 there is a specific reference to the curriculum debate:

At the time the committee commenced this inquiry, it was under the impression that quality standards in school education hinged on curriculum settings.

There is discussion on outcomes based education, a national curriculum, how far we should go and so on. I want to touch on the conclusion of that section before it leads to recommendation 1. It says:

The committee might be reassured by the results of the PISA and TIMSS tests—and that was noted by Senator Marshall—which put Australia toward the top of all but the highest category of performance, but it believes that there is a warning in the existence of a long tail of underperformance.

This is a key concern to the committee and to government senators. The report goes on to say:

It notes also that Canada, a country with many points of commonality with Australia, has the same performance but without the tail. In the next two chapters of the report, education quality issues will be discussed in such a way as to explain why this tail exists, and what can be done to shorten it.

The report also notes:

The use of performance indicators should give parents an honest view of how their children are performing against the standards.

Why would you send home to the parents of these children a report that they simply cannot understand, that they simply cannot read? It has to be practical and useful. I commend Brendan Nelson, who started to get things rolling to make the reports more useful, practical and sensible so that children can understand what they are all about. We have had this problem in Tasmania, and I think they are starting to improve those particular outcomes.

I would now like to turn to curriculum and note the government senators’ conclusion at page 84 of the report, which says:

The Commonwealth’s requirement that all states and territories must have some standards based syllabuses ready for the start of the school year in 2009 has resulted in a flurry of activity in several states, particularly those which persisted with outcomes-based documents. The committee believes that this has been among the most worthwhile Commonwealth initiatives in school education.

That is well noted. That is a federal government level initiative which has really got some of the states moving to respond to the needs of students and their families so that they get better outcomes.

Finally, yes, the report does note the involvement of Mr Rudd in the lack of action in Queensland when he was Director-General in the Department of Premier and Cabinet—and it should be noted that he was involved in that. Queensland has a sad record in that regard, particularly during that period when Mr Rudd had that special involvement. This was noted by a number of witnesses, particularly at the Brisbane hearings. We
heard Senator Marshall complain about that—but, goodness me, the facts are on the table. Mr Rudd was in that job. He had a most senior position in the Department of Premier and Cabinet and did not deliver for students in Queensland at that time—and that should be well and truly noted. I commend the report to the Senate.

Senator WEBBER (Western Australia) (12.25 pm)—I also rise to take note of the report of the Senate Standing Committee on Employment, Workplace Relations and Education, *Quality of school education*, and seek leave to continue my remarks later.

Leave granted; debate adjourned.

**FINANCIAL SECTOR LEGISLATION AMENDMENT (DISCRETIONARY MUTUAL FUNDS AND DIRECT OFFSHORE FOREIGN INSURERS) BILL 2007**

**CORPORATIONS (NATIONAL GUARANTEE FUND LEVIES) AMENDMENT BILL 2007**

First Reading

Bills received from the House of Representatives.

Senator COLBECK (Tasmania—Parliamentary Secretary to the Minister for Finance and Administration) (12.25 pm)—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 COLBECK (Tasmania—Parliamentary Secretary to the Minister for Finance and Administration) (12.26 pm)—I table revised explanatory memoranda relating to the bills and 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—

**FINANCIAL SECTOR LEGISLATION AMENDMENT (DISCRETIONARY MUTUAL FUNDS AND DIRECT OFFSHORE FOREIGN INSURERS) BILL 2007**

This Bill allows consumers and businesses who purchase a general insurance product in Australia to be confident that they will be protected by Australia’s world-class prudential regime.

This Bill amends the Insurance Act 1973, to strengthen and clarify the requirement that anyone that carries on general insurance business in Australia, either directly or through the actions of another (for example, a financial intermediary) is required to become authorised and will be prudentially regulated by APRA.

At the same time, the Government is keen to continue welcoming new entrants into the Australian general insurance market as it recognises these new entrants promote strong competition and innovation. The Government will continue to welcome well capitalised and well managed foreign insurers.

To that end, APRA will adopt a more risk-focused approach to prudential standards to align prudential requirements with the risk posed by different classes of insurers, with the result that categories of insurers posing a lower risk will face a reduced regulatory burden. This approach will better protect Australian consumers and businesses from poorly regulated DOFIs and those that are likely to fail.

However, the Government does not want the proposed changes to unduly restrict market capacity.

For this reason, the Bill provides a framework that enables the Government to develop regulations to provide limited exemptions from the new regime. These exemptions will allow Australia’s largest businesses, with risks that cannot appropriately be placed with an authorised insurer in Australia, to obtain insurance offshore. It will also ensure specialised risks that cannot be written in Australia to go overseas.
It is hoped these changes will encourage domestic insurers to continue providing innovative products that meet the needs of Australian consumers and businesses.

To enforce these Insurance Act 1973 changes, APRA’s powers will be expanded so that it can investigate entities that it has a reasonable belief are carrying on insurance business in Australia without being authorised. APRA will also have the power to apply to the Federal Court for an injunction to stop an entity from acting illegally. The Government recognises that these new powers are strong but, on balance, considers these to be necessary to maintaining the integrity of the prudential regime.

To complement these prudential changes, the Corporations Act 2001 will be amended so that Australian financial service licence holders and authorised representatives will be required to deal only in authorised general insurance products (including those provided by Lloyd’s underwriters), with limited exceptions.

Licence holders will also be required by regulation to supply data on any dealing in insurance covered by the exemptions.

With regards to Discretionary Mutual Funds (DMFs), which are providers of risk management tools that are an alternative to insurance, the Government has formed the view that at this stage DMFs do not pose a significant risk to systemic integrity. Therefore it would not be appropriate to prudentially regulate DMFs at this time. However, the nature and scope of DMF activity will be monitored via information collection over the next three years and the need to prudentially regulate DMFs will be reviewed.

The Government is taking steps to ensure individual consumers are adequately informed about DMFs by an amendment to the Corporations Regulations requiring DMFs to disclose to all their clients, both retail and wholesale, the key characteristics of their product, including that the DMF has a discretion whether or not to pay out on a claim.

The Government is also amending the Financial Sector (Collection of Data) Act 2001 to subject DMFs to a rigorous and compulsory data collection regime, to better understand the nature and scope of their operations. This data, along with the data collected from Australia financial service licence holders and authorised representatives who deal in DMF products, will provide sound statistical input for future policy.

This Bill addresses an outstanding HIH Royal Commission recommendation and a regulatory gap identified by the International Monetary Fund’s Financial Sector Assessment Program. It follows extensive consultation with stakeholders on how best to regulate DOFIs and DMFs.

The Government welcomes industry’s on-going assistance in implementing and adjusting to these new arrangements.

In October 2006, the International Monetary Fund found that Australia had a robust financial sector. The changes proposed in this Bill will enhance the protection for Australians buying insurance and will encourage competition and innovation in the Australian general insurance market. They will enhance community confidence in the market and Australia’s overseas reputation as a sound, well regulated market.

CORPORATIONS (NATIONAL GUARANTEE FUND LEVIES) AMENDMENT BILL 2007

Today I introduce a Bill that will amend the Corporations (National Guarantee Fund Levies) Act 2001 to make minor reforms to the levying abilities for the benefit of the National Guarantee Fund.

This reform is also supported by a minor amendment to the Corporations Act 2001 which is included in the Financial Sector Legislation Amendment (Discretionary Mutual Funds and Direct Offshore Foreign Insurers) Bill 2007.

The National Guarantee Fund is the compensation scheme for the Australian Securities Exchange. The measure caps the amount of levies payable each year if needed to top up the Fund, thereby removing the current uncapped exposure of participants.

Importantly, the changes do not affect investors’ ability to claim from the Fund. This Bill accordingly delivers on the Government’s commitment to providing simpler business arrangements whilst maintaining important investor protections.
Full details of this Bill are contained in the explanatory memorandum.

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

COMMONWEALTH ELECTORAL AMENDMENT (DEMOCRATIC PLEBISCITES) BILL 2007

Second Reading

Debate resumed from 12 September, on motion by Senator Scullion:

That this bill be now read a second time.

upon which Senator Lundy moved by way of amendment:

At the end of the motion, add “but the Senate:

(a) expresses its support for a referendum to extend constitutional recognition to local government in recognition of the essential role it plays in the governance of Australia; and

(b) notes that the Australian Labor Party believes communities are entitled to express a view on the location of 25 nuclear power plants and the nuclear waste facilities that the Howard government wants to impose on the Australian community”.

Senator COLBECK (Tasmania—Parliamentary Secretary to the Minister for Finance and Administration) (12.27 pm)—I will conclude the remarks that I was making last evening in summing up the debate on the Commonwealth Electoral Amendment (Democratic Plebiscites) Bill 2007. My remarks were in reference to some of the Senate Standing Committee on Finance and Public Administration’s recommendations in respect of this bill. The committee noted that in 2006 both houses of the Australian parliament passed a resolution recognising local government as an integral part of the governance of Australia. The committee also recommended that the Senate Standing Committee on Rural and Regional Affairs and Transport conduct an inquiry into the social impacts and other impacts of the amalgamation processes at a suitable time after the council amalgamations are implemented. This, however, is a matter for the Senate. That said, the government notes that the structure and regulation of local government are the responsibility of the states and territories and that the states and territories are responsible for addressing the impacts of any amalgamations that they pursue.

Local government itself has the opportunity to draw any adverse impacts to the attention of the state and territory governments through its close relationships with the respective state local government associations. Local government is also represented through the Australian Local Government Association, the Local Government and Planning Ministers Council and the Council of Australian Governments, COAG. In addition, COAG has agreed to consider local government funding agreements in 2008 once the Productivity Commission has reported on the results of its study into local government revenue-raising capacity. The House of Representatives Standing Committee on Economics, Finance and Public Administration carried out an extensive inquiry into local government and tabled its report Rates and taxes: a fair share for responsible local government in November 2003. The government is still in the process of implementing the initiatives it agreed to in response to the committee’s recommendations. I commend the bill to the Senate.

Question put:

That the amendment (Senator Lundy’s) be agreed to.

The Senate divided. [12.33 pm]
(The President—Senator the Hon. Alan Ferguson)

Ayes.............. 31
Noes.............. 34
Majority.......... 3

AYES
Bartlett, A.J.J. Bishop, T.M.
Brown, B.J. Brown, C.L.
Campbell, G. Controy, S.M.
Crossin, P.M. Faulkner, J.P.
Fielding, S. Forshaw, M.G.
Hogg, J.J. Hurley, A.
Hutchins, S.P. Kirk, L.
Ludwig, J.W. Lundy, K.A.
Marshall, G. McEwen, A.
McLucas, J.E. Milne, C.
Moore, C. Murray, A.J.M.
Nettle, K. Polley, H.
Ray, R.F. Sherry, N.J.
Siewert, R. Sterle, G.
Webber, R. * Wong, P.
Wortley, D.

NOES
Abetz, E. Adams, J.
Barnett, G. Birmingham, S.
Boswell, R.L.D. Brandis, G.H.
Bushby, D.C. Brown, C.L.
Colbeck, R. Campbell, G.
Cormann, M.H.P. Colbeck, R.
Ellison, C.M. Cormann, M.H.P.
Fierravanti-Wells, C. Crossin, P.M.
Fisher, M.J. Ellison, C.M.
Johnston, D. Ferguson, A.B.
Kemp, C.R. Fierravanti-Wells, C.
Macdonald, I. Fisher, M.J.
Mason, B.J. Fiore, B.
Minchin, N.H. Forshaw, M.G.
Patterson, K.C. Forshaw, M.G.
Ronaldson, M. Forshaw, M.G.
Trood, R.B. Forshaw, M.G.

PAIRS
Carr, K.J. Bernardi, C.
Evans, C.V. Heffernan, W.
O’Brien, K.W.K. Boyce, S.
Stephens, U. Troeth, J.M.
Stott Despoja, N. Nash, F.

* denotes teller

Question negatived.

Senator MURRAY (Western Australia) (12.38 pm)—I move:

At the end of the motion, add: “and the Senate is of the view that the International Covenant on Civil and Political Rights be introduced in full into Commonwealth law”.

Question put.

The Senate divided. [12.39 pm]

(The President—Senator the Hon. Alan Ferguson)

Ayes.............. 6
Noes.............. 53
Majority.......... 47

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

NOES
Adams, J. Barnett, G.
Barnett, G. Birmingham, S.
Boswell, R.L.D. Brandis, G.H.
Brown, C.L. Bushby, D.C.
Campbell, G. Chapman, H.G.P.
Colbeck, R. Conroy, S.M.
Cormann, M.H.P. Crossin, P.M.
Ellison, C.M. Faulkner, J.P.
Ferguson, A.B. Fielding, S.
Fierravanti-Wells, C. Fifield, M.P.
Fisher, M.J. Forshaw, M.G.
Hogg, J.J. Humphries, G.
Hurley, A. Hutchins, S.P.
Johnston, D. Joyce, B.
Kemp, C.R. Ludwig, J.W.
Lundy, K.A. Macdonald, J.A.L.
Marshall, G. Mason, B.J.
McEwen, A. McGauran, J.J.J. *
McLucas, J.E. Minchin, N.H.
Moore, C. Parry, S.
Patterson, K.C. Payne, M.A.
Polley, H. Ray, R.F.
Ronaldson, M. Scullion, N.G.
Sherry, N.J. Sterle, G.
Trood, R.B. Watson, J.O.W.
Senator BARTLETT (Queensland)—(12.43 pm)—I move:
At the end of the motion, add: “but the Senate:
(a) requires the Government to report to the Parliament prior to 31 December 2008 on ways in which review processes can be guaranteed throughout Australia where they are lacking in state or territory legislation; and
(b) should refer the question of ways in which direct democracy can be advanced in Australia to a committee for report by 31 December 2008”.

Question negatived.

Senator Bartlett—Mr President, I would like it recorded that the Australian Democrats and the Greens supported that amendment and the major parties opposed it.

The PRESIDENT—That will be recorded, Senator Bartlett.

Original question agreed to.

Bill read a second time.

SYDNEY HARBOUR FEDERATION TRUST AMENDMENT BILL 2007
Second Reading

Debate resumed.

Senator BARTLETT (Queensland)—(12.46 pm)—I do not know whether I can be as brief and erudite as Senator Mason in his contribution. I do want to go into the Sydney Harbour Federation Trust Amendment Bill 2007 in some small detail but I will not be too long. The Democrats support this legislation. It is very straightforward and basic. But I do want to take the opportunity to speak on the Sydney Harbour Federation Trust in general and to note the Democrats’ role, and my role, in the initial implementation of the Sydney Harbour Federation Trust Act 2001 and to draw attention to the enormous success that it has turned out to be in the five or six years since it came into operation.

The legislation before us will extend the life of the trust. The original reality in the act as it stands was for the Sydney Harbour Federation Trust to be a transitional body to manage Commonwealth land in and around the Sydney Harbour region, to work on rehabilitating those lands—former Defence Force lands predominantly—and maximise public access into those areas until 2011 when the land was to be transferred across to the New South Wales government for inclusion in their national parks and reserve system.

This legislation extends the life of the trust to 2032, for another 20 years or so, which is a pretty big expansion, and that is as a consequence of a recent agreement between the Commonwealth and New South Wales governments to transfer crown land at North Head in Sydney to the Sydney Harbour Federation Trust until the year 2032. That basically means that the act needs to be amended to recognise that agreement and also to increase the time for which a minister’s written approval for a lease or a licence...
of trust land must be provided. Any of the lands under the trust’s management that they wish to put a lease upon has to have ministerial approval. There was previously a limit to the length of that lease of 10 years; it can now be up to the length of the life of the trust, or until 19 September 2033, to be precise. As I said, that is because, with the land at North Head of Sydney Harbour being transferred into Commonwealth jurisdiction, there was some uncertainty about who actually had title or oversight of it.

I want to emphasise the crucial role that the Senate played in setting up the trust in a way that has enabled it to work so successfully and, indeed, the crucial role the Democrats played—and, if I say so myself, the crucial role I played. When the proposal was originally put forward—and indeed when the legislation was originally put forward—following an election promise, from memory, by the Prime Minister, it was with regard to these former Defence Force lands around Sydney Harbour foreshore in, not surprisingly, some spectacular locations and some very significant historic locations as well. There was no protection originally against those lands being sold off once they were taken out of Defence Force control and put under the management of the trust. Potentially they could have been sold off down the track, particularly after they were handed back to the New South Wales government, which does not have a very good record in managing lands on the shores of Sydney Harbour. A lot of terrible developments have degraded badly both the environment and the public amenity along the Sydney Harbour foreshore.

The original legislation put forward by the government also did not provide adequate protection against some of the assets or lands that would come under the Sydney Harbour Federation Trust management from being leased for inappropriate activities. I am not saying that this was planned but examples floated around of high-class commercial hotels for high rollers being set up through leasing existing buildings or lands on some of these places. Many people would know North Head in Sydney Harbour and the old Quarantine Station around there. It is an absolutely spectacular location, as are some of the others. Cockatoo Island is a magnificent and extraordinary island in the middle of Sydney Harbour and there are other defence facilities such as Chowder Bay around near Middle Head and Georges Heights. These places have absolutely beautiful scenery and are very important historically as well in some respects.

There were not adequate protections against those sites being leased out. Indeed, it was almost going to be mandated, because part of what was required was a lot of expenditure to make some of these sites suitable for public access. With regard to Cockatoo Island, that meant decontaminating significant parts of it, which was very expensive. There was no guarantee of an adequate budget being provided to do that work to make the sites accessible to the public, to do the restoration work and to undertake some of the other activities that were needed on the sites, let alone to do the other activities of the trust—which, I might say, have also been part of the reason for their success, particularly their public consultation processes. The amendments that the Democrats were able to negotiate put in place guarantees against sell-offs, even when the sites were handed back to the New South Wales government. Indeed, as this explanatory memorandum notes, when the land is handed back it will now be required to be transferred into the national parks and reserves system of the New South Wales government. That protection was not there until the Democrats got involved.

We also managed to ensure that much greater protections against long-term com-
commercial leases for inappropriate purposes were inserted into the legislation. That is why ministerial approval is required and there are time limits on the lengths of leases. It is also why we were able to get much greater community involvement, both in the actual management of the trust and in ongoing consultation mechanisms with stakeholders—local councils, local communities and those with relevant expertise and interest. It is a real tribute to the trust and to the federal government and the relevant minister that it has been able to operate in a way which has provided enormous success.

Until this legislation came along back in 2000 or somewhere around there, I was not aware of many of these places beyond North Head. The history and industrial heritage of Cockatoo Island are quite extraordinary. ‘Industrial heritage’ is not a phrase that people talk about too much. It does not imply nice scenery or even nice buildings, and some of the buildings are not overly pretty. But they are very significant in terms of the industrial development and history of the working harbour of Sydney Harbour. Indeed, it was not until after the legislation had been put in place that I discovered that my father had done a three-year traineeship working on Cockatoo Island when he was developing his skills as an engineer. There is some amazing history there, and not just because of my father’s involvement—it goes back much longer than that. Some of the original convict work was done there. There are some extraordinary underground grain silos and all sorts of hidden treasures. There is also some extraordinary military history in the military facilities around Chowder Bay. Some of the things are perhaps slightly better known, such as the cannons that were put up on Middle Head in years gone by.

It is not automatic that this history gets protected, particularly when the body managing it has an imperative to try and find money from somewhere. The inevitable temptation is to sell off a bit of it or to lease out a chunk of it to the highest bidder rather than for the most appropriate use. It was not until the Senate and the Democrats were able to strengthen this legislation that those protections were put in place. The government and the former environment minister, Senator Robert Hill, to their credit, were able to reach agreement within whatever the arcane processes are that are required within government to get approval for most of what we wanted—not all of it but most of it. We really got a good outcome.

I make that point not just to blow the trumpet of the Democrats but to emphasise the positive role that the Senate can play for the government’s benefit. Frankly, there is no doubt that, if the current circumstance had applied and the government had controlled the Senate, it probably would have been railroaded through at first go without any amendment, or at best perhaps a few little token changes to address some of the many concerns that were put forward. The outcome would have been less good for the government, for this is a real success story that the government can point to. Not surprisingly, it very rarely mentions the role that the Democrats or the Senate played in that success story—that is life. That is why I have to mention it: because nobody else does. But it has nonetheless provided a great result for the benefit of the government and a great legacy.

Far more importantly than whether it provides a good political legacy for the government, the Democrats or anybody else, it provides a great legacy for the people of Australia and the people of Sydney in particular. As a Queenslander, providing a great legacy for the people of Sydney is not necessarily my No. 1 priority, but I am quite happy to do it when the opportunity arises. Sydney Harbour—particularly with some of those areas
that have that enormous history attached to them—is an asset and a great icon for all Australians, not just the people of Sydney. I wanted to take the opportunity to emphasise that.

I mention in passing that the efforts of the Democrats were opposed both by the Labor Party and by the Greens at the time. We were accused of all sorts of things, such as putting all of this at risk of being sold off, even though what we did was precisely the opposite. The Labor Party did not support it because they wanted it all to be just handed back to the New South Wales Labor government, although quite why anybody would want to hand it back to the New South Wales Labor government, given the mess that they had made of the Sydney Harbour foreshores, is beyond me. It is always frustrating when you get those sorts of attacks.

I can recall the press release that the Greens put out at the time saying that we were risking this fabulous piece of land that should be put in the Sydney Harbour National Park. It was actually a suburban street—Markham Close—that had a lot of Defence Force housing. It was never going to be put into a national park or anything else like that. All we did was single it out as the one part that could be sold off, with appropriate controls, to raise revenue for management of the park. I am pleased to say that it was sold off, netting an enormous financial windfall of $18 million or something. Certainly over $10 million was raised just from selling off 10 or 12 Defence Force houses that just happened to be in Mosman, where the land goes pretty well. As part of that, they were able to rearrange the title on a couple of blocks to improve the amenity of the open space right at the peak of the ridge. That really helped with the visual line across that area. Even that was a positive outcome for the trust in particular. They raised some revenue by selling off a bunch of houses that were of no practical relevance to the work of the trust and, in the process, were able to improve the use of the adjoining open space in that region.

This is a case study of how the Senate can work very effectively. It took a fair period of time. I think Senator Hill sat off on the side for six months or so before he eventually came back and we worked through the final agreement. As I said, there were still some gripes from others suggesting all sorts of terrible consequences, but the result has, I believe, been a real tribute.

I do not have to say that a lot of credit should go to the Sydney Harbour Federation Trust management and staff, particularly Geoff Bailey, who has been the executive director from day one and has done a really good job involving the community and opening up these areas to the public. That is part of what it is about. Also, part of it is about preserving the heritage and the natural environmental values, and the extraordinary historic values of the region, having discovered some of the history that we were not sure about. He has opened that up to Australians and indeed to the global community. We have not always been terribly good at protecting our heritage in Australia and we have not been good at opening up to the wider community. I think the trust has done a magnificent job and they should get a lot of credit for it. It is a good opportunity to note that via debate in this chamber.

The fact that the legislation is not controversial is a sign of just how successful it has been. Extending the life of the trust for the purpose of overseeing the management of North Head does not raise a ripple, compared to the strident opposition five or six years ago to the original legislation from Labor and the Greens. Again, I do not think I can make the point strongly enough that this is an example of how, when the Senate is not
controlled by anybody, the government can work constructively to the government’s benefit as well as to the community’s benefit. Of course, that happens only when parties other than governing parties in the Senate are interested in engaging constructively, as opposed to scoring political points. That is certainly where the Democrats’ record differs and stands out above all the others. More than that, the key part is delivering results for the community. This not overly well-known and well-recognised area—one can be pretty much unequivocal—has delivered a very positive outcome.

Senator MASON (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (1.02 pm)—The Sydney Harbour Federation Trust Amendment Bill 2007 facilitates the extension of the life of the Sydney Harbour Federation Trust from 19 September 2011 until 19 September 2033. Since the Sydney Harbour Federation Trust was first established in 2001, it has gained significant experience in transforming and managing seven important sites in the Sydney Harbour region and has also gained strong public support for its role. The extension of the life of the trust until 19 September 2033 supports a recent agreement between the Commonwealth and New South Wales governments to transfer title in the land situated at the former North Head Artillery School to the trust until 2032. The extension of the date by which the act is to be repealed will ensure that the trust will continue to manage this iconic site until it is transferred back to New South Wales and will also enable the trust to continue its work of remediating and making available to the public these magnificent former Commonwealth sites for another 26 years.

I would like to put on record the parliament’s thanks to Senator Bartlett and the Australian Democrats for their constructive engagement, particularly their comments on industrial heritage. I live in an area in Brisbane which has great industrial heritage, which is protected. I thank Senator Bartlett for bringing that up. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

INTERNATIONAL TRADE INTEGRITY BILL 2007

Second Reading

Debate resumed from 16 August, on motion by Senator Abetz:

That this bill be now read a second time.

Senator MURRAY (Western Australia) (1.04 pm)—The International Trade Integrity Bill 2007 amends the Charter of the United Nations Act 1945, the Customs Act 1901, the Criminal Code Act 1995 and the Income Tax Assessment Act 1997 to implement the Australian government’s response to three of the five recommendations from the Cole inquiry report. Changes to the latter two acts were also in response to some recommendations from the OECD Working Group on Bribery in International Business Transactions. The bill creates new offences for individuals or corporations who engage in conduct that contravenes a United Nations sanction in force in Australia or who provide false or misleading information in connection with United Nations sanctions or who import or export goods sanctioned by the United Nations without valid permission. It requires a person who applies for a licence or other authorisation order under a United Nations sanction to retain all documentation relating to that application for five years. It requires a person who is granted authorisation under United Nations sanction enforcement law to retain all documentation relating to compli-
inance with any conditions to which authorisation is subject for five years. It provides for approvals granted in respect of the expectation of United Nations sanctions to be invalidated if the application contains false or misleading information or omits any relevant matter. It clarifies the circumstances in which a payment to a foreign public official is not a bribe and it aligns the definition of facilitation payment in the Income Tax Assessment Act 1997 with that in the Criminal Code Act 1995.

This bill is the culmination of a long and expensive period of high contention and political and public agitation. The Australian Democrats wholeheartedly and warmly welcome it and are glad it is going to progress into law. However, I would say that, while the bill implements the first three recommendations of the Cole inquiry, there are still two obvious weaknesses which I would like to bring to the government’s attention. I hope in due course that they will pay attention to them and correct them. Given the high stakes in bribery and corruption, there is a case for arguing that the monetary penalties for corporations remain extremely low at $330,000.

I draw the attention of the government to the fact that Transparency International—a very credible, high-profile international organisation with a very strong Australian chapter populated by extremely worthy individuals—has indicated that, in its view, the penalty should more realistically be close to $10 million, especially when you are talking about major corporations with huge financial resources for which $330,000 is just a sniff and does not matter much at all. So I draw your attention to that.

Further, we know from the Cole inquiry how difficult it has been to uncover material matters, even with recently enhanced royal commission powers, which the Democrats fully supported, and particularly when such material is offshore. The public disclosure laws for Commonwealth offences—otherwise known as whistleblower laws, in popular parlance—are of two types. There are those that affect the public sector under section 16 of the Public Service Act and there are those that affect the private sector, principally in the Corporations Act but also in the Workplace Relations Act. They are different in application, process and effect, but both private and public sector whistleblowing are very important in this particular context. Australia’s whistleblowing or public disclosure laws are weak. It is unlikely that these changes will strengthen the resolve of whistleblowers to come forward about corrupt practices. Frankly, your greatest chance of dealing with corruption where it is offshore is in fact to encourage whistleblowers.

This bill does not address other recommendations from the OECD Anti-Bribery Convention or the shortcomings of Australian law in respect of them. The Senate committee that looked into this bill was advised that the OECD Working Group on Bribery in International Business Transactions will not consider Australia’s response before January 2008, which is extremely slow. Corruption and bribery is a matter which needs constant, urgent and immediate attention. With those remarks, which I hope the government will take on board as a constructive recommendation for further effort in this area, the Democrats strongly support this bill.

Senator MASON (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (1.09 pm)—I would like to thank the Senate Standing Committee on Legal and Constitutional Affairs for their work inquiring into and reporting on the bill. I note that Senator Murray was a participating member on that inquiry and I thank him for his service. The International Trade Integrity Bill 2007 will improve the way in
which Australian agencies administer United Nations sanctions and introduce harsher penalties and tighter restrictions for any who attempt to contravene these sanctions.

The bill stems largely from the first three recommendations, as Senator Murray said, made in the report of the inquiry into certain Australian companies in relation to the Iraq oil for food program, better known as the Cole inquiry. This response, tabled only six months after Commissioner Cole published his report, indicates the government’s continued commitment to addressing the issues raised in the inquiry and ensuring lawful, ethical dealings in all Australian trade.

The government remains committed to ensuring Australian businesses uphold our country’s international obligations in relation to trade sanctions and combating foreign bribery. This bill re-affirms the government’s commitment to these goals and sends a clear message that contravention of United Nations sanctions and bribery of foreign officials simply will not be tolerated. In conjunction with other efforts by the government to raise awareness of international trade obligations, these amendments will encourage a culture of ethical dealing in Australian business that will improve Australia’s excellent reputation in international trade. I commend the bill to the Senate.

Question agreed to.
Bill read a second time.

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

FINANCIAL SECTOR LEGISLATION AMENDMENT (DISCRETIONARY MUTUAL FUNDS AND DIRECT OFFSHORE FOREIGN INSURERS) BILL 2007

CORPORATIONS (NATIONAL GUARANTEE FUND LEVIES) AMENDMENT BILL 2007

Second Reading
Debate resumed.

Senator MURRAY (Western Australia) (1.12 pm)—The Financial Sector Legislation Amendment (Discretionary Mutual Funds and Direct Offshore Foreign Insurers) Bill 2007 and its related bill, the Corporations (National Guarantee Fund Levies) Amendment Bill 2007, bring to some conclusion another contentious, costly and extremely important public issue, namely that arising from the collapse of the HIH Insurance Group. Broadly, the bill aims to bring direct offshore foreign insurers, known as DOFIs, under prudential regulation. It enables information to be collected and collated to determine the nature and scope of discretionary mutual funds operations. The question is whether the added regulation is going to have adverse or positive effects.

DOFIs are foreign insurers that can conduct business either directly, by establishing a subsidiary and applying to APRA for a licence, or indirectly, through the use of Australian insurance brokers with an Australian financial services licence. Discretionary mutual funds are insurance-like funds which retain discretionary power over the payment of insurance in the event of a claim. These DMFs are generally used in circumstances
where mainstream contractually secured insurance is either not available or unaffordable.

Several key issues were identified through the consultation process for this bill. These are the need to protect consumers of insurance and insurance-like products to ensure that Australian businesses remain internationally competitive, to minimise administration costs of compliance, to ensure that the industries and professions in Australia faced with more complex risks have access to adequate types and levels of cover, and to ensure that the implementation of proposed provisions of the bill is not overly burdensome. The bill does address recommendations by Justice Owen at the royal commission into the failure of the HIH Insurance Group. He recommended prudential regulation be extended to all discretionary insurance-like products to the extent possible within constitutional limits. He also commented on insurance cover written offshore, but made no specific recommendations. Whilst this proposes prudentially regulating DOFIs with the Insurance Act, DMFs, who offer insurance-like products, will remain unregulated, contrary to commission recommendations. The government has instead opted to empower APRA to collect data on the nature and scope of DMF businesses in Australia over the next 12 months, and this indicates a concern as to possible effects of introducing regulation without further understanding the detail and the nature of DMFs.

In response to Justice Owen’s comments, the government did commission a review of discretionary mutual funds and direct offshore foreign insurers, headed by Mr Gary Potts. Potts made a number of key recommendations, and the proposals for DMFs in the bill do not match the recommendations of the Potts review or the HIH royal commission recommendations, as I said earlier. It should be noted that the data collection recommendation of the Potts review pertains to DMF business that is deemed of no contingent risk. Clearly a contingent risk arises in a predominant amount of business underwritten by DMFs.

The bill was referred to the Senate Standing Committee on Economics, on which I sit, for inquiry and report. While most of the submissions indicated support for the bill, concerns were expressed regarding the ability of professions to obtain adequate levels of professional indemnity insurance, the access of Australian companies to DOFIs and the lack of clarity regarding exemption provisions in the bill. The committee also noticed evidence that Treasury is planning further consultation with stakeholders regarding exemptions, and it aims to achieve a balance between maintaining prudential standards with exemptions that are practical and of minimal cost to government and consumers as well as being flexible in adapting to insurance market cycles. In its report, the Senate committee stated it is:

...satisfied that the consultative mechanism to be implemented by Treasury with regard to DOFI exemptions will produce a set of regulatory provisions that will satisfy the requirements of Australian businesses for access to suitable insurance products, while still maintaining the required prudential standards for the insurance industry. The Committee supports the closure of regulatory gaps identified by the HIH Royal Commission, and the International Monetary Fund. The Committee does not share the fears expressed by some witnesses as to possible significant negative market effects from changes to regulation. Nonetheless, Treasury and APRA should actively monitor market effects to be certain of this.

The point of me emphasising that quote and making the remarks I have is that this is a contentious and difficulty policy area with market effects which are very difficult to ascertain and it requires ongoing analysis and observation by Treasury. The Australian Democrats and I support the committee’s
conclusions but we would urge government, in the light of the fact that these policy decisions are contrary in some respects to the HIH royal commission and the Potts review, to continue to monitor this area and to report on this area periodically, as required, to the Senate and to the markets as a whole. The Democrats do, of course, support a financial framework that protects Australian consumers from unregulated and therefore high-risk insurers. A strong, efficient regulatory framework would ensure underwriters are accountable and consumers are protected. We support the bill in full.

Senator MASON (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (1.19 pm)—I thank Senator Murray again for his eloquent and erudite contribution, and I commend the bills to the Senate.

Question agreed to.

Bills read a second time.

Third Reading

Bills passed through their remaining stages without amendment or debate.

FINANCIAL SECTOR LEGISLATION AMENDMENT (SIMPLIFYING REGULATION AND REVIEW) BILL 2007

First Reading

Bill received from the House of Representatives.

Senator MASON (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (1.20 pm)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

FINANCIAL SECTOR LEGISLATION AMENDMENT (SIMPLIFYING REGULATION AND REVIEW) BILL 2007

This Bill introduces measures to streamline and simplify prudential regulation of the financial sector and builds on the Government’s efforts to cut red-tape.

This Bill also amends Part 23 of the Superannuation Industry (Supervision) Act 1993 (SIS Act) so that financial assistance, where the fund has suffered loss as a result of fraudulent conduct or theft, is available on a more equitable basis. It also makes technical amendments that are consequential on the enactment of the Legislative Instruments Act 2003.

Streamlining Prudential Regulation

Schedule 1 to this Bill amends the Banking Act 1959, Insurance Act 1973, Life Insurance Act 1995 (Life Act), SIS Act (collectively known as the four prudential Acts) and the Corporations Act 2001 (Corporations Act) to implement the Government commitments relating to prudential regulation in response to Rethinking Regulation, the report of the Taskforce on Reducing Regulation Burdens on Business (Regulation Taskforce).

It also includes measures to streamline and simplify the prudential Acts in a manner that is consistent with the Regulation Taskforce’s findings. Rethinking Regulation found that ‘Australia’s financial and corporate sectors, and the associated regulatory structures, are highly regarded internationally’ and that the ‘broad policy framework has widespread support within business and the wider community in Australia’.

However, Rethinking Regulation also noted that there is scope to improve the regulatory framework in some areas.
The Government accepted all the recommendations in *Rethinking Regulation* relevant to prudential regulation. Most of those recommendations which require legislative amendment have been included as measures in this Bill.

There is support within the industry for these measures. These measures have been subject to extensive consultation through the release of a proposals paper, an exposure draft of the Bill and an industry roundtable discussion on the draft Bill.

The Government has listened to industry and as a result of the consultation process, amendments requiring trustees to ensure that investment managers and custodians meet fit and proper criteria have been removed from the Bill.

Also as a result of consultation, Registrable Superannuation Entity licensees and superannuation entities now have twelve months from date of Royal Assent to display an Australian Business Number on certain documents.

The prudential Acts administered by APRA and related legislation, such as the Corporations Act, have often evolved separately and in response to industry developments, and there is scope to refine and update the four prudential Acts to make them more consistent.

Recommendation 5.8 of *Rethinking Regulation* highlighted breach reporting as a particular area where the Government should seek to improve consistency and reduce the compliance burden.

Consistent with this Recommendation, this Bill includes measures to streamline and improve breach reporting, including:

- that only significant breaches need to be reported under the prudential Acts;
- harmonised timing requirements under the prudential Acts and the Corporations Act for the reporting of breaches so that significant breaches will generally have to be reported to APRA as soon as practicable and, in any event, no later than 10 business days after the entity becomes aware of the breach;
- streamlined breach reporting requirements so that where an actuary or auditor identifies a breach and is required to notify APRA and the regulated entity of the breach, the entity is not required to also report the breach to APRA. The reverse also applies; and
- where a breach is currently required to be reported to APRA and ASIC, that the breach will only need to be reported to APRA. APRA will have arrangements in place to pass the information on to ASIC.

These changes to breach reporting will reduce costs, duplication and effort for the financial sector.

Recommendation 5.4 of *Rethinking Regulation* stated that the Government should ensure that APRA has sufficient flexibility to tailor requirements to accommodate differing circumstances.

This Bill will provide APRA with greater flexibility to exercise discretion under prudential standards and allow APRA to exempt a person or class of persons from parts of the prudential Acts so that entities are not unnecessarily burdened by requirements not appropriate to their situations.

This Bill also includes measures to simplify legislation, remove unnecessary regulation and ensure the prudential regime is flexible, consistent and transparent. In particular, the measures relating to the Life Act will repeal around one third of the sections under the Life Act, greatly streamlining the Act.

**Financial Assistance**

Part 23 of the SIS Act enables the trustee of a superannuation fund to apply for a grant of financial assistance where the fund has suffered loss as a result of fraudulent conduct or theft.

Following on from a review into the operations of Part 23, a number of amendments to the SIS Act are being made in Schedule 2 of this Bill so that financial assistance is available on a more equitable basis.

The amendments include:

- removing the differences between the treatment of accumulation and defined benefit funds;
- allowing former beneficiaries to obtain financial assistance under Part 23;
- allowing funds which were eligible for Part 23 assistance at the time the loss was suffered, but which subsequently restructured
into Self Managed Superannuation Funds, to obtain financial assistance; and

• streamlining the Part 23 application process.

These amendments will ensure that financial assistance under Part 23 of the SIS Act is available on a more equitable basis and will enhance the operation of the Part 23 application process.

**Accounting and Reporting Obligations**

As part of the streamlining prudential regulation reforms, Schedule 3 to this Bill amends the SIS Act, the Superannuation (Self Managed Superannuation Funds) Taxation Act 1987 and the Income Tax Assessment Act 1936, to:

• consolidate and rationalise the prudential reporting requirements under the SIS Act;

• distinguish between reporting requirements relating to Registrable Superannuation Entities and Self Managed Superannuation Funds; and

• remove the regulatory gap that exists in the SIS Act for the reporting of contraventions of the market conduct and disclosure provisions in the Corporations Act.

The consolidation and rationalisation of the prudential reporting requirements in the SIS Act aims to ensure ease of compliance by superannuation entities. This assists the regulator in its prudential supervisory activities and promotes confidence that the entities providing superannuation services are prudently managed.

**Technical Amendments relating to legislative instruments**

Schedule 4 amends various legislation, including the prudential Acts, to make technical amendments that are consequential on the enactment of the Legislative Instruments Act 2003.

These amendments do not in any way affect the operation of the legislation.

**Conclusion**

The measures in this Bill address many of the concerns of the financial services sector by removing regulatory overlaps, providing greater flexibility for APRA to tailor prudential requirements to particular circumstances and removing unnecessary or outdated provisions.

Full details of the amendments are contained in the explanatory memorandum.

**Senator MURRAY** (Western Australia) (1.21 pm)—In the normal course of events, I might have been a bit alarmed at the process we have just gone through and the fact that the second reading speech has only just been circulated. However, I have the benefit of having sat on the Senate Standing Committee on Economics, which has considered this bill; therefore, for me to claim ignorance of the government’s position would be stretching things a little far. So I am quite happy for it to be introduced and to proceed on this basis.

The Financial Sector Legislation Amendment (Simplifying Regulation and Review) Bill 2007 has four schedules containing a range of measures, including proposed changes to streamline and simplify prudential regulation in the financial sector—changes intended to ensure that, where a superannuation fund has suffered loss as a result of fraudulent conduct or theft, financial assistance is made available on a more equitable basis. The bill has undergone extensive review, with a proposals paper, exposure draft, industry roundtable and a Senate inquiry. May I compliment the government on that process. That is by far the preferable process for legislation. It is not always the process with respect to legislation, but I must say that, when you have a proposals paper, an exposure draft, an industry roundtable and, finally, a Senate inquiry, you have pretty well dotted the i’s and crossed the t’s and done the right things in terms of process. So please accept my compliments.

On these four schedules, as I said, the first one covers streamlining prudential regulation. I do not intend to go through its elements. The second one covers financial assistance. The third one covers accounts, audit and reporting obligations with respect to a number of acts. The fourth one covers tech-
nical amendments. A Senate committee report noted the following key issues: firstly, that the bill introduces a consistent framework of protection for whistleblowers across the prudential acts. However, this framework is generally not consistent with the Corporations Act, nor does it adequately provide discretionary power to a whistleblower to disclose, and questions remain as to the degree of protection afforded to such individuals.

The breach-reporting provisions as drafted have the potential to result in uncertainty and confusion as to which, if any, breaches need to be separately reported to ASIC. The stakeholders that had particular viewpoints that deserve noting in this debate were IFSA and the Chartered Secretaries of Australia. IFSA supports the extension of the whistleblower provisions but considers they should be aligned with existing requirements under the Corporations Act. May I respectfully remark that I disagree with them. It may be that the Corporations Act needs to catch up with these provisions because, whilst you need to have harmonisation of whistleblower provisions, you actually need to keep advancing provisions in light of experience and, in fact, improving the nature of legislation.

The point of that remark is that it is incumbent on government to examine all these sets of whistleblower provisions in the private sector—which, as I have said, are in Corporations Law, workplace law and, indeed, in the aged-care area—and ensure that, as far as possible, public disclosures of that kind, the protections that are intended and the contributions towards uncovering wastefulness, mismanagement or fraud are properly promoted and that people get the support that is necessary in what is a very difficult situation when you blow the whistle on an organisation or about an organisation with which you have a connection.

IFSA says the bill seeks to attract the same level of protection to a person who discloses information to one of the named persons—for example, APRA, the auditor, the actuary, a director or senior manager—but that having two tests to be met introduces subjectivity into the prudential acts. These tests are: firstly, that the information concerns misconduct or an improper state of affairs or circumstance in relation to the regulated entity; and, secondly, the discloser considers that the information may assist the person to whom the disclosure is made to perform the person’s functions or duties in relation to the regulated entity. May I say again, with respect, that subjectivity is indeed a part of public disclosures of these kind. It is not necessarily a criticism that that element is within the legislation.

I note, by the way, that the Australian Bankers Association welcomed the simplification and clarification of some operational matters but said that others require clarification and further regulatory guidance. I would suggest to the government that this bill, which does intend to simplify regulation, will need monitoring. There are inevitable consequences to changing regulation, and you will inevitably get complaints from market participants. The intent of the bill is right. Its achievements are mostly in the right direction. The Australian Democrats certainly support this bill.

Senator MASON (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (1.26 pm)—in reply—I again thank Senator Murray for his contributions to financial and corporate sector reform. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.
NATIONAL HEALTH AMENDMENT (PHARMACEUTICAL BENEFITS) BILL 2007
Second Reading
Debate resumed from 15 August, on motion by Senator Abetz:
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.

PRODUCT STEWARDSHIP (OIL) AMENDMENT BILL 2007
Second Reading
Debate resumed from 16 August, on motion by Senator Abetz:
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.

OFFSHORE PETROLEUM AMENDMENT (MISCELLANEOUS MEASURES) BILL 2007
Second Reading
Debate resumed from 15 August, on motion by Senator Abetz:
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.

BUILDING AND CONSTRUCTION INDUSTRY IMPROVEMENT AMENDMENT (OHS) BILL 2007
Second Reading
Debate resumed from 12 September, on motion by Senator Johnston:
That this bill be now read a second time.

Senator MURRAY (Western Australia) (1.29 pm)—The Building and Construction Industry Improvement Amendment (OHS) Bill 2007 is to amend the Building and Construction Industry Improvement Act 2005. It will change the process of appointing federal safety officers. It will extend the application of the Australian Government Building and Construction Occupational Health and Safety Accreditation Scheme to cover situations where building work is funded by the Commonwealth or a Commonwealth authority. It will ensure that persons are accredited under the scheme at the time of entering into a contract for building work and also take the necessary steps to see that such persons are accredited while the work is being carried out. It will extend the accreditation requirement to funding arrangements beyond those currently contemplated by the legislation. It will clarify that section 35(4) of the act only overrides Commonwealth provisions to the extent of any inconsistency and it allows the federal safety commissioner and persons working in that office to disclose protected information on the scheme to the minister.

Considering these provisions focus on improving occupational health and safety in the building and construction industry, the Democrats will be supporting the bill. Few would deny worrying safety problems in this industry. Overall, though, we must keep in mind that the unions mostly address workplace health and safety measures on a practical and necessary basis. We must also remember that problems in building and other industries are best addressed by the enforce-
ment of existing law through a well-
resourced and independent regulator.

On this point, I would like to take this op-
portunity to again emphasise that the De-
emocrats’ industrial relations platform sup-
ports a single, national, strong independent
regulator, which we do not have. We have a
multiplicity of regulators in this country, and
that is not to the advantage of the efficient,
effective and safe operation of workplace
law. The Democrats do not support industry
specific regulators such as the Australian
Building and Construction Commission. The
single, national regulator the Democrats en-
visage is one that would absorb the regula-
tory functions of the state departmental in-
spectorates as well as the regulatory func-
tions of the new Workplace Authority and the
Building and Construction Commission. Im-
portantly, the creation of a well-resourced,
independent, single national workplace rela-
tions regulator would put an end to a federal
minister’s discretion and interventionism.

Australia also needs a well-resourced, na-
tional, independent workplace relations regu-
lator to properly regulate and oversee a sin-
gle, national unitary system. Other sectors of
the economy have regulators—like ASIC,
APRA and the ACCC—and so should work
arrangements. The existing regulators in-
clude federal and state departmental inspec-
torates and task forces. These diverse regula-
tors are diffused, dispersed, underresourced
and, importantly, insufficiently independent.
One properly resourced national regulator to
enforce national workplace law would be a
significant improvement on the existing
situation and a significant advance for the
Australian economy and society.

I want to take the opportunity in debating
this bill, which covers workplace law, to
comment briefly on the coalition’s current
and constant attack on the union dominance
of the Labor Party and specifically of
CFMEU influence on Labor. All that the coa-
lation attack has shown is the cowardice, op-
portunism and lack of principle of the Lib-
eral Party. Why do I say that? I say it be-
cause the Liberals tomorrow could introduce
a one vote, one value requirement to elec-
toral law. At a stroke, that would give power
in the Labor Party back to their financial
members and end it for union members who
are not party members. The ALP has internal
voting systems that result in exaggerated
factional voting and the block power of un-
ion officials, who are allowed to use the
large numbers of union members—the great
majority of whom are not party members—
to achieve and exercise power within the
political party.

The Joint Standing Committee on Elec-
toral Matters took the first step with its rec-
ommendation to introduce one vote, one
value in political parties in its report on the
integrity of the roll. Some ALP reformers
aim to make the process of trade union af-
filiation to political parties more transparent
and democratic, so it does have support
within the movement as a whole. Unions
affiliate on the basis of how many of their
union members, the great majority of whom
are not party members, their committee of
management chooses to affiliate for. The
more members a union affiliates for, the
greater the number of delegates that union is
entitled to send to an ALP state conference.
Individual members of that union have no
say as to whether they wish to be included in
their union’s affiliation numbers or not. Af-
filiation fees paid to the ALP by the union
are derived from the union’s consolidated
revenue.

I have outlined detailed amendments to
address these issues in my Joint Standing
Committee on Electoral Matters 2004 elec-
tion minority report, which repeats remarks I
have made over the last decade. But, as I say,
because the coalition think union influence
in Labor is good for the Liberals politically, they continue to attack a situation that is in their power to correct. The Liberals are unwilling to change electoral law and take Labor on, the journalists are unwilling to ask the hard questions of the Liberals as to why they will not do so and, in my view, the Liberals lack the ethics, integrity and principle required to introduce good political governance into the party system. I am of the belief that outsiders should not have the ability to influence political parties and the way in which they operate, and that is why I oppose the way in which the unions are able to exercise undue influence, over and above that of financial members of the Labor Party.

This is not news for anyone who has followed what I have said in this chamber over the last decade, and people know my advocacy in it, but I am extremely irritated by the constant reiteration by the Liberals of their views about union bosses when in fact it is their very own policy which allows the situation to continue. I think that is contrary to good policy and I wish they would stop it. Until they decide to change it and until the Labor Party decides to face up to that issue, the influence of unions will continue in the Labor Party in its current construction. One vote, one value, which gives power back to financial members of a political party—any political party—would end this.

The other reason I want to remark on this bill is with respect to Work Choices. This chamber knows that I and my party are opposed to the Work Choices legislation. We wish it had not passed and we wish to get rid of it. Because we have that view, I have been paying great attention to the various policies that have been put out with respect to the federal election that is forthcoming. I have had a look at the policies of the coalition, Labor, Democrats, Greens and so on across a range of issues, and a very interesting thing emerges, in my view. What emerges is that the result of Labor’s movement across to the centre in industrial relations matters is that they, the coalition and the Democrats all are pretty well talking on the same page.

That may seem surprising to those who have seen the ACCI’s remark that there are 30 major differences between the coalition and Labor. So what do I mean? I mean that, broadly speaking, in the areas of safety nets, awards, agreement-making, industrial relations machinery and so on, the parties have similar concepts and language but differ in application and proposal. I will not minimise the effects of that, because the effects are significant, but we are, broadly speaking, on the same page.

That leads to an ability to compromise and negotiate. For instance, the Labor Party had never signed up to a unitary system but now do, as have the Democrats. We have long promoted this. In fact, we promoted it ahead of the coalition. The coalition is obviously on that page.

With respect to the right to strike, the coalition, the Democrats and Labor are on the same page, in that it should be restricted to protected action. With respect to union rights of entry, we are all on the same page in terms of restrictions to the time and place, and on issues such as notice periods. For instance, the Labor Party’s policy with respect to right of entry refers to 24 hours notice, the place of meeting determined by the employer, the retention of the fit and proper test, and so on.

With respect to secondary boycott laws, the parties—the coalition, Labor and the Democrats—want to retain them.

Why do I draw attention to this? I draw attention to this because of an irony that has emerged. I am very glad that Senator Siewert is here to respond to my remarks because she may be able to spell it out a little more clearly. There is one party that is not on the same page—the Greens. The Greens oppose
Work Choices. They support a state system, not a unitary system. They support an open-ended right to strike; we, Labor and the Liberals do not. The Greens support free right of entry and open-ended awards. I am content, as always, for them to have their own point of view, because that contributes very well to the debate, but the point that I am making is that a vote for the Greens is a vote to keep Work Choices.

If you hold a position which is so far distant from Labor’s, and you also have a history of not negotiating or compromising in this place, how on earth are you ever going to come together in the Senate to agree on a package which will pass? If that is so, Work Choices will stay. The Greens cannot negotiate or compromise because they are not on the same page as the rest of us. It amuses me vastly, and I think it is a great irony, that the left-wing unions have arrived at a position to support a party—because that party strongly opposes Work Choices and a return to an old federal system, an open-ended right to strike and an open-ended right of entry—which will not be able to agree with Labor’s new position, and therefore Work Choices will stay. That is why we have the odd circumstance where a vote for the Greens will end up keeping Work Choices. You can correct me if you like, but I cannot see the Greens and Labor coming together, given how far apart their policies are.

Senator Mason—It is very cunning.

Senator MURRAY—It is amazing, and it is an irony. I thought I would take a non-controversial moment in our legislative program to put what I would suggest is quite a controversial situation. By the way, I have mentioned this to others and people seem remarkably unwilling to come close to this extraordinary conundrum. How can the Greens and Labor ever get together in the Senate after 1 July 2008 to get rid of Work Choices when they are so far apart and when they are not on the same page?

I ask the question of you, Senator Siewert. I hope that you can indicate that you are able to move toward a unitary system, that you will restrict the right to strike and that you will restrict the right of entry. I hope that you will address these issues which make the Greens so far apart from Labor that we will not be able to get rid of Work Choices. I say that as a person who has advocated very strongly and very vigorously for Work Choices to go.

Senator SIEWERT (Western Australia) (1.42 pm)—I will address, a little bit later, some of the issues raised by Senator Murray. I have to say at the outset, though, that I think some of his comments were quite disingenuous given the debate that has been going on in the media recently. However, first off I will deal with the bill.

The Building and Construction Industry Improvement Amendment (OHS) Bill 2007 deals with a very important issue. It deals with safety in the building and construction industry. There is no question that the building and construction industry is one of the most dangerous industries in Australia, and this is recognised across the board. When introducing this bill the minister acknowledged that fatalities in this industry make up one-third of all workplace fatalities, and that there are over 30 injuries per day. The Australian Greens will not be opposing this bill. This is because the bill contains much needed provisions for a health and safety accreditation scheme for building contractors.

However, we believe it is important to recognise that this scheme exists within the context of the Building and Construction Industry Improvement Act. We have, in the past, put on record our opposition to this act, and to the Australian Building and Construc-
tion Commission that it creates. This is an act that the Australian Greens are steadfastly opposed to, and we will continue to oppose it. It is an act which we believe has seriously undermined the health and safety gains made in recent decades for workers within the building and construction sector.

We do not want to see a return to the bad old days of Australian construction sites when you had 17-year-olds falling off buildings on their first day of work, or when there were no toilets or sheds on worksites, and when there were few safety rules and even less enforcement to ensure that there were no unsafe work practices.

There are a number of reasons for our opposition to the BCII Act, one of which is the way it has undermined the health and safety of workers in the building industry. The primary purpose of the act, we believe, is to intimidate building workers and stop them from doing what are otherwise considered their lawful duties in our democratic society. We have grave concerns that the restriction of legitimate union activity, whether directly or indirectly, will impact adversely on health and safety at building sites across Australia.

In a previous speech in this place, I outlined our concerns about this act and how the ABCC have been operating, particularly the way these laws remove basic civil and democratic rights of workers. The ABCC have been given what are very clearly coercive powers, and I have heard worrying stories about the way in which they have been using them. Due to this act, ordinary Australian workers have no right of silence, limited access to bona fide legal representation and a threat of six months jail for being involved in or possibly having knowledge of industrial actions that were not illegal at the time that they were said to have occurred.

The workers caught up by these laws are being denied basic democratic rights to procedural fairness and natural justice that all of us normally take for granted. These workers are being treated with fewer rights than someone who has committed a very serious criminal offence. It is all very well for the government to use the sphere of ‘union bosses’ in an attempt to justify this act, but the reality is that this act is hurting ordinary Australian workers. There are now well over 100 workers who have been prosecuted—some would say persecuted—under the act. The arbitrary and extreme way in which the ABCC operates has led, as I understand it, to people being prosecuted, even in circumstances where they were not present at a site to take the industrial action that is the subject of the prosecution.

That is extraordinary. These people have been put through extraordinary distress in a period of their lives, with prosecutions, legal bills and court hearings as part of what effectively amounts to an ideological assault. Imagine being on leave or working on a different site, then something happens at work—which you are not involved in and may not even know anything about—and the next thing that happens is that you are prosecuted.

Some of the stories of people affected by this act can be seen in a new film that is available on DVD entitled Constructing Fear: Australia’s Secret Industrial Inquisition. It is a very apt title. Fear is what this act is about. I have also heard other stories about what practices this act is leading to: breaches of safety regulations, very unsafe work practices, which workers are in fact starting to document and which will, I think, come to light in the near future. We need to take a serious look at the impact of this act on workers’ health and safety.

Recently I was contacted by a constituent who has been prosecuted under these laws. I will not go into the details of his case be-
cause it is still ongoing, but I wish to read to the chamber how this person described his experiences. He is now having difficulty finding work, which has led to him going into increasing debt. He says:

I was a contributing member of society and am now threatened with jail, fines and a huge bill even if I win. I have not recovered from my debts but I am finding little bits of work, most of which is outside my trade as a carpenter.

I believe that these workers are courageously facing an assault from a government which is pursuing an ideological agenda and they need our support. He goes on to say:

I cannot on my name leave such a mess for future generations. I will get some comfort from the fact that I will be able to sleep with a clear conscience and can only hope that those that use workers as political pawns lose theirs.

These are emotive words, but they reflect the reality of the effect of these laws on people’s lives. It is simply not sufficient to justify laws that are hurting ordinary working people in the way these laws are purely on the grounds of profitability and economic returns.

The Greens’ point is simple: we should not be allowing bosses in this or any other industry to gamble with workers’ lives. Cutting corners on workplace health and safety is clearly a form of gambling: a few bucks saved and a few extra minutes worked here and there in the hope that an accident will never happen. The costs of losing this gamble are enormous not only in the loss of lives—which is a reality—and injuries but also in terms of down time and lost productivity, which occurs when things go wrong. The odds are that, if you are dropping occupational health and safety standards, sooner or later something will go wrong. This is the kind of gamble that we should not be letting anyone even attempt.

Previously in this place I have told stories of Perth’s construction boom, which illustrates this culture of cutting corners—for example, where crane drivers have been threatened with prosecution if they take longer than five minutes each morning with their pre-start safety checks and of construction workers on the railway working 13 long days without a break and then being told they have no choice but to work the following weekend. Behind each of these stories was the threat from the boss that they would bring in the ABCC.

We are told by the government that they want to move us into a less adversarial industrial relations environment, yet there is no more adversarial body than the ABCC and its modus operandi. These comments are relevant to the bill before this place today because the Greens, like many others, hold grave concerns that a consequence of this act and the activities of the ABCC will be to intimidate workers into silence on occupational health and safety issues and, further, that they will intimidate workers into not wanting to be an occupational health and safety representative on site, which will hinder the very important role unions play in ensuring safe workplaces. This will, potentially, lead to even worse health and safety outcomes on building sites and even more workers and their families suffering injury. We believe this is unacceptable.

I now turn briefly, because I am aware of the time allotted to me, to some of the issues which Senator Murray has just raised. We believe that the Greens have the best industrial relations policies of all the parties, as I think Senator Murray articulated in his way. We want to see the end of Work Choices. This issue has been raised publicly. For your benefit, Senator Murray, in case you missed Lateline last week or the week before last, the leader of the Australian Greens, Senator Brown, articulated our position on Work Choices. We are unequivocally opposed to it and want to get rid of it. We will not vote to
see it retained, but we will push the ALP to improve their policy.

We have made no secret of the fact that we are extremely concerned about the ALP’s policy, we will do everything we can to encourage them to improve their policy and we will negotiate with them to try and achieve some amendments, but we will not let Work Choices stand if we can do a single thing about it. Does that clarify matters for you, Senator Murray?

Senator Murray—I wanted to know if you were going to vote for the ALP bill.

Senator SIEWERT—We will look at the bill when it comes through and we will try to amend it to improve it. However, as I said, we are unequivocally opposed to Work Choices and will do everything we can to move to a fairer and more just industrial relations system in this country.

Moving back to the bill, the Greens do not oppose the bill, but we seek to put on record our extreme concerns with the BCII Act and the modus operandi of the ABCC. We do not think it should continue to operate in its manner of intimidating workers, with its coercive powers. We believe it has no place in a democratic Australia and we will seek to do everything we can to have it disbanded as soon as possible.

Senator MASON (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (1.53 pm)—I thank senators who have contributed to the debate on the Building and Construction Industry Improvement Amendment (OHS) Bill 2007, as well as those broader issues canvassed this afternoon—they are perhaps even more interesting. This government is committed to workers’ safety. This bill is about saving lives, improving the occupational health and safety performance of the construction industry and developing a culture where work is performed safely as well as on budget and on time. This bill strengthens the Australian Government Building and Construction OHS Accreditation Scheme by implementing changes to the scheme. The bill enables the government to increase its influence as a client and provider of capital to improve the building and construction industry’s occupational health and safety performance. The bill also contains some technical amendments concerning the appointment of federal safety officers and the disclosure of information to the minister. These amendments strengthen what is already a strong base for improving the occupational health and safety culture of the building and construction industry. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

Sitting suspended from 1.56 pm to 2 pm

QUESTIONS WITHOUT NOTICE

Interest Rates

Senator SHERRY (2.00 pm)—My question is to Senator Minchin, the Minister representing the Prime Minister. Is the minister aware that Australians now owe a total of $40.8 billion on credit cards? Doesn’t this mean an average of $3,000 is owed on every one of the 13½ million credit cards in Australia? Is the minister further aware that, since interest rates went up for the ninth time in a row last month, banks like Westpac, NAB, BankWest and St George have increased credit card rates by up to 1.25 percentage points—that is, 1.25 per cent in just one month? If interest rates keep going up, how will families ever be able to pay off the $3,000 they already owe on each of their credit cards and meet their mortgage repayments? Doesn’t this again show why families...
are angry with the Howard government, which broke its promise to them that it would ‘keep interest rates at record lows’?

Senator MINCHIN—This is the weekly trailing out of a tired old interest rates question with a false premise. The false premise, of course, is what we said to the Australian people at the last election. We said to the Australian people at the last election that they could be confident that a coalition government would ensure that interest rates were lower than they would be under a Labor government. We have honoured that pledge. It remains astounding that interest rates today are lower than they ever were in the 13 years of the Labor government.

Interest rates are lower today than they were when we came into government. The average mortgage interest rate under us is much lower than it ever was under the last Labor government. There is an obvious answer as to why that is. It is the responsible economic management of this government which has kept interest rates low, unlike that of the previous Labor government, which lost control of the economy and brought on the recession we had to have and the 17 per cent interest rates that threw people out of their houses and their businesses and threw hundreds of thousands of people onto the dole. It was a disgraceful period of government.

We are proud of our record in government of keeping interest rates much lower than they were under the previous Labor government. We will again go to the people pledging honestly that they can be sure that under a coalition government interest rates will be lower than they ever would be under a Labor government.

Senator SHERRY—Mr President, I ask a supplementary question. Five interest rate increases in a row since the last election! Keeping interest rates low—that was your promise. Minister, given an extra $1,200 is being put onto every credit card in Australia every month, how will families ever be able to afford to pay off their credit cards, cope with rising childcare, grocery and petrol prices, and deal with the government’s attack on their working conditions? Is the Prime Minister really so out of touch that he thinks this shows ‘working families in Australia have never been better off’ and keeping interest rates at record lows?

Senator MINCHIN—Under this government, real wages have risen 20 per cent in real terms. How much did they rise under the Labor government? They did not rise at all in 13 years; there was no increase in real wages. Under us they have gone up 20 per cent. Inflation is contained. Unemployment is at record lows. Australians are in jobs. They have decided that, with the confidence they have in our economic management, they can afford to borrow money and get the things that they want. And they can afford to do so because real wages are rising and they have got jobs. Under our government that will continue to be the case, unlike if you elect a Labor government, when we will see a return to the bad old days of businesses closing, interest rates rising, people out of jobs. We do not want that for the Australian people. We urge the Australian people, when they face the choice in the next few months, to vote for us and to vote for the continuity of jobs, low inflation and low interest rates.

Public Sector Employment

Senator TROETH (2.04 pm)—My question is to the Minister for Finance and Administration, Senator Minchin. Will the minister inform the Senate of today’s figures concerning public sector employment in Australia? What do these figures indicate about the size of government at the federal and state levels? Is the minister aware of any
proposals to create several new bureaucracies across the federal government?

Senator MINCHIN—I thank Senator Troeth for that good question. Today the ABS did release figures on public sector wage and salary earners and they indicate that at May this year there were 231,100 people employed by the federal government across all public sector agencies. That compares with 352,800 employees in February 1996, before our election to government. So in the 11 years since our election, a period in which two million new jobs have been created across the Australian economy, we have managed to reduce the cost to taxpayers posed by the Commonwealth public sector. That is in keeping with a strongly held philosophical commitment of the Liberal and National parties to ensuring that the public sector is efficient, effective and no larger than is necessary to implement good policy.

Of course, in contrast, the state level is very different. While the federal public sector has shrunk by 121,700 in the last 11 years, the state public sector has gone up by no less than 202,000 people. The biggest increases of course have been in the three large states—New South Wales, Victoria and Queensland—since the election of Labor governments in those states. Since the election of the Carr government originally in March 1995, New South Wales public sector employment has grown by 52,000 or 15 per cent. Public sector employment in Victoria since Labor was elected has grown by 69,700 or 28 per cent. In Queensland since Labor came to office, public sector employment has gone up by 27 per cent.

Given that clear contrast between the record of state Labor governments and our federal government, it would hardly come as any surprise to learn that the federal Labor Party is promising an explosion in new government departments, agencies, quangos and committees. So far, Mr Rudd and the Labor Party have promised to create 30 new government bodies and undertake around 58 reviews and inquiries.

This great expansion in bureaucracy and red tape will prove very expensive. It highlights that the Labor Party in fact has absolutely no plan for the future of this country. In the absence of proper and well-considered policies, the ALP promises nothing more than to create task forces and look into things. This is the ultimate triumph of Kevin Rudd, the career bureaucrat, whose long-term plan for Australia amounts to a grab bag of quangos and reviews.

Most oppositions, of course, run around claiming to be against duplication and waste. The federal Labor Party is determined to embrace both. The Labor Party has promised to create a Commissioner for Children, as well as an Office of Children and Young People—not to be confused with the Office of Early Childhood Education or indeed the Australian Early Development Index National Support Centre. Labor senators might enlighten us as to the respective roles of the National Health Reform Commission as opposed to the Health and Hospitals Advisory Group or the Expert Task Force on Preventative Health—which is different, I suppose, from the National Preventative Health Care Partnership. There is an absolute swamp of red tape that the Labor Party propose to create because they have not done the hard work to plan how to keep Australia’s economy strong and our future secure.

State Labor governments have elevated idleness and procrastination to an art form. The state bureaucracies are growing out of control, while the quality of service at state level is actually going backwards. Ask anybody in Sydney who has caught a train lately what government services are like at the state level. The Rudd Labor opposition will be no
different. They want to spend vast sums of money on duplication, waste, quangos and the rest of it, because they have no plan for the future and cannot deliver.

**Housing Affordability**

Senator LUNDY (2.09 pm)—My question is to Senator Scullion, the Minister representing the Minister for Families, Community Services and Indigenous Affairs. Is the minister aware that families now need to earn $148,000 a year in Sydney, $133,000 a year in Perth, $112,000 a year in Canberra, $110,000 a year in Darwin and $97,000 a year in Brisbane just to afford the repayments on a medium priced home? Is the minister further aware that data from the 2006 census showed that the median family income in these cities is up to $61,000 a year less than these amounts? Doesn’t this show why many young families can no longer afford to buy their own home? Isn’t this a direct result of nine interest rate hikes in a row that have added $433 to monthly repayments on a $300,000 mortgage? How could the government have broken its 2004 promise to young families that it would ‘keep interest rates at record lows’?

Senator SCULLION—As I rose, my colleague Senator Johnston noted that those figures are nonsensical. I would have to agree with him. I think you must be quoting from some articles by political correspondent Steve Lewis. On one occasion, in one article, he quoted it as ALP research—hardly what we would call reliable in this environment. In the other article, in the *Advertiser*, he referred to it more accurately as alarming—and alarming I think it is. Now we have the Australian Labor Party providing their own research that indexes the amount of money that people earn against the amount of money people may spend on a house. So the outrageous headlines are: ‘$61,000 short! Can’t possibly afford to buy a house. Can’t possibly afford payments.’

Perhaps we should look for some fairly reliable facts. The Reserve Bank has indicated that one-quarter of owner-occupier borrowings are more than a year ahead on their scheduled mortgage repayments. In other words, 25 per cent of people are doing so well that they have paid a year in advance of their mortgage repayments. Further, 50 per cent of people who are paying off their mortgage at the moment are more than one month ahead in their repayments. There was an article in the *Australian* on 27 July 2007 that said:

The Reserve Bank estimates that less than 1 per cent of all home borrower households are more than 90 days behind on their repayments...

That is right: less than one per cent. So there is no point in pulling out some sort of weird ALP driven data that means absolutely nothing. It is all about fearmongering. What about providing the Australian public with a few facts?

There are some real issues in terms of housing affordability. As I said in this place the other day, if you are buying a $300,000 home in New South Wales, you will be providing $8,990 to the New South Wales state government coffers—to the Labor Party. If those opposite want to do something about housing affordability generally, they should get on to their state and territory colleagues and say: ‘Stop the love affair with money. Stop the love affair with taxes. Start looking after the constituents.’ It is not rocket science. Buying a $300,000 home can be very difficult for people in New South Wales. Having that $8,990 would be a welcome relief for the taxpayers of New South Wales.

Senator LUNDY—Mr President, I ask a supplementary question. Perhaps the minister could answer it. Is the minister aware that first home buyers now spend one dollar out
of every three they earn paying off their mortgage? Doesn’t this mean that mortgage repayments are using up more of a first home buyer’s income than ever before? How will our kids ever be able to buy their own home when the amount they spend on mortgage repayments on top of child care, petrol and groceries keeps going up?

Senator SCULLION—It is very courageous to come into this place and ask, ‘What about first home buyers?’ I will tell you what the Commonwealth and the states have been doing about first home buyers. We provide about $7,700 generally across the board—it varies from state to state—to help home buyers out. If you are a newly married couple in South Australia buying your first home for $300,000, do you know what the Labor Party in South Australia takes off you? Eleven thousand three hundred dollars. Sorry; we give with one hand and the Labor government in South Australia takes it straight from them. A single person in Victoria who has saved up to buy their first home at $400,000 is going to have to tighten their belt a little bit because they have got to come up with another $19,660. So do not have the Labor Party come into this place and lecture us about helping out first home buyers. That is what we have done and you have not. (Time expired)

Internet Content

Senator PATTERSON (2.16 pm)—My question is to the Minister for Communications, Information Technology and the Arts, Senator Coonan. I know that the minister travelled around Australia last week promoting the aims of Child Protection Week. I ask the minister to provide the Senate with details of government action designed to ensure that Australian children are protected from inappropriate and offensive material online.

Senator COONAN—I thank Senator Patterson for the question and for her commitment to the protection of Australian children. I do not think there can be any doubt that our children are our most precious asset, and there is no more important duty for a government than to protect children. During last week’s Child Protection Week, I travelled, as Senator Patterson said, around Australia together with Kieren Perkins, the NetAlert parent ambassador, who has taken a very great interest in this role and in promoting it to young people and parents. Together, we spent the week talking about how parents, grandparents and carers can best protect their families online. The government’s world-leading $189 million NetAlert program Protecting Australian Families Online has been developed to empower parents to manage their children’s online activities safely and in line with their own family values. Importantly, it is also about helping children to manage matters of concern, such as stranger contact and cyberbullying. We are using a comprehensive approach that combines real, practical help with the best available technology, education and tough regulation and policing to ensure that Australian families can get the best of the internet while, of course, minimising potential harm. In total, this is an audacious and comprehensive program to protect Australian families online.

Today, shortly before question time, together with Senator Johnston I announced that the government has established a consultative working group to address the potential abuse of social networking sites by paedophiles and sex offenders, who use the internet for nefarious purposes to contact and groom children. I am very pleased with the range of participants who have stepped forward to take part in the group and particularly welcome the involvement of industry, social welfare and other community representatives. The government is committed to exploring workable ways to eliminate the
misuse of social networking sites by those seeking to exploit children.

I cannot overstate my commitment—or the commitment of Senator Johnston or of anyone on this side of the chamber—or the determination of the Howard government to protect our children from exposure to inappropriate content and dangerous contact online. I am in no doubt that the NetAlert program puts Australia well and truly in front, with a proactive and comprehensive response to online child protection. It is disappointing that some seek to play politics with the protection of Australian children, and, in contrast to Labor’s window-dressing on this issue, the Howard government has now a world-leading, fully funded, comprehensive internet safety program that unequivocally puts Australian families first.

Broadband

Senator CAROL BROWN (2.20 pm)—My question is to Senator Coonan, Minister for Communications, Information Technology and the Arts. Does the minister recall admitting yesterday that the placement of the 1,361 OPEL towers had not yet been finalised? Given that the minister has no idea where the OPEL towers will go, how can she write to individual households, using taxpayers’ money, to tell them that they are ‘likely to benefit from the new broadband service’? Can the minister also explain why she is using these letters to advise residents that they are unable to get wireless broadband, when in fact they already have access to Telstra’s Next G wireless broadband? Why does the minister continue to mislead the Australian public about her second-class broadband network?

Senator COONAN—Thank you to Senator Brown for the question. It is, unfortunately, founded on a number of incorrect assumptions, which I will try to deal with yet again. The location of towers in the rollout of a new national network right around Australia is obviously subject to where they are placed. The indicative position is very clear. Whether they are one metre away from where they were supposed to be on the plan or not is totally immaterial. The towers will go up. We know how many there are and we know where they will go. The implementation plan, as to how the towers are placed and tilted to get the very best results, is clearly something that you need to consult on with experts as you roll out a whole new network.

The critical thing is that the government actually has a plan and a whole new network—and it is a comprehensive plan that will cover the whole population. What is second-class in the broadband debate is the fact that the Labor Party do not even have a plan to cover 100 per cent of the population. This is a complete and utter farce. The Labor Party do not even have a map. They do not have any idea where any plan will go. They have no map, they have no costing, they have no plan, they are going to miss out about three million people, and they have not fronted up to the Australian people to tell them why.

It is about time that Senator Carol Brown asked Senator Conroy—who is trying to duck this issue because he does not have a clue—where the mapwork is that the Labor Party advocate will cover 98 per cent of the population. How is it going to go around a curve and where there is built infrastructure? Senator Conroy misses question time now because he is a bit worried when we ask him to front up, stop hiding and try to be honest with the Australian people about the fact that the Australian Labor Party have a one-size-fits-all plan that misses out the most needy Australians. They are prepared to raid the Future Fund. They wanted to knock off the Communications Fund until we had the foresight to lock it up from the marauding Labor
Party. What we have to do is continue to ask the Labor Party: come clean, tell us what you are hiding, what you are afraid of, and tell the Australian public that you do not have a plan for 100 per cent of the population. You would be lucky to have a plan for three-quarters of the population. Where and when are you going to front up with your own maps and show us where you are placing your own equipment? You have not got a plan, and that is why all you can do is ask us about ours. Keep asking; I am delighted to keep telling you.

Senator CAROL BROWN—Mr President, I ask a supplementary question. Does the minister stand by her repeated claim that the wireless signal will broadcast a minimum of 20 kilometres from the tower? Is the minister aware that the Optus general manager, Mr Peter Ferris, said only last week that the signal would require a line of sight between the towers in order to provide a range of more than six kilometres? Doesn't this reduce OPEL's proposed coverage by over 50 per cent, exposing the minister’s claims as totally false?

Senator COONAN—No, it doesn't. In fact, I can say that the OPEL plan will deliver on the coverage and specifications contended for. I would say to Senator Carol Brown that it is now more than five months since the Labor Party put out a press release, and nothing more has been provided by the Labor Party on their fraudulent broadband claims. If the Labor Party cannot get their head around how to roll out a broadband plan without knocking off $5 billion from the taxpayer, how on earth could they ever be trusted to have the experience to manage a trillion-dollar economy?

Mental Health

Senator BERNARDI (2.25 pm)—My question is to the Minister for Community Services, Senator Scullion. Will the minister update the Senate on the programs delivered by the Australian government that are assisting people with mental illness? Specifically, will the minister provide an update on the valuable Personal Helpers and Mentors program?

Senator SCULLION—In May this year, as Senator Bernardi would be aware, the Prime Minister announced 28 demonstration sites for an innovative new program called Personal Helpers and Mentors, or PHaMs. The PHaMs program assists people who cannot manage their daily lives as a result of mental illness. It helps people by pairing them with a mate who can advocate for them, help them access services, help them integrate with the community and help them live independently.

I met with some service providers this morning from the first 28 PHaMs providers. These are the pioneers of the program and I am delighted to report to the Senate that they have done an absolutely fantastic job. They are very supportive of the program. I was able to let them know this morning that we are expanding the program with an extra 48 sites across the country, at a cost of some $60 million. Altogether, the Australian government will fund around 900 new personal helpers and mentors over five years as part of COAG’s National Action Plan on Mental Health.

Senator Bernardi asked how the government’s commitment compares with that of others. The Personal Helpers and Mentors program is a clear demonstration of our commitment to people with mental health issues, but I wish I could say that about the Labor Party in your home state, Mr President. They cannot demonstrate anywhere near the same support. They have cut funding to disability advocacy services in South Australia. In a recent letter to the Brain Injury Network of South Australia, Jay Weath-
erill, the Minister for Disability, acknowledges that there is increasing demand for disability services and he uses this as the justification to cut funding for disability advocacy services. The letter says that the federal government has similar concerns about advocacy services and has put in place a national disability advocacy program. Yes, Mr President, we had concerns that the demand for disability advocacy services was on the rise, so we expanded them—instead of reducing them as the South Australian government did.

For the information of senators opposite, should they be interested, the National Disability Advocacy Program has been in place for more than 20 years. In this year’s budget, the government announced an additional $12.2 million to be provided to the sector. The minister’s letter infers that South Australia was able to cut its funding because it knew that the Australian government would take up the slack. There is a continued unmet need for services in the community. This government is showing leadership by helping people through programs like the PHaMs program. It is an absolute disgrace that the Labor government in South Australia has cut its programs. It is a further slur upon those opposite, because they will not stand up to their Labor friends in South Australia and because of their abandonment of the most disadvantaged Australians.

**Workplace Relations**

**Senator FIELDING** (2.29 pm)—My question is to Senator Abetz, the Minister representing the Minister for Employment and Workplace Relations. Minister, I draw your attention to comments made by Senator Minchin last year that we do need to seek a mandate from the Australian people at the next election for another wave of industrial relations reform. There is still a long way to go. Given that the government’s Work Choices laws have been such a mess, so unpopular and, according to the polls, are set to cost the government the election, can you explain what the next wave of so-called reforms will be?

**Senator ABETZ**—It is quite obvious, physically and philosophically, that Senator Fielding has been kicking too much with his left foot. But in relation to the issue in the question can I indicate to him that—

**Senator Chris Evans**—Wait for the laughter to subside first!

**The PRESIDENT**—Order! Senator Evans!

**Senator ABETZ**—It just shows what an ungracious Leader of the Opposition in the Senate we have. Even Senator Fielding can crack a smile, but not the arrogant Leader of the Opposition in the Senate. The arrogance of the Labor Party knows no bounds. The situation is that we as a government have indicated that, other than possible finetuning, there are going to be no changes. I dare say that what Senator Minchin may have had in mind when he gave that speech was the need for the fairness test that we introduced, which has secured even further the safety net available to the working men and women of this country—because, if there is one thing the Howard government has always been concerned about, it is increasing the potential for jobs. The great news, for Senator Fielding and others who are concerned about families, is that there are now 416,000 extra breadwinners in the Australian community, helping families make ends meet because of our policies.

But we do not believe in jobs at all costs. That is why we have secured a strengthened, greater safety net for those who are employed at a level of $75,000 or less. What we have shown once again is that the government has this capacity to balance the interests of those vital areas of job creation and
job protection. That is what we have sought to do. The three statistics that I think the government can be relatively pleased about—and we always accept we can do better—are these. Real wages under this government have risen by 20 per cent. Under 13 years of Labor they rose by either nil or one-point-something per cent—but minimally, if at all. We also have the lowest rate of unemployment in 33 years. And, if we have created all this havoc within the industrial community by our changes, can somebody explain why we now have the lowest rate of industrial disputation since records were first kept in this country in 1913?

So I say to Senator Fielding: you can read the headlines, you can read the ACTU reports that come out of their sausage machine week after week, but at the end of the day there are 416,000 extra people in employment because of our policies, and they have achieved real wage increases, over the period since we were first elected, of 20.8 per cent. In anybody’s language that is very good news for the families of Australia.

Senator FIELDING—Mr President, I ask a supplementary question. Minister, given Senator Minchin also conceded that most Australians violently oppose Work Choices and given that many will want to send a protest vote to the government over Work Choices, would you agree that Australians should give that protest vote to Family First, which voted against Work Choices and took a strong stand against the radical laws?

Senator ABETZ—I can assure the honourable senator that that is one question I will not have to take on notice. The best thing Australian families can do if they are concerned for their families is to re-elect the Howard-Costello coalition team. That is the best thing they can do, because that is where the future of this great country lies—in continuing to develop the prosperity that we have now gained the benefits from. I fully accept what Senator Minchin and others have said: that Work Choices was not popular. Can I tell you this: the goods and services tax was not popular, and those opposite thought they could surf into government on the back of a negative campaign against it. What is their policy now? To fully embrace the GST. Remember when Mr Rudd became leader? He was going to rip up Work Choices lock, stock and barrel. Now all of a sudden he is trying to play a dance, because he accepts that Work Choices has many very good elements in it and he realises that he would be destroying over 400,000 jobs if he continued with his policy. (Time expired)

Forest Industry

Senator PARRY (2.35 pm)—My question is to the Minister for Fisheries, Forestry and Conservation, Senator Abetz. Could the minister inform the Senate how Australia’s, and in particular Tasmania’s, forestry practices compare with other countries’, in particular those in the Asia-Pacific region?

Senator ABETZ—I thank the popular government whip in the Senate, Senator Parry, for his question. As we approach another federal election it is most unfortunate that some in this place, particularly the Greens, are desperately denigrating our world-leading and sustainable forest industry. The reality is that, if you really cared about the environment, like we on this side do, you would be supporting the forest industry, not attacking it.

We all need timber and we all need paper—especially the Australian Greens, with their endless demand for reams of paper for their non-stop press releases. This will come as a surprise to the Greens, but paper does grow on trees. So it is not a matter of whether or not you harvest trees; it is a matter of how well you do it. The fact is that here in Australia, and in my and Senator
Parry’s home state of Tasmania, nobody does it better. Almost 22 million hectares of forest are reserved in this country. In Tasmania, 47 per cent of the native forests are locked up, including one million hectares of old-growth forest. And let us not forget: Australia’s forest industry is the only carbon positive sector of our economy—the only one.

Senator Parry asked how our forestry practices compare with other countries. Earlier this week Senator Brown finally responded to my challenge to demonstrate some knowledge on forestry and name a country that has better forest practices than Australia and he foolishly cited New Zealand. So how do Tasmania’s forestry practices, which Senator Brown so vilifies, compare with New Zealand’s, which he cites as having better practices? Let us start with native forest cover as an area of land mass. Tasmania has 50 per cent while New Zealand has 29 per cent. So let us start up the bulldozers, get the chainsaws out, adopt Senator Brown’s policy and knock over another 21 per cent of our forests! What about plantation areas, which Senator Brown so despises? As a percentage of land mass in Tasmania they are 3.9 per cent while in New Zealand they are 8.2 per cent. So I ask: how are we going to increase our plantations—by converting old-growth forests or converting farmland? What about downstream processing like pulp mills? Tasmania only has one, and I misled the Senate the other day—New Zealand does not have six, it actually has seven. So why does he oppose pulp mills?

We can then look at the total forest estate. In Tasmania the total forest estate is increasing and in New Zealand it is decreasing. Finally, how about the use of 1080 poison? In Tasmania we use 1.2 units of 1080 per annum. In New Zealand they use two to three units. But do you know what the difference in the units is? In Tasmania it is 1.2 kilograms and in New Zealand it is two to three tonnes. Two thousand times as much 1080 is used in New Zealand than in Australia, and yet Senator Brown asserts that somehow he is against the use of 1080. Indeed, in New Zealand they use 80 per cent of the world’s production of 1080 and in my home state of Tasmania it is 0.03 per cent. And Senator Brown says that we should adopt New Zealand’s forestry practices. (Time expired)

Senator PARRY—Mr President, I ask a supplementary question. In light of his answer, could the minister further explain forestry practices in New Zealand?

Senator ABETZ—In New Zealand they rely very heavily on the sterile monoculture of radiata pine plantations, unlike Australia. Australia relies on native forest, which provides habitat to our endemic species so that the wildlife can coexist with it—unlike the sterility of those pine forests. But what is the real difference between Australia and New Zealand? For the past decade Australia has had the benefit of a Howard coalition government that looks after jobs, looks after industry and looks after the environment. In New Zealand you have a Labour government, in cahoots with the Greens, destroying the environment, destroying jobs and destroying the forest industry. So I warn the Australian people that that which has happened in New Zealand is what Senator Brown wants to occur over here and it will occur because he will be wagging the tail of the Rudd government if it were ever to be elected. (Time expired)

Skilled Migration

Senator POLLEY (2.41 pm)—My question is to Senator Ellison, the Minister representing the Minister for Immigration and Citizenship. Is the minister aware that under the 457 visa program employers are not under any obligation to offer positions to Australian workers before employing a foreign worker? Doesn’t this mean that employers
can look overseas for cheap temporary workers to fill any of the hundreds of occupations that the government classifies as skilled, even when there are Australians available to do the job? Doesn’t this show that the 457 visa scheme is no longer purely about filling skills shortages but also about opening up a source of cheap labour? Can the minister now indicate if the government will act on the Joint Standing Committee on Migration’s recommendation and trial labour market testing to stop the 457 visa scheme from being used as a backdoor way of cutting Australian wages and conditions?

Senator ELLISON—The government is considering the joint standing committee’s report, which was referred to in the question. The government has taken a number of steps to strengthen the 457 program and, as a result, this has improved the integrity of the program and delivers on what it was intended to do—that is, fill a skills gap that is present in the community. The minister has announced that he is writing to all 457 sponsors requesting that they distribute to overseas workers a frequently asked questions information sheet that provides visa holders with information about their rights and obligations as a subclass 457 visa holder. An independent audit of the Northern Territory government regional certifying body has commenced. The audit will assess certification process used by regional certifying bodies and provide an opportunity to further examine the case of a recent 457 visa holder death in the Northern Territory. This will be the first of a number of audits and will inform a broader regional certifying body review.

As well as that, the minister has announced a fast-track regime, which was introduced to help sponsors to do the right thing and to get the skills they need more quickly. He has also entered into a MOU with China to help address the charging of excessive fees by some recruitment agencies in China. I understand that these are concerns that have been raised in relation to 457 visa holders and those associated with them. As well as that—and this also relates to the joint standing committee—all subclass 457 visa applicants, including doctors, must be assessed against the character provisions of the Migration Act. That will include an assessment of checking the visa provisions of the Migration Act. It will be a requirement for a character declaration.

The purpose of the 457 visa class is to provide skills to fill a skills gap. The government recognises that a small minority of employers have sought to abuse the program, and the bill that was introduced into the parliament this year targets that small minority. The bill contains greater investigative powers for the department and a greater range of sanctions, including civil penalties, that can be imposed on employers who abuse the program. As well as that, the department is looking to use existing sanctions to punish employers for past conduct in addition to restricting their future conduct. Thus, what we have is a regime that is being enforced. The report has been considered and steps have been taken to strengthen the integrity of the program. It is not a program that is designed for cheap labour; it is a program designed to fill a skills gap in the community. We are intent that it be administered properly and that it achieve the purpose that was intended.

Senator POLLEY—Mr President, I ask a supplementary question—and I thank the minister for attempting to answer the question! Is the minister aware that the committee also found that a more effective compliance regime is the key to ensuring that 457 visas are not used to undercut Australian jobs, wages and conditions? Will the government act to strengthen the compliance arrange-
ments of the 457 visa? Isn’t that the best way of ensuring that temporary foreign workers are not exploited by unscrupulous employers?

**Senator ELLISON**—As I said, a bill was introduced into the parliament in June and part of that was to strengthen the capacity to address noncompliance. The bill establishes a civil penalty regime as well as fines. As well as that, the Department of Immigration and Citizenship and other Commonwealth agencies will have greater powers to share information to ensure that there is compliance.

**Senator NETTLE**—My question is to Senator Ellison, the Minister representing the Attorney-General and the Minister for Immigration and Citizenship. Minister, why has ASIO delayed its security assessment of the Arabic newspaper editor Abdel Bari Atwan and, as a result, prevented him from visiting Australia for the Brisbane Writers Festival? Given the importance of his contribution to the security debate on the causes of terrorism, is the government not embarrassed about this delay, or is the government trying to avoid any pre-election criticism of its national security policy and the war in Iraq?

**Senator ELLISON**—I understand there have been media reports that Dr Abdel Bari Atwan has been refused a visa, but that is not the case. For any application for a visa to enter Australia, there are security requirements, including character checks and national security clearances. All people who seek to enter Australia must meet these requirements, and Dr Atwan is no different. These processes can take some time, obviously, if checks have to be made—that is something that you do not do in a day or two; it can take some time—and Dr Atwan’s application is currently being assessed on that basis.

**Senator NETTLE**—Mr President, I ask a supplementary question. I understand that Dr Atwan made his visa application many weeks ago, at the same time as other speakers who are coming to the Brisbane Writers Festival and who have all had their applications approved. I also understand that he has never been refused entry to any country, including the United States, where he has visited three times recently. Isn’t this just another case of fear driven political interference like in the case of Dr Haneef?

**Senator ELLISON**—It would be inappropriate for me to go into the detail of Dr Atwan’s application, but the fact that other countries have allowed him into their country is not a factor that would make us reach a decision in a similar manner. We determine applications for a visa to enter Australia on the basis of Australian law, Australian checks and the advice given by agencies such as ASIO. We do it on that basis, quite properly. We do not follow another country and say that, because they do something, we will do the same. I can assure the Senate that this is an application which is being considered properly. There are processes being going through, and those processes naturally take time.

**Department of Immigration and Citizenship**

**Senator LUDWIG**—My question is to Senator Ellison, the Minister representing the Minister for Immigration and Citizenship. Does the minister recall that in 2005, following the Cornelia Rau and Vivian Solon cases, the Palmer report recommended that Immigration develop a single search facility for all of its databases so that such devastating bungles were not repeated? Can the minister confirm media reports that are saying that, two years after the Palmer re-
port, only one in seven departmental officers can access the new search facility, known as the Systems for People program? Is it true that the new system, which cost hundreds of millions of dollars, is still not complete and has had almost as many IT contractors working on it as there are departmental officers with access? Can the minister indicate how much has been spent on the new system, when its rollout will be completed and whether it will ever meet the standard required by the Palmer report?

Senator ELLISON—I understand that work is being conducted on the system that Senator Ludwig referred to. As to where that is up to at the moment, I will take that on notice. I can say this: across the government, there has been an enhancement of cross-checking of databases in relation not only to identity but also to entrance to and departure from Australia. In my department, that is being done as an additional action to what was canvassed in the Cornelia Rau aspect. In fact, we announced in the budget this year that we would embark upon data matching with the Department of Immigration and Citizenship in relation to Centrelink payments so we can check whether someone is in receipt of concessions, benefits or both upon exit from and entry into Australia. As for the department of immigration’s work, I will check on that and advise the Senate. However, there has been a good deal of work across the whole of government in relation to document and identity verification. That has been not only at the level of the Commonwealth but also at the state and territory government level. My colleague Senator Johnston has been working on that with the states and territories. All of that goes to the sharing of data which can eliminate the sorts of mistakes that arise in a Cornelia Rau instance.

I think it was yesterday that Senator Johnston mentioned the DNA database. Similar work is being done in relation to missing persons—so you could add that to the work being done. Missing persons has been a relevant issue—going to the question that Senator Ludwig has asked. We are looking at the situation where, if someone has been reported as missing, that information can be put on a national database. CrimTrac is overseeing it, as I recall—but Senator Johnston can correct me if I am wrong. That will provide a national approach to missing persons. So work is being done across the board that involves not only the Australian government but also state and territory governments across the country. But it is not something that is going to happen overnight. This is going to need the cooperation of all concerned, and we are making great progress.

Senator LUDWIG—Mr President, I ask a supplementary question. Can the minister confirm that he and the government continue to have complete confidence in the Systems for People program? Given that the program is only accessible by one in seven immigration officials, what confidence can Australians have that the scandalous Rau and Solon cases will not be repeated? Two years on from the Palmer report, why has the government not taken action to ensure that this system is properly implemented as a matter of urgency?

Senator ELLISON—I have said that it is being implemented. In relation to the level of access by immigration agents, I will take that on notice and advise the Senate.

Equine Influenza

Senator JOYCE (2.54 pm)—My question is to the Minister for Human Services, Senator Ellison. Will the minister advise the Senate of action being taken by the Australian government, and specifically Centrelink, to assist those whose livelihoods have been adversely affected by the outbreak of equine influenza?
Senator ELLISON—The threat of equine influenza is a very serious issue indeed in Australia. Australia is a country that has a great deal to do with horses—not only through horseracing but also across the board. So it is of great concern that many thousands of Australians and businesses will be affected by the threat of equine influenza and the quarantine measures that have been put in place. I am pleased to say that, over the next week, payments will commence under the $110 million program that the government has announced. This is very good news for many Australians, and I am sure that, in Senator Joyce’s home state of Queensland, this will be followed closely.

There are four main parts to the assistance package that we have announced. Firstly, we are providing assistance for workers involved in commercial horse-dependent industries who have lost their jobs or most of their incomes, and sole traders whose incomes have effectively ceased. They will be eligible to receive an Equine Workers Hardship Wage Supplement Payment, paid at a rate of $424.30 for singles. I think that is very important. That is the equivalent of the Newstart allowance, and applicants will be subject to income testing but no asset or activity tests will apply. The estimated cost of this part of the package is around $20 million. It is a very important part of the package, targeted at those workers who are affected by the threat of equine influenza.

As well as that, we have the Equine Influenza Business Assistance Grant, which is available to businesses that derive most of their income from the commercial horse industry and have experienced a significant downturn in income. Five thousand dollars will be available for these businesses, at an estimated cost of some $45 million. We estimate that, over the next week, payments under this part of the scheme will be commencing.

The third part of the package, the Commercial Horse Assistance Payment, is a fortnightly payment to primary carers of commercial horses and covers part of the daily costs of keeping the horses fit and ready for resumption of their normal activities. The estimated cost of this part of the package is some $44 million—and a very important part of the package it is.

The final part of the package provides grants for non-government, not-for-profit equestrian organisations. It will apply to those organisations or bodies who are involved in equestrian events and other associated activities. Grants of up to $200,000 can be made available to help with the expenses incurred as a direct result of the influenza outbreak and resulting quarantine restrictions.

Centrelink will be administering the Equine Workers Hardship Wage Supplement Payment and the Equine Influenza Business Assistance Grant. There is a 1800 number for people to ring—1800234002. As at 9 September, the hotline had dealt with 4,400 calls. That is excellent work being done by Centrelink and its employees and officials, who once again are involved in administering to the needs of Australians in what is a very serious situation. I thank Senator Joyce for his question.

Australian Federal Police

Senator FORSHAW (2.58 pm)—My question is directed to Senator Johnston, the Minister for Justice and Customs. Can the minister confirm that the Australian Federal Police are now paying $5 million a year in rent for new premises at Anzac Park West that they cannot move into? Does the minister know how long this bizarre arrangement will continue? Does it not follow reports last month that the government spent $70 million on refurbishments to the Anzac Park West building before realising that it would be too
small for its new AFP tenants? Didn’t the government also pay $6 million to rent empty units it could not use in Port Moresby? Why does the government continue to spend millions of dollars of public money in rent for buildings for the Australian Federal Police that they cannot use?

Senator JOHNSTON—Can I commence to answer the honourable senator’s question—and I thank him for it—by saying that in the past five years the Australian Federal Police have grown by over 300 per cent. This is because there has been, for the benefit and the interest of the senator, a huge extra burden applied to the very important government agency in terms of counterterrorism and in terms of managing a whole host of criminal incursions into this country in the drug trade, sex slavery, child pornography—a whole host of things.

A national headquarters for the AFP has been a priority for a number of years. In 2001 the AFP outlined the need for all headquarters functions, now totalling 16 sites around Canberra, to be located within a single site in the ACT. Anzac Park West was identified in 2004 as a location where both operational and administrative staff could work together in order to achieve business efficiencies. As I say, in the last five years this organisation has grown at a rate of 300 per cent. Anzac Park East, a building located adjacent to Anzac Park West, was considered as a second headquarters for the AFP. Unfortunately, the options put forward so far in relation to Anzac Park East will not meet the objectives of this very rapidly expanding agency. The AFP is investigating alternatives for a new headquarters. This will include what options are available—whether the AFP opts for a purpose-built facility or looks at a larger existing building that can be refurbished. Whilst no decision has been made, the future of Anzac Park West will also need to be re-evaluated. Options such as tenancy out the building will be considered as part of the re-evaluation. The AFP has neither dumped nor abandoned Anzac Park West, as indicated in the Canberra Times article from which the senator no doubt takes his interest. The costs incurred with regard to Anzac Park West are $59.4 million, which comprises the following: as of 14 August 2007, administration has spent $43 million on the base building refurbishment, and $16 million has been spent on the base building works, including professional fees and the AFP’s operational administrative costs.

Having answered the question, can I say that this is a very important agency. I do not want to see it become a political football. It has had to expand under great pressure, particularly since the events of 9-11, and I wish the senator would take note of that.

Senator FORSHAW—Mr President, I ask a supplementary question. I thank the minister for his answer, which unfortunately did not answer the thrust of the question about why huge amounts of money are being paid out on premises not utilised. I appreciate the importance of the Australian Federal Police, but in my supplementary question I ask: is the minister aware that the fiasco of the Anzac Park West building comes on top of the fiasco of the new Centrelink national office and the supposedly purpose-built AusAID facility? They were all too small when they were finished. Does the minister consider that spending millions of dollars of public money on supposedly purpose-built facilities and buildings for the Australian Federal Police that turn out to be too small is an example of good economic management?

Senator JOHNSTON—There is no fiasco. Good government requires that we must have a good, well-resourced law enforcement agency for the Commonwealth. We have one.
Senator Minchin—Mr President, I ask that further questions be placed on the Notice Paper.

BUDGET
Consideration by Estimates Committees
Answers to Questions on Notice

Senator CARR (Victoria) (3.04 pm)—Pursuant to standing order No. 74(5), I ask the Minister representing the Minister for Education, Science and Training for an explanation as to why answers have not been provided to 69 questions on notice asked by me at the Senate estimates hearing of the Senate Standing Committee on Employment, Workplace Relations and Education on 1 June 2007.

Senator BRANDIS (Queensland—Minister for the Arts and Sport) (3.04 pm)—I will pursue the matter with the minister.

Senator CARR (Victoria) (3.05 pm)—I move:

That the Senate take note of the minister’s response.

Minister, it is my understanding that your office was approached this morning and advised that I would be asking this question. It is my understanding that the normal custom and practice here is that you would be advised that I would be asking this question. I am therefore surprised that you are now in the position of saying that you will follow this matter up with the Minister for Education, Science and Training. I would have thought that the fact that I have asked the question was an opportunity for you to explain why these questions have not been answered. It is further to my understanding that, of the questions asked on 1 June, there is the situation that 84 per cent of the questions asked are still outstanding. This is a pattern which, it suggests to me, does not bring great credit upon the minister. It ought to have been addressed before this time.

Further, I draw your attention to a debate in this chamber concerning an education bill in the previous session, where I asked a similar question about questions being answered by this committee. I recall that on that occasion you said that you would take steps then to have answers returned to the Senate. So this has become an occasion on which, nearly three months after the inquiry, I am asking for these matters to be attended to. I am therefore surprised, Minister, that you are in the position of not being able to give us an explanation as to why 69 questions remain outstanding.

Senator BRANDIS (Queensland—Minister for the Arts and Sport) (3.07 pm)—I have not been advised that you contacted my office this morning. This is the first I have heard of it. I will inquire into that as well. Given that, all I can do to assist you, Senator Carr, through you, Mr Deputy President, is to pursue with the Minister for Education, Science and Training the matters which you have raised. I can tell you, though, Senator Carr, that I am aware that there are no questions outstanding in relation to the portfolio for which I have direct ministerial responsibility—Arts and Sport. In relation to the portfolio of the minister I represent, I will pursue the matter.

Question agreed to.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS
Answers to Questions

Senator Lundy (Australian Capital Territory) (3.08 pm)—I move:

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

I do so with particular attention paid to answers given by Senator Minchin and Senator Scullion in relation to the cost of living and the increase in the cost of living and with particular reference to my question to Sena-
tor Scullion about the increased pressure on first home buyers and homeowners in Australia and the rise in the cost of their mortgages as a result of interest rate hikes. But perhaps I should start my comments today by referencing new data released showing that many families are facing cost of living pressures that are well in excess of what is implied by the average consumer price growth.

Today’s ABS data shows that the living costs of families have increased by some 3.1 per cent over the last 12 months, one whole percentage point higher than growth in the consumer price index. Over the last five years, we know that the CPI has increased by 14.5 per cent, but according to today’s Australian Bureau of Statistics data the living costs have increased by 18 per cent for employee households, 15.8 per cent for aged pensioners and 16.6 per cent for households receiving government benefits, showing that all of these groups of people—families, pensioners and people receiving benefits and everyone in the mix there—are enduring far greater costs of living than is recognised by the CPI increase.

Over the same five-year time frame, prices for many household essentials have also skyrocketed. Fruit and vegetable prices have increased by 41.9 per cent, education costs have increased by 32.6 per cent, health costs have increased by 31 per cent, housing costs have increased by 20.6 per cent and child-care costs have risen by a massive 88 per cent. Apart from these steep increases in costs of living, one of the reasons why the cost of living pressures are outstripping the CPI is that the CPI does not include mortgage interest repayments.

Today’s data partly reflects the impact on household budgets of Mr Howard’s broken interest rate promise following nine rate rises despite his promise to keep rates at record lows. This data, of course, shows even more evidence of how deeply out of touch Mr Howard and his government are with the realities of many household budgets. It is for that reason that I was surprised to see the very aggressive, arrogant and desperate response by Senator Minchin and Senator Scullion to questions asked by the Labor opposition today in question time. I think such a rant would have been found to be offensive by anyone listening who is enduring these cost pressures within their household and struggling to manage their household budget.

I think the questions asked by Labor today really do highlight that this government is living in a different universe, a universe that has no connection with the reality of Australian households. There is no possible way you can equate all of those increases in the cost of living with the general rhetoric emanating from the Howard government saying that workers and families have never been better off. That is not how the working people of Australia—and, indeed, pensioners and those in need of our support—are feeling at all. They are feeling the pinch, and the cost of living is making their lives harder and harder.

I think it is very interesting when you add in even more stresses on the household budget—a 53 per cent increase in petrol prices over the last five years, a 25 per cent increase in bread prices, a 60 per cent increase in the price of butter and, as I said, a 41.9 per cent increase in the price of fruit and vegetables. All these things start to really compound on the household pressure. The Labor Party is the only party that has some practical suggestions and policies that go to the heart of reducing inflationary pressures in the Australian economy and, indeed, specific programs to improve things like household affordability and far greater scrutiny by the ACCC on things like grocery and petrol prices to hopefully bring into check some of
those unreasonable price hikes that have occurred because of the Howard government’s failure to pay any interest at all to what can be done by government to shine a spotlight on increases of that nature.

It is very easy to relate the cost of this increased pressure to the impact of Work Choices. We now know, based on information received today, that workers in retail and hospitality—some of our most vulnerable—have been worst hit by the effects of the government’s extreme industrial relations. (Time expired)

Senator FIFIELD (Victoria) (3.13 pm)—It is always very interesting when senators opposite talk about pressures on households. They only ever talk about one side of the household budget. They talk about the expenditures in a household—which do have to be taken into account. What you never hear the Labor Party talk about is the income side of a household budget. You never hear how real wages have increased under this government. You never hear how household assets have increased under this government. When looking at a household budget, you have to look at both sides of the ledger: you have to look at the outgoings and you also have to look at the incomings.

In my remarks this afternoon I would particularly like to focus on interest rates, which Senator Lundy touched on. There are a range of factors that determine the interest rate environment. The government has within its power the ability to set a range of policies conducive to lower interest rates. One of the most significant of those is government borrowing and government debt.

When this government came to office, not only did we have a $96 billion debt but there was also a $12 billion budget deficit. This government determined to do something about that. We introduced a tough budget in 1996. It was not popular and it was not easy but it was necessary. We set about the task of balancing the budget and paying down Labor’s debt. We set about the task of creating an environment conducive to lower interest rates.

But guess what. Every single measure that this government introduced to pay down the debt, to balance the budget or to help take pressure off interest rates, Labor senators opposite opposed. Time and again they knocked back our measures. Fact: every program we put up, Labor knocked back. But, despite that opposition and despite the fact that for a majority of our time in government we have not had a majority in this chamber, we managed to balance the budget. We managed to pay down Labor’s debt without their help on one single day. In fact, the government is now a net saver, helping take pressure off interest rates.

In contrast, the collective of state and territory Labor governments is forecast to accrue something in the order of $70 billion of debt. These state Labor governments are putting upward pressure on interest rates. It does not matter whether it is a state Labor government that borrows or some other level of government that borrows; that puts pressure on interest rates. Federal Labor have the opportunity to do something to help relieve the pressure on householders. They have the opportunity to do something to take pressure off interest rates. They can talk to their state Labor colleagues and say: ‘Do something about releasing more land. Do something about stamp duty.’

Senators opposite need to learn something about the basics of economics. They need to learn about supply and demand.
Senator Parry—You haven’t got long enough to teach them.

Senator FIFIELD—Indeed. They need to learn that increasing the supply of something lowers the price. If you increase the supply of land, that will lower the price of houses. If you cut stamp duty, more money will remain in the pockets of householders, which means that they will be in a better position to afford their mortgages. That is something that they can do today. But they will not. We know from their track record that they will not. We know from local government amalgamations in Queensland that federal Labor dare not argue a case with state Labor governments.

If you are after independent verification as to the efficacy of our policies, you need look no further than the International Monetary Fund’s public information notice from today, which praises the Australian government’s monetary policies, fiscal policies and structural policies. They give us a huge tick. They commend our fiscal policies and monetary policies. If you want independent confirmation of the robustness of our policies and how they are helping Australian living standards, you need look no further than the IMF. You certainly should not look to the other side of this chamber. (Time expired)

Senator McEWEN (South Australia) (3.18 pm)—I too would like to take particular note of answers given by Senators Scullion and Minchin to questions without notice asked today. If ever we wanted more evidence that senators opposite are out of touch with working Australians and Australian families, we heard it today in the answers of Senator Minchin and Senator Scullion. We already know that government members are out of touch. We learnt that when the Prime Minister came out with that crack of a comment that working families in Australia have never been better off. What an absolute purler that was. But the government’s arrogance and ignorance about what is happening out there in the real world of Australia was on display again here today.

Those opposite like to forget that they have a Prime Minister who has presided over a government that has delivered Australia such things as the highest ever petrol prices, the highest ever rates of credit card debt—which currently averages around $3,000—five interest rate rises since the Prime Minister promised to keep interest rates low and nine increases in a row under the Prime Minister and his henchman Mr Costello. They have plunged the nation into a housing affordability crisis. As we heard from Senator Lundy, average family incomes in South Australia, for example, fall $10,000 short of what is needed to pay off an average size housing loan. In 10 years, the annual income needed to afford mortgage repayments on an average priced house has risen from $31,000 to $85,000.

Senator Fifield made some comments about some economic statistics that were released today. I have some too. Mine are from Dun and Bradstreet. This came out just before question time. In their report, they make mention of the fact that household debt in Australia has risen dramatically over the past 1½ decades and is now just over 150 per cent of household disposable income.

There are more statistics that are damning for this government and which highlight its incompetence and heartlessness when it comes to caring for ordinary working Australian families. ABS statistics show that living costs for working families have increased by 3.1 per cent over the past 12 months. There has been a 30 per cent increase in the number of families using services for the homeless. Half a million Australians are paying 30 per cent or more of their income on rent. In the southern suburbs of Adelaide in the electorate of Kingston, 77 per cent of renters are
paying more than 30 per cent of their income in rent. The cost of child care is rising at the rate of about 12 per cent per year. As we have also heard, the price of fruit and vegetables has risen by 41.9 per cent over the past five years—and that is when the nation is facing a crisis of obesity among our children. Those are the statistics. That is the legacy of the 11 long years of this government.

Senator Fifield made mention in his comments just then about how we need to take account of both sides of the household budget. I agree with that. I am going to take account of both sides of the household budget and make reference to a new report that was released today. This report was prepared by the University of New South Wales and gives us the most disturbing evidence to date about this government’s Work Choices legislation and the impact that it has had on wages and conditions.

That report into the centrepiece of this government’s term of office and the Prime Minister’s ideological vendetta against unions has shown that Work Choices has delivered to hapless workers in the retail and hospitality sectors who were forced onto non-union collective agreements incomes that were in many instances reduced by as much as 31 per cent. So when Senator Fifield lectures us about taking account of both sides of the household budget you can bet your bottom dollar we are taking account of both sides of the household budget, and so are working Australian families. That is why this government is on the nose. Australian working families have seen their cost of living go up and their wages either not keeping pace with the cost of living or going down. The statistics that are quoted, as we know, are inflated because some workers are doing well in the current boom in the resources sector, but ordinary working Australians, particularly in sectors like retail and hospitality, are going backwards in terms of wages. (Time expired)

Senator FISHER (South Australia) (3.23 pm)—The key to maintaining a responsible economy and increasing housing affordability is having the experience and responsibility to run a prosperous economy. The Howard government in 11½ years has delivered unemployment at an all-time low, low interest rates and low inflation. The key to housing affordability is the release of affordable land by state governments. It is the reduction of the impost placed upon the cost of housing by state governments. The Howard government has both the experience and the policies to make a difference in the foreseeable future. On top of the Howard government’s experience, the Howard government has already talked about an audit of Commonwealth lands. The Howard government has talked about seeking expressions of interest in respect of public housing.

What is the alternative? Is there really one? The Rudd opposition would have the Australian electorate believe that there is one. But the Rudd opposition is a team of inexperience backed by, infiltrated by and dictated to by a union movement. What Rudd opposition policy will deliver a difference in terms of interest rates? What Rudd opposition policy will deliver a difference in terms of housing affordability? The Rudd opposition, and Kevin Rudd in particular, would have you believe that he cares. But Kevin Rudd and the Rudd opposition care about one thing—they care about winning. I do not see that they care about governing because I do not see their policies to deliver low interest rates. I do not see their policies to deliver affordable housing. Instead, I see a Rudd opposition that would turn to their union bosses to look for policy to take Australia forward, were there ever to be that very horrifying prospect of a Rudd government.
To see this writ large you only need to look at my home state of South Australia where, as has been outlined earlier today, new homebuyers—mum and dad buying their first home costing about $300,000—face a state stamp duty impost, straight to the Rann Labor government, of some $11,000. They have to scrimp and save for it in addition to the $300,000 purchase price. What does a Rann Labor government do with the money that it takes from taxpayers? It finds a way to funnel part of that money back to its mates in the union movement. Look no further than the Rann Labor government’s so-called initiatives to increase safety in South Australia’s workplaces. I am talking about the South Australian Rann government’s recent granting of some $3 million over three years to South Australian unions—to some 12 unions—supposedly to increase safety in South Australian workplaces, with no evidence that this would be the case.

Have a look at the 12 unions to whom this money has been given. Interestingly, five of those 12 unions were amongst the top 10 donors to the Rann-led Labor Party in South Australia in 2005-06. So it is a take from taxpayers by a Labor government that finds its way in terms of finances back to the union movement so that the Labor Party can ensure that it looks after its mates in the union movement. Look no further than the Rann Labor government’s so-called initiatives to increase safety in South Australia’s workplaces. I am talking about the South Australian Rann government’s recent granting of some $3 million over three years to South Australian unions—to some 12 unions—supposedly to increase safety in South Australian workplaces, with no evidence that this would be the case.

To address the other side of the ledger, an independent study report from the University of Sydney shows how millions of Aussie workers are facing another cost, and that is their reducing wages intake. This report released today and reported in the press today shows how Work Choices has cost thousands and thousands of battlers in the retail and hospitality industries a third—30 per cent—of their salaries. In other words, we pay more, we take home less. So much for the Prime Minister’s flippant remark, oft quoted, that we have ‘never had it so good’ in this country. The only good thing coming up in the immediate future is the likelihood of an election. Then, hopefully, this government will pay the ultimate price for its draconian Work Choices legislation.

Let us look at that study more carefully. Twenty researchers examined the wages and working conditions of thousands of sales assistants and bar staff. After scrutinising, examining, studying and analysing every collective agreement in their industries registered in the first nine months of Work

Senator MARK BISHOP (Western Australia) (3.28 pm)—I too rise to take note of answers by Senators Minchin and Scullion to various questions relating to economic matters, the cost of living and the like. One must say at the outset that there is not any doubt that in the last 12 months or so the cost of living and the costs to families have been spiralling out of control. You only have to look at the latest CPI figures, recently released, to see the price hikes in food, education and health. You cannot consider a more basic package of the three items for ordinary families than food, health and education, and the latest figures show their costs rising up and up and, it is fair to say, heading out of control. Just to put this in a bit of context and to set the environment: vegetables are up by six per cent, petrol is up by an astonishing nine per cent and medical services are up by nearly four per cent. These are staple items for every ordinary working family in Australia.

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Let us look at that study more carefully. Twenty researchers examined the wages and working conditions of thousands of sales assistants and bar staff. After scrutinising, examining, studying and analysing every collective agreement in their industries registered in the first nine months of Work
Choices, they found that that group of workers had lost up to 30 per cent of their income under these draconian new laws. These new laws have seen basic conditions of employment stripped away and they have stripped workers of both penalty rates and overtime.

But it is not just the academics, the researchers from Sydney University, who have this terrible news for the current government. Leaked data from its own departments show that 45 per cent of individual contracts, AWAs, have stripped away all of the conditions the government promised to protect, 52 per cent of workers lost public holiday pay and 51 per cent of workers lost overtime pay. What standards does that show this government has brought to ordinary working people over the last 12 months? Very low standards—that is the obvious and only answer. Indeed, there is now a mountain of evidence showing how Work Choices has ripped off and continues to harm Australian families. That is how the Prime Minister and his cohort of conspirators, Mr Hockey and Mr Costello, treat the average battler doing it tough out in the suburbs. Their unfair and extreme workplace laws have gone too far this time. They have cut the conditions, take-home pay and working standards of ordinary families.

Earlier this year, Labor, to get on top of the matter, was forced to start a Senate inquiry into the cost of living. We were concerned then and we remain concerned now at how hard older Australians are finding it to make ends meet. Mr Deputy President, you and I both know that if Labor is elected we will get the balance right. *(Time expired)*

Question agreed to.

**BUDGET**

**Consideration by Estimates Committees**

**Answers to Questions on Notice**

*Senator CARR (Victoria) (3.33 pm)—by leave—* When I raised a question under standing order 74(5) to Senator Brandis following question time today, I indicated that it was my understanding that my office had approached Senator Brandis’s office about raising that question. It has now been brought to my attention that my office did not do that. I said it was my understanding that it had happened and I have since been advised by my office that that did not occur. It had been expected to occur. Senator Brandis has also advised me that in the last half hour he has undertaken steps to have the matter pursued with regard to the answers to the outstanding 69 questions. I look forward to further advice on that matter.

*Senator BRANDIS (Queensland—Minister for the Arts and Sport) (3.34 pm)—by leave—I thank Senator Carr for his explanation. It was obviously an innocent mistake on his part. The matter will be, as I indicated earlier, pursued with the relevant minister.*

**COMMITTEES**

**Reports: Government Responses**

*Senator SCULLION (Northern Territory—Minister for Community Services) (3.35 pm)—I present 10 government responses to committee reports as listed on today’s Order of Business. In accordance with the usual practice, I seek leave to incorporate the documents in Hansard.*

Leave granted.

The documents read as follows—

**Australian Government Response**

Senate Environment, Communications, Information Technology and the Arts References Committee

Senate Committee Report

Turning back the tide – the invasive species challenge

Report on the regulation, control and management of invasive species and the Environment
Protection and Biodiversity Conservation Amendment (Invasive Species) Bill 2002.

Australian Government response to the Senate Committee Report

By the Environment, Communications, Information Technology and the Arts References Committee:

Turning back the tide – the invasive species challenge

Recommendation 1

The Committee recommends that the Commonwealth Government strengthen its leadership role in the national effort to combat invasive species by developing a robust national framework, in consultation with state, territory and local governments, to regulate, control and manage invasive species. [see paragraph 8.12]

The Australian Government agrees with Recommendation 1.

The Australian Government submitted a paper and recommendations on invasive species to the April 2004 meeting of the Natural Resource Management Ministerial Council. Council agreed on the need

“...to develop a robust national framework for a co-ordinated and strategic approach to preventing significant new invasive species establishing in Australia, and to reducing the impacts of major pests and weeds already present.”

A Task Group, comprising senior representatives from all jurisdictions, the Natural Resource Management and Primary Industries Standing Committees and the Commonwealth Scientific and Industrial Research Organisation (CSIRO), was established under the Council and charged with investigating options to establish such a framework. The Task Group’s recommendations were considered by the Natural Resource Management and Primary Industries Ministerial Councils in October 2005. The Councils agreed that further development of a comprehensive national approach to managing biosecurity risks for primary production and the environment would be progressed by a joint Natural Resource Management and Primary Industries Standing Committee Steering Group. The recommendations from the Invasive Species Task Group, and work undertaken by the Primary Industries Standing Committee in the development of a National Biosecurity Strategy, are forming the basis for the ongoing policy enhancement process.

The work of the joint Steering Group to enhance the Australian Biosecurity System for Primary Production and the Environment (AusBIOSEC) has two key elements. The first is bringing together all biosecurity-related activities being undertaken by the Australian Government, states and territories, industry, landholders and other key stakeholders to achieve an integrated and collaborative national system. The second is drawing on existing arrangements for primary industry to establish more formal biosecurity measures for invasive species that have predominantly environmental or social impacts.

The Australian Government is also leading the development and implementation of an integrated national system for invasive marine pests. Through participation in the National Introduced Marine Pest Coordination Group, relevant Australian Government agencies are working with state and territory government agencies in collaboration with industry stakeholders, the marine science research community and representatives of conservation groups.

The Australian Government’s response to the report by the Agriculture and Food Policy Group, Creating Our Future: agriculture and food policy for the next generation (the Corish Report) – released in November 2006 – demonstrated the Australian Government’s support for a coordinated national approach to biosecurity.

Recommendation 2

The Committee recommends that as part of developing a list of invasive plant species of national importance, the Commonwealth, states and territories develop an agreed national alert list. [see paragraphs 5.36 and 8.15]

The Australian Government agrees with Recommendation 2 (refer to Recommendation 5).
Recommendation 3
The Committee recommends that those states and territories that have failed to legislate a prohibition on the sale of WONS within their jurisdictions should act to do so as a matter of priority. [see paragraphs 5.25 and 8.19]
The Australian Government agrees with Recommendation 3.
Progress towards this outcome is reported against recommendation 7.

Recommendation 4
The Committee recommends that the species listed on the WONS list be reviewed and that other significant threatening species be included as part of a new national control list of invasive plant species. [see paragraphs 5.28 and 8.20]
The Australian Government agrees with Recommendation 4 (refer to Recommendation 5).
At its meeting in April 2005, the Australian Weeds Committee (AWC) of the Natural Resource Management Ministerial Council endorsed a proposal to prepare an integrated national weeds priority list. The AWC agreed that there is a need to review serious weeds in addition to the 20 species currently listed as Weeds of National Significance (WONS), and in doing this, consider appropriate arrangements for their management. The task will implement a key objective of the Australian Weeds Strategy.

Recommendation 5
The Committee recommends that the Commonwealth, states and territories provide funding to enable the Australian Weeds Committee to engage the CRC for Australian Weed Management to produce a scientifically credible and robust national list of invasive plant species. [see paragraphs 5.51 and 8.21]
The Australian Government agrees with the objective of Recommendation 5.
The Australian Government is working with states and territories, through the Australian Weeds Committee of the Natural Resource Management Ministerial Council, in developing priority lists of nationally significant invasive non-native plant species using scientific and management-based criteria. The Cooperative Research Centre for Australian Weed Management has been involved in the process being undertaken by the Australian Weeds Committee that is considering methods to identify and allocate weeds to particular categories, including consideration of listings of Weeds of National Significance and environmental alert weeds. The Australian Government has also made new funding available for weed research under its Defeating the Weed Menace fund. This includes rigorous prioritisation of weed species as a priority activity.

Recommendation 6
The Committee recommends that the Commonwealth, in consultation with the states and territories, promulgate regulations under section 301A of the EPBC to prohibit the trade in invasive plant species of national importance, combined with state and territory commitment to prohibit these same species under their respective laws. [see paragraphs 5.51, 5.107 and 8.22]
The Australian Government disagrees with Recommendation 6 (refer to Recommendation 7).
While the EPBC Act is one mechanism for the control of weeds that pose a threat to Australia’s biodiversity, the Australian Government considers that in the first instance states and territories should improve the management and control of weeds within their jurisdictions.

Recommendation 7
The Committee recommends that the Commonwealth, in consultation with the states and territories, produce a list in legislation of taxa that prevents their sale and spread for each state or region. Nominations for each taxon on a state or regional basis can be developed in consultation with natural resource management agencies, state herbaria and members of the general public. [see paragraphs 5.51 and 8.23]
The Australian Government agrees with Recommendation 7 to the extent it applies to listing selected invasive plant species in state and territory legislation.
The Australian Government agrees with Recommendation 7 to the extent it applies to listing selected invasive plant species in state and territory legislation.
Consistent with the National Weeds Strategy, the Australian Government is working, through the Natural Resource Management Ministerial Council, to identify and resolve weed issues at a na-
tional level. The strategy provides a national approach and framework to reduce the impact of weeds on the sustainability of Australia’s productive capacity and natural ecosystems, through the establishment of a number of goals, objectives for action and outcomes. This process will provide a cooperative approach to reduce the sale and trade of nationally significant weeds.

The former Australian Government Minister for Fisheries, Forestry and Conservation, Senator the Hon. Ian Macdonald, wrote to his state and territory counterparts in June 2005 noting that several plant species classified as Weeds Of National Significance (WONS) remained for sale in a number of states and territories. Responses by states and territories indicated that legislation to prevent the sale of all WONS was in place or was in the process of being implemented. For almost all WONS, primary legislation has been enacted in all states and territories to prevent their sale. There is one exception: in Victoria, three of the willow species are still under consideration for action. It is expected that this outstanding issue will be resolved in 2007.

**Recommendation 8**

The Committee recommends that the Commonwealth Government investigate the imposition of a ‘polluter pays’ principle where importers pay for the cost of control and repair should a plant become a weed. [see paragraphs 5.58 and 8.25]

The Australian Government disagrees with Recommendation 8.

The Australian Government has arrangements that minimise the risk of a potentially weedy plant/seed being imported into Australia and therefore minimise the risk of a potentially weedy plant/seed from establishing in the country. This includes the imposition of penalties under the Quarantine Act 1908 for those who import prohibited plants/seeds.

A successful ‘polluter pays’ system, designed to recover the cost of control and repair of the damage caused by a plant should it become a weed, is dependent on a number of conditions:

- the ability to identify the source of pollution;
- the ability to identify the polluter;
- being able to establish causality between damage and polluting activity or action; and
- the ability to determine, assess and redress damage from the weedy plant.

In the case of a weed incursion or establishment of a weed, it is very difficult to determine the original point source and therefore identify who is responsible. There are numerous possible pathways for entry to Australia, apart from deliberate and accidental importation by travellers and traders of plants or plant products that subsequently become weeds. These include migratory birds, ocean currents, and illegal fishing boats. There may also be a lengthy lag-time between the importation and identification of a plant as an invasive species, making trace-back and the establishment of causality to the source very difficult.

**Recommendation 9**

The Committee recommends that the National Weeds Strategy better clarify responsibility for funding eradication of ‘sleeper weeds’ with purely an environmental or social impact. [see paragraphs 5.33 and 8.29]

The Australian Government agrees with the objective of Recommendation 9.

Clarity in funding responsibility for weed management is desirable. However, the National Weeds Strategy is not an appropriate vehicle for this clarification, as it is a policy framework. Decisions on funding responsibilities would be better addressed through the Australia Weeds Committee and the Natural Resource Management Ministerial Council.

**Recommendation 10**

The Committee recommends that investment in early warning systems be increased for the detection and eradication of sleeper weeds. [see paragraphs 5.32 and 8.30]


The Australian Government is involved in several initiatives to ensure nationally coordinated arrangements for the early detection, identification and eradication of Australia’s most serious weeds, including sleeper weeds.

The Australian Weeds Committee (AWC), established under the Natural Resource Management
Ministerial Council, recently revised the National Weeds Strategy. The revised strategy, the Australian Weeds Strategy, identifies opportunities for common approaches and linkages in agreed national policy responses for early detection and management of weeds. The Australian Weeds Strategy is available at www.weeds.org and will be formally published in 2007.

In addition, the AWC has established a Weed Incursion Working Group which is designing a framework for dealing with all weed incursion issues including sleeper weeds.

Research by the Bureau of Rural Sciences of the Department of Agriculture, Fisheries and Forestry has identified up to 17 priority agricultural sleeper weeds for potential eradication. The research is summarised in the 2006 report Managing the menace of agricultural sleeper weeds. The research concluded that eradication is likely to be feasible for several potential sleeper weeds and these weeds are being considered for priority action through the AWC.

**Recommendation 11**

The Committee recommends that the Commonwealth Government place on the agenda of the Natural Resource Management Ministerial Council, as a matter of urgency, the issue of progressing development of a national strategy for vertebrate pests. [see paragraphs 5.40, 5.48 and 8.32]

The Australian Government agrees with Recommendation 11.


**Recommendation 12**

The Committee recommends that the Commonwealth Government take a lead role in ministerial councils and other appropriate forums to accelerate progress on the development, implementation and funding of a national system to deal with marine invasive species. [see paragraphs 6.123 and 8.37]

The Australian Government agrees with Recommendation 12.

The Australian Government is taking a lead role in the development and implementation of the National System for the Prevention and Management of Marine Pest Incursions (National System) through the Natural Resource Management Ministerial Council, and in consultation with the Australian Transport Council. Significant progress has been made to accelerate the progress on the development, implementation and funding of the National System.

All jurisdictions have agreed in principle to an intergovernmental agreement (IGA) for the National System. The IGA has been signed by the Australian Government and the governments of Victoria, Tasmania, South Australia, Western Australia, Queensland and the Northern Territory. New South Wales has indicated it has concerns with a population based formula for emergency management cost sharing and need more details on legislation and implementation cost before they will consider signing the IGA. The IGA sets the high-level policy objectives for the National System and provides authority for development of the detailed implementation arrangements. It is based on and formalises the recommendations of the High Level Officials Group established under the Natural Resource Management Ministerial Council, and in consultation with the Australian Transport Council, regarding roles and responsibilities for legislation, governance and funding arrangements for the National System.

The Australian Government is leading the national coordination and is working with the states, the Northern Territory and relevant industry and conservation stakeholders to develop the National System. The recommendations of the High Level Officials Group and the IGA provide the basis for developing the detailed measures for the National System.
On 27 May 2005, Australia signed, subject to ratification, the International Convention for the Control and Management of Ships' Ballast Water and Sediments 2004 (the Convention) that was developed through the International Maritime Organization. The Convention aims to provide uniform international ballast water management arrangements for the shipping industry to protect the marine environment from pest incursions stemming from ballast water. For approximately fifteen years, Australia has been active in seeking the development of international measures for reducing the risks posed by introduced marine pests and diseases through ships’ ballast water.

The formal process for consideration of Australian ratification of the Convention includes completion of a national interest analysis, a regulation impact statement, consultation with relevant stakeholders and the development of any necessary domestic legislation by the Australian, state and territory governments.

Arrangements for ballast water management on journeys between Australian ports are being developed as part of the National System, including the necessary legislation and cost recovery measures, in consultation with the states, Northern Territory and industry. These arrangements will be given force by legislation in each of the states and Northern Territory that will follow model legislation described in the IGA (Victoria currently has its own legislation on ballast water). These arrangements will be consistent with the Convention and will be integrated with the existing management requirements for international ballast water under the Quarantine Act 1908.

Additionally, mitigation measures are being developed to address biofouling risks in a number of industry sectors including fishing vessels, trading and non-trading commercial vessels, and the aquaculture industry. The measures will provide best practice management options for biofouling management of vessel hulls, gear and niche areas.

An emergency response framework has been developed under the Intergovernmental Agreement comprising a Consultative Committee on Introduced Marine Pest Emergencies (CCIMPE) and a National Management Group (NMG), which has the capability to oversee the response to a marine pest outbreak under the Emergency Marine Pests Plan (EMPPPlan). Such plans would usefully be supported by a defined process or assistance for integrating detailed operational guidelines and practical incident experience into existing Australian, state and territory government emergency management legislation. Such guidelines would assist in clarifying the roles and responsibilities of both government and non-government stakeholders, associated coordination networks and operational skills to effectively handle the specific problems encountered in an emergency marine pest outbreak.

The EMPPPlan provides an agreed framework to guide emergency response actions. Emergency preparedness and response efforts in Australia are coordinated by the CCIMPE. The decision to activate the EMPPPlan is based upon a trigger list of target species (CCIMPE Trigger List), however, the contingency is available to consider other marine pests that also meet relevant criteria to warrant an emergency response. Cost sharing arrangements for emergency preparedness and response arrangements have been in place for three and a half years and have been formalised in the IGA. Under the cost-sharing arrangements for the Australian, state and territory governments, funding of eradication responses is divided 50:50 between the Australian Government and the states and Northern Territory governments. The contribution of each state/territory is to be calculated on a per capita basis.

Under the National System, planning and implementation of prevention and management measures focusing on specific marine pest species will take place under individual National Control Plans for those species. A National Control Plan for the Northern Pacific Seastar (Asterias amurensis), is already in operation. In 2006 the Natural Resources Management Ministerial Council and the Australian Transport Council agreed to the development of National Control Plans for an additional five species.

The Australian Government has provided $3.7 million to support the development of the National System over the three years to 2006-07 and over the same period has supplied an additional $4.5 million Natural Heritage Trust funding to provide the research and development necessary for the development of the National Sys-
The Australian Government has announced funding of $14.8 million from the Natural Heritage Trust over the four years to 2010-11 to implement the National System. An additional Natural Heritage Trust funding of $190,000 per year over two years (2006-07 and 2007-08) has been allocated specifically for the emergency preparedness and response component of the National System.

The Australian, state and Northern Territory governments agreed the key elements of the National System in October 2006. Implementation plans, including development of legislation and agreement on funding, are currently being developed to enable the National System to be rolled out progressively over the next eighteen months.

Recommendation 13

The Committee recommends that, as a matter of urgency, the Commonwealth Government should develop programs to minimise the threat of invasive marine species entering Australia’s waters via hull fouling or as a result of the mariculture industries. [see paragraphs 6.100, 6.104 and 8.38]

The Australian Government agrees with the objective of Recommendation 13.

This issue is addressed under the National System for the Prevention and Management of Marine Pest Incursions (National System) that was described in the response to Recommendation 12. Development of the National System is being led by the Australian Government Department of Agriculture, Fisheries and Forestry and is being undertaken in collaboration with the states, Northern Territory, relevant Australian Government agencies, industry, conservation and research representatives through the National Introduced Marine Pests Coordination Group (NIMPCG). Managing biofouling (including hull fouling) risks is a key component of the National System.

Best practice protocols for the management of biofouling on all types of vessels have been developed through NIMPCG to reduce the rate of translocation of marine pests within Australian waters. The sectors addressed include fishing vessels, trading and non-trading commercial vessels, domestic recreational vessels, the aquaculture industry and petroleum and gas activities. The protocols will provide options for managing and treating biofouling of vessel hulls and niche areas such as sea chests, internal seawater systems, sea intake grates, bow tunnels, transducers, docking support block areas, propellers, shafts and rudders as well as fishing and aquaculture gear. The Natural Resources Management Ministerial Council and the Australian Transport Council agreed to the protocols for fishing vessels, trading and non-trading commercial vessels and domestic recreational vessels in 2006.

In order to address the risks posed by aquaculture and mariculture industries, best management practices are being developed in line with the National Policy on the Translocation of Live Aquatic Organisms (the National Policy). The National Policy was signed by all jurisdictions in 1999 and was adopted directly by most states and territories. Those jurisdictions which did not directly implement the National Policy have developed policies which are aligned with it. The National Policy addresses the potential translocation risks of live aquatic organisms within Australia primarily in aquaculture and the live bait, live seafood and aquarium trades.

Supporting the progress on managing biofouling risks is the National System’s ongoing research and development program. A number of projects developed through and agreed by NIMPCG are currently underway to ensure that biofouling management measures effectively target marine pest risks:

- Treatment of internal water systems project – investigating the development of an effective, efficient and environmentally sound treatment for internal seawater systems on international small vessels.
- Commercial vessels risk assessments – assessment of niche areas, such as internal seawater systems, associated with commercial shipping and development of guidelines to minimise the introduced marine pest risks from biofouling of these areas.
- Fishing project – information gathering and hazard analysis for the fishing industry to inform the development of best practice guidelines to manage the marine pest risks associ-
ated within the industry. This involves an assessment of the risk of marine pest entrainment and translocation by the vessels, gear and practices of the fishing industry.

- Aquaculture project – investigating managing marine pest translocation risks associated with niche areas of stock, equipment and infrastructure for the aquaculture industry to inform guideline development processes.

Protocols to minimise the risks of pests being brought to Australia as biofouling on small international vessels, such as yachts, and apprehended vessels, for instance suspected illegal entry vessels, have been developed. A voluntary compliance period commenced in October 2005 for relevant vessels before the introduction of mandatory requirements through legislation subordinate to the Quarantine Act 1908. A review of the voluntary period has been completed, and the protocol is being refined. Consultation with affected stakeholders on the legislation changes is underway.

Recommendation 14
The Committee recommends that the Commonwealth Government should provide long-term funding for research aimed at identifying and combating marine invasive species, particularly those which may threaten marine parks such as the Great Barrier Reef Marine Park, and those that are in the ports of Australia’s trading partners and could be translocated to Australia. [see paragraphs 6.105 and 8.39]

The Australian Government agrees with the objective of Recommendation 14.

The Commonwealth Environment and Research Facilities (CERF) Programme is a five year $100 million Australian Government initiative which runs to 2009-10. The CERF Programme funds high priority research to support better management of public environmental assets. CERF is directing $40 million towards the Marine and Tropical Sciences Research Facility (MTSRF) over five years. The MTSRF addresses environmental issues of national significance for the Great Barrier Reef, Torres Strait and the Wet Tropics, including the Wet Tropics World Heritage Area. $1.3 to $1.5 million has been specifically identified under the MTSRF Programme for improving the understanding of the threat from invasive pests, their impacts upon ecosystems, and developing options for prevention and control.

The Australian Government has also allocated Natural Heritage Trust funding of $6 million over four years for research and development (R&D) to inform the progress of a National System for the Prevention and Management of Marine Pest Incursions (National System).

A key component of the National System is the provision of long-term funding for each element of the National System, including R&D, aimed at identifying and combating all invasive marine species. Funding will be provided by the Australian, state and territory governments, in addition to contributions from stakeholders and beneficiaries.

As part of the development of the National System, the Commonwealth Scientific and Industrial Research Organisation (CSIRO), supported by Natural Heritage Trust funding, has carried out risk assessments to identify the most threatening marine species based on economic, environmental and human health criteria. These species were selected from a CSIRO database of 1,593 marine and estuarine species that have been transported by anthropogenic activities or have invasion histories around the world. This work forms part of the ongoing strategy that supports the risk management approach of the National System and the development of each component, ensuring that decisions are scientifically based. In particular, the strategy aims to reduce the risk and thereby improve the cost to benefit ratio of marine pest prevention and management measures. The strategy also provides ongoing research to feed into the evaluation and review of the National System and its processes.

Ongoing research and development is a pivotal supporting component of the National System. The Research and Development Strategy for the National System is in place to ensure that priorities are in line with the development of the National System. Long-term funding is the responsibility of the Australian, and state and territory governments, added to by contributions from stakeholders and beneficiaries.
Recommendation 15
The Committee recommends that the Threat Abatement Process (TAP) be reviewed to enable threatening processes to be listed prior to threatened species reaching a critical stage. [see paragraphs 5.106 and 8.41]

The Australian Government agrees with the objective of Recommendation 15.

Implementation of Threat Abatement Plans is an important means of abating the impacts on threatened species but this process needs to be considered within the broader range of actions undertaken by the Australian Government and others to protect threatened species.

State and territory governments have primary responsibility for land management, including invasive species control and biodiversity conservation. The Australian Government considers its role is to provide leadership on issues of national significance. The Environment Protection and Biodiversity Conservation Act 1999 (the Act) reflects this in its focus on matters of national environmental significance, such as nationally threatened species.

The Australian Government acknowledges the importance of preventing species reaching threatened status, and has therefore led the development and adoption of a range of national policies to prevent the decline of species, particularly to support maintenance of habitat. The Australian Government has also provided considerable support for on-ground biodiversity conservation projects through the Natural Heritage Trust since 1996.

In addition, the Australian Government has supported the development and implementation of national Threat Abatement Plans for key threatening processes. The absence of a key threatening process listing or a Threat Abatement Plan does not prevent the Australian Government acting promptly to address assessed threats. An example is the Australian Government’s 2004 commitment of $2 million to address Tasmanian Devil Facial Tumour Disease. Similarly, the Australian Government has provided over $14 million since 1996 towards finding solutions to address cane toads.

Under the Act (s188(4)), a threatening process that meets one or more of the following criteria is eligible for treatment as a key threatening process:

(a) it could cause a native species or an ecological community to become eligible for listing in any category, other than conservation dependent; or

(b) it could cause a listed threatened species or a listed threatened ecological community to become eligible to be listed in another category representing a higher degree of endangerment; or

(c) it adversely affects 2 or more listed threatened species (other than conservation dependent species) or 2 or more listed threatened ecological communities.

The Act provides for the listing of key threatening processes (KTP) prior to threatened species reaching a critical stage. Criterion (a) provides for a threatening process to be eligible for listing as a KTP if it could cause a native species to become eligible for listing as threatened. It is not therefore necessary for the affected species to be eligible for listing, but demonstrable that the affected native species could become eligible for listing as threatened because of the threatening process.

Recommendation 16
The Committee recommends that the Commonwealth Government act urgently to ensure that:

• all listings on Schedule 5 of the Quarantine Proclamation 1998 are made by species, not genera;

• a mechanism be developed to ensure that species identified as weeds of national significance are automatically removed from Schedule 5; and

• all listings and applications for the import of plants and seeds be standardised using the scientific names of species. [see paragraphs 6.69 and 8.44]

The Australian Government agrees with the objective of Recommendation 16.

The Australian Government accelerated the review of the permitted seeds list (Schedule 5 of the Quarantine Proclamation 1998) to remove all
Biosecurity Australia undertook a two-staged approach to the accelerated review, which has enhanced further Australia’s favourable pest and disease free status by seeking to ensure that species not already present in Australia, and that have exhibited weedy characteristics overseas, are not permitted entry into the country.

The first stage of the review was completed in 2005. This involved the consideration of approximately 4,000 potentially weedy species for removal from Schedule 5 of the Quarantine Proclamation 1998. Over 700 species were determined to be present and/or commonly traded in Australia and not under official control. On 30 May 2005, Schedule 5 was amended to remove 3,335 species that were identified as being potentially weedy overseas and not present in Australia.

The second stage of the review, which was completed in December 2006, involved the removal of 2,913 genus level listings previously on the permitted seeds list and replacing them with the species within those genera that were already present, and/or commonly traded, in Australia.

Mechanisms already exist to ensure that seeds of a species identified as a Weed of National Significance (WONS) are not included on Schedule 5 of the Quarantine Proclamation 1998. Seeds of species already present in Australia and under ‘official control’ (species which relevant governments have listed as noxious and for which governments have undertaken eradication actions or have ongoing management plans in place), including WONS, are excluded from Schedule 5 of the Quarantine Proclamation 1998.

It is current Australian Government policy and practice that all plant listings in relevant legislation and applications made to the Australian Quarantine and Inspection Service to import plant material use standard, internationally-recognised scientific nomenclature.

**Recommendation 17**

The Committee recommends that the import risk analysis process be modified to guarantee greater independence in their preparation. [see paragraphs 6.18 and 8.46]

There are two distinct mechanisms for analysing risks associated with imports undertaken by the Australian Government in relation to invasive species.

Firstly, Biosecurity Australia administers the Import Risk Analysis (IRA) process to address issues of quarantine interest or concern for species exotic to Australia. The IRA process utilises a science-based risk assessment methodology to provide quarantine policy advice and recommendations to the Director of Quarantine (or delegate) regarding requests for the import of animals, plants and products. This assessment is undertaken with complete independence from the proponent. Decisions made by the Director of Quarantine involve the independent exercise of powers pursuant to the provisions of the Quarantine Act 1908. The independence of the IRA process is explained clearly in the Import Risk Analysis Handbook, published by the Department of Agriculture, Fisheries and Forestry in 2003.

In July 2004, the Minister for Agriculture, Fisheries and Forestry announced measures to further strengthen the independence of the IRA process and increase confidence in its administration. These included the establishment of Biosecurity Australia as an agency separate from the agricultural market access area of the Department of Agriculture, Fisheries and Forestry, and the appointment of an ‘Eminent Scientists Group’, to review independently final IRA draft reports.

In October 2006, the Minister for Agriculture, Fisheries and Forestry announced reforms to the IRA process. The reforms will improve stakeholder consultation, further enhance independent scientific scrutiny and increase transparency. Timeframes for the compilation of IRAs will be regulated, improving timelines and predictability for stakeholders. The new system took effect in September 2007 following an update to regulations made under the Quarantine Act 1908.

Secondly, the Department of the Environment and Water Resources (DEW) undertakes an environ-
mental risk assessment for applications to import live specimens. DEW does not permit the import of a species that does not appear on the list of specimens considered suitable for live import (live import list) established under the Environment Protection and Biodiversity Conservation Act 1999. Before a species can be added to the live import list the potential risk to the environment of that species is rigorously assessed. Current practice involves preparation, by the propo- nent, of a report against agreed terms of reference, followed by a fully transparent and independent evaluation of that report. This evaluation includes opportunities for public and jurisdictional comment and expert input. In addition, the DEW conducts its own analysis of the propo- nent’s report, which includes the use of the Bureau of Rural Science’s risk assessment models.

The Department of the Environment and Water Resources has, over the past two years, undertaken measures to further strengthen the independence of its environmental risk assessments for the import of live species. Working with the Bureau of Rural Sciences, DEW has developed a number of quantitative risk assessment models to guide its assessment of the potential risk that exotic species may establish in the Australian environment.

Recommendation 18
The Committee recommends that the Commonwealth place on the agenda of the Natural Resource Management Ministerial Council the need for arrangements to be implemented for environmental pest incursions in parallel with those currently in place for threats to primary industries. [see paragraphs 5.143 and 8.48]

The Australian Government agrees with Recommendation 18 (refer to Recommendation 1).

The response to Recommendation 1 outlined that the Australian Government had taken a paper and recommendations to the April 2004 Natural Resource Management Ministerial Council on invasive species. The paper noted the opportunities for enhancing arrangements for addressing incursions of species with environmental impacts.

The Natural Resource Management and Primary Industries Ministerial Councils agreed that further enhancement of a national approach to managing biosecurity risks for primary industries and the environment would be progressed by a joint Natural Resource Management and Primary Industries Standing Committee Steering Group. The recommendations from the Natural Resource Management Standing Committee Task Group on Invasive Species, and work undertaken by the Primary Industries Standing Committee in the development of a National Biosecurity Strategy, are forming the basis of the ongoing policy development. One aspect of the enhancement of the Australian Biosecurity System for Primary Production and the Environment (AusBIOSEC) is the establishment of more formal biosecurity measures for invasive species that have predominantly environmental or social impacts.

Recommendation 19
The Committee recommends that the Commonwealth Government take a leading role in relevant international forums to seek better recognition of the environmental consequences of invasive species, particularly in relation to current trade rules. [see paragraphs 6.22 and 8.51]

The principal thrust of Recommendation 19, that the Australian Government should engage in better recognition of the environmental consequences of invasive species, is noted.

The Australian Government is already active in a range of forums, including the Convention on Biological Diversity (CBD), Convention on International Trade in Endangered Species (CITES), the International Maritime Organisation (IMO), the International Civil Aviation Organisation (ICAO), the International Plant Protection Convention (IPPC), the World Organisation for Animal Health (OIE), and through the Asia-Pacific Economic Cooperation Forum (APEC) to improve surveillance and management of invasive alien species across international borders.

World Trade Organisation (WTO) rules allow for the adoption of measures necessary to protect human, animal or plant life or health and relating to the conservation of exhaustible natural resources. Moreover, recent WTO panel rulings have confirmed that countries can adopt environmental measures even if they affect trade so long as they do not discriminate against producer
countries as a disguised restriction on international trade.

Australia will continue to emphasise its commitment to promoting and enhancing the mutual complementarity of trade and environment, noting that this can and must be done in a way which recognises the integrity of the international system governing each.

Australia has also been at the forefront in seeking the development of international measures for reducing the risks posed by the introduction of exotic marine pests and diseases through ships’ ballast water. The issue was first raised by Australia and embraced by the IMO in 1991. An IMO Diplomatic Conference adopted the text of the International Convention for the Control and Management of Ships’ Ballast Water and Sediments in February 2004, partly reflecting Australia’s long-term efforts.

Australia was a partner with Chile in a 2001-2004 APEC project to develop a Regional Management Framework for APEC economies for use in the control and prevention of introduced marine pests. The 16th APEC Ministerial meeting, in Santiago, Chile in November 2004, agreed that “a shared awareness and understanding of the risks that invasive marine pests pose to regional growth and sustainability is urgently needed, along with coordinated regional action to help prevent their spread”. The APEC ministers welcomed the progress on the development of the Regional Management Framework.

Recommendation 20

The Committee recommends that the Commonwealth Government provide certainty of funding to research institutions, such as CSIRO and CRCs, to enable them to undertake long-term research projects. [see paragraphs 5.131 and 8.58]

The Australian Government agrees with the emphasis placed on long term research by Recommendation 20.

The ability of institutions like the Commonwealth Scientific and Industrial Research Organisation (CSIRO) and Cooperative Research Centres (CRCs) to undertake long-term research projects is well supported by Government funding arrangements. CSIRO budget funding is committed on a continuing triennium basis providing a degree of certainty that supports planning and implementation of longer term projects. As part of Backing Australia’s Ability – Building our Future through Science and Innovation, the Australian Government also committed an additional $305 million funding to CSIRO over the 2004-05 to 2010-11 period to support the CSIRO Flagships programme. In its science investment process CSIRO has recently indicated it will strengthen its focus on biosecurity.

The Cooperative Research Centres Programme provides up to seven years of funding to successful CRCs. Successful CRCs are selected through competitive funding rounds held every two years. Also, through Backing Australia’s Ability – Building our Future through Science and Innovation, the programme is guaranteed funding beyond 2010-11, including an additional $65 million over the six years from 2005-06. Funding is included in the programme for a 2008 selection round.

The Australian Government’s support for Australian scientific research into environmental issues will be amplified through the Commonwealth Environmental Research Facilities (CERF) Initiative that commenced in the 2005-06 financial year. This initiative provides $100 million over five years to support research into public good environmental issues. Of this total, $40 million has been allocated to the Marine and Tropical Science Research Facility to fund research to help sustain the health of North Queensland’s public environmental assets, which will include some funding of research for management of invasive species. The balance of the CERF funding has been allocated nationally on a competitive basis.

Funding for weeds research and development has been provided through the Defeating the Weeds Menace programme. The focus of research, worth $5.4 million in the three years 2005-08, is to provide research and knowledge management to support the Defeating the Weeds Menace programme and to complement existing research on invasive weeds.

The primary emphasis of the Natural Heritage Trust is on the delivery of resource condition outcomes; Trust investments have supported scientific research where this, in turn, provides for
such outcomes. However, Trust investments are applied against 10 areas of activity under the Framework for the Extension of the Trust agreed to by the Australian, state and territory governments. The scope of these demands means that the Trust’s capacity to contribute to certainty of funding for scientific research is limited.

**Recommendation 21**

The Committee recommends that, under the National Heritage Trust [sic], the Commonwealth Government initiate, develop and deliver national community education campaigns on invasive species. [see paragraph 8.71]

The Australian Government agrees with the objective of Recommendation 21.

The Australian Government recognises the importance of national community education campaigns in building public awareness of invasive pest issues. As the Inquiry noted, the Government has supported similar campaigns under the Natural Heritage Trust, including a grant to the CRC for Australian Weed Management to develop a web-based community information system. Community education programs also form an important element of the Government’s $44.4 million commitment to Defeating the Weed Menace, announced in the 2004 election campaign. This initiative, which commenced in the 2004-05 financial year, is a four-year programme targeting Australia’s most serious and invasive weeds.

However, as noted in the response to Recommendation 20, the primary emphasis of the Natural Heritage Trust, and its companion natural resource management programs, is on the delivery of resource condition outcomes. While community education campaigns clearly contribute to these outcomes in many cases, a decision to allocate Trust funds to the initiation, development, and delivery of a campaign has to be balanced against the existing calls on Trust funds, and the support already provided through both the Trust and other Australian Government programmes for campaigns that address invasive species and related issues. These considerations weigh against sourcing a community education campaign on invasive species solely from Trust funds at this stage.

The Australian Government will await the outcomes of the Natural Resource Management Ministerial Council’s consideration of the further development of a national approach to invasive species management and the development of the National Pest Animal Strategy. These strategic processes, together with the recently revised Australian Weeds Strategy, will provide context for determining the need for national community education campaigns, and the Australian Government’s role in any such campaigns.

**Recommendation 22**

The Committee recommends that the Commonwealth Government provide the relevant curriculum materials to enable invasive species to be included in relevant schools program across Australia. [see paragraph 8.72]

The Australian Government agrees with the objective of Recommendation 22.

The Australian Government currently funds a range of initiatives to raise awareness of invasive species in the community, such as the development of weeds lesson activities and worksheets for use in schools, and the development of interactive games to teach children about weeds.

As part of the Community and Industry engagement component of the Defeating the Weed Menace programme, work will be commissioned to further develop relevant curriculum material for use in schools throughout Australia.

**Recommendation 23**

The Committee recommends that the Commonwealth Government continue to provide support through the NHT and Envirofund to community groups that deliver education and awareness campaigns. [see paragraph 8.73]

The Australian Government agrees with Recommendation 23.

The Australian Government has supported education and awareness campaigns through the Envirofund and through the Natural Heritage Trust (NHT) generally. However, this support has proceeded on the basis that these campaigns are a necessary adjunct to achieving resource condition outcomes. One of the minimum matters for which regional resource condition targets must be set under the regional stream of the NHT includes
‘ecologically significant invasive species’. Where a region has set such a target and considers that investment in education and awareness will significantly contribute to achievement of the target, it may submit a proposal for investment under its regional investment strategy. Australian and relevant state and territory governments will jointly consider funding such proposals alongside other funding priorities within regional investment strategies. Community groups may apply directly to the Australian Government Envirofund to fund education and awareness projects. There is a requirement to demonstrate clear environmental benefits and outcomes.

Recommendation 24
The Committee recommends that all tiers of government immediately commit to an eradication program for all WONS and all locally significant invasive species within their formal plantings. [see paragraph 8.75]

The Australian Government disagrees with Recommendation 24.
The Australian Government is committed to the management of Weeds of National Significance (WONS) as a national weed management priority. As all WONS are now established, it is not economically viable to eradicate any of them nationally. Through the Australian Weeds Committee management options for WONS are focused on minimising their impacts and containing their spread, including with biological control agents where available.

The Australian Government manages weed problems on its own land and in cooperation with other land owners.

Recommendation 25
The Committee recommends that the Commonwealth, states and territories, the Nursery and Garden Industry Association and other stakeholders, including conservation NGOs, establish a process under the proposed National Weeds Action Plan to examine the merits of a mandatory labelling scheme on invasive garden plants. [see paragraphs 5.76 and 8.77]

Recommendation 26
The Committee recommends that the nursery and gardening industry give consideration to labelling of all invasive plants which, while able to be sold legally, may have invasive characteristics and should be managed responsibly. [see paragraphs 5.76 and 8.78]

The Australian Government agrees with the objectives of Recommendations 25 and 26.

The Australian Government though the Defeating the Weed Menace Programme is working with the gardening industry and other stakeholders to improve industry and community awareness of the impacts of invasive plants.
A National Weeds Advisory Group (NWAG) has been established to help determine priorities for funding for this Programme. The Group’s members include the Nursery and Garden Industry Association, National Farmers Federation, World Wildlife Fund for Nature and other stakeholders. The Australian Government sought advice from NWAG on the issue of plant labelling (whether voluntary or mandatory). NWAG concluded that while product labelling generally has merit as a method for providing information and is accepted by the community in other settings, it is not a suitable tool for engaging the nursery and garden industry to participate in achieving consumer awareness. In the absence of agreed weed lists, the cost to the industry would currently be too great and the task of identifying which plants to label would be too complex.

Recommendation 27
The Committee recommends that gardening and lifestyle programs should be encouraged to include warnings about the appropriateness of the plants suggested on their shows. Such warnings could require an indication of the country of origin of the plant, the areas it is indigenous to, and whether it has proven invasive elsewhere. [see paragraphs 5.82 and 8.80]

The Australian Government agrees with Recommendation 27
A National Weeds Awareness Coordinator appointed under the Defeating the Weed Menace programme will assist in developing partnerships with the key gardening and lifestyle media to inform gardeners about the threat of weeds.

**Australian Government Response to the Senate Inquiry into Australian Forest Plantations**

Senate Rural and Regional Affairs and Transport Committee

**AUSTRALIAN GOVERNMENT RESPONSE TO THE SENATE INQUIRY INTO AUSTRALIAN FOREST PLANTATIONS**

27 July 2007

**BACKGROUND**

*Following a review of the strategy ‘Plantations for Australia: the 2020 Vision’ (the Vision) by the Private Forestry Consultative Committee (PFCC) in 2002, Senator the Hon Ian Macdonald, the former Minister for Fisheries, Forestry and Conservation, requested a Senate Inquiry on 27 June 2002 to investigate the issues related to plantation forestry in Australia, taking into account the findings of the PFCC review. The Senate Committee for Rural and Regional Affairs and Transport (the Committee) tabled its report on 2 September 2004, which addressed the following terms of reference:*

- Taking into account the findings of the Private Forests Consultative Committee’s review of ‘Plantations for Australia: The 2020 Vision’ which is due to report to the Primary Industries Ministerial Council in November 2002:
  - (a) whether there are impediments to the achievement of the aims of ‘Plantations for Australia: The 2020 Vision’ strategy;
  - (b) whether there are elements of the strategy which should be altered in light of any impediments identified;
  - (c) whether there are further opportunities to maximise the benefits from plantations in respect of their potential to contribute environmental benefits, including whether there are opportunities to:
    - (i) better integrate plantations into achieving salinity and water quality objectives and targets;
    - (ii) optimise the environmental benefits of plantations in low rainfall areas, and
    - (iii) address the provision of public good services (environmental benefits) at the cost of private plantation growers;
  - (d) whether there is the need for government action to encourage longer rotation plantations, particularly in order to supply sawlogs; and
  - (e) whether other action is desirable to maintain and expand a viable and sustainable plantation forest sector, including the expansion of processing industries to enhance the contribution to regional economic development.*

**ISSUES**

The Committee’s report makes 17 recommendations for both governments and industry, covering the themes of:

- The area target of the Vision (3 million hectares by the year 2020)
- The plantation prospectus industry and its role in achieving the Vision
- Market information for plantation growers and investors
- Enhanced public reporting requirements for the Plantations 2020 Vision Coordinator
- Environmental benefits of plantations
- Water and plantations
- The Mandatory Renewable Energy Target legislation
- Taxation incentives to encourage investment in long-rotation plantations
- Three-year funding for Private Forestry Development Committees
- The Australian Government response to the Tasmanian Regional Forest Agreement 5-year Review.
- The Australian Government’s response to these recommendations is outlined below.
Recommendation 1

3.35 The Committee therefore recommends that the revised 2020 Vision be amended by deleting all references to trebling the acreage by 2020 or plantation acreage of 3 million hectares. This should be replaced with the target of increasing the acreage of plantation forests at a sustainable and economic level.

The Australian Government does not support this recommendation.

The area target is an aspirational target that reflects the desire to establish a major plantation resource.

The area target provides one objective measure of progress in achieving the Vision. The Australian Government acknowledges that the area target is only one way of measuring whether the Vision is being achieved. Major expansion of the plantation estate is not an end in itself; the Vision is about governments and industry working together to achieve new investment in plantations for economic, social and environmental outcomes on a sustainable basis.

The Australian Government will examine with industry the development of other appropriate indicators to add value to the area target in terms of social, economic and environmental outcomes.

Recommendation 2

3.40 The Committee recommends that the government commission an independent assessment of how the plantation prospectus industry relates to the 2020 Vision, including an evaluation of prospectus assumptions against returns likely to be achieved.

The Australian Government supports the intent of this recommendation, but not the need for an independent assessment of matters such as prospectus assumptions.

Plantation prospectus companies have been the key driver in the large plantation expansion seen over the last 10 years. These companies raised over $700 million in investor funds in 2005-2006 and are expected to continue to be a key driver of plantation expansion in the future. The plantation prospectus companies are therefore integral to the success of the Vision.

Reducing land availability may limit the ability of plantation prospectus companies to expand in the future. Another factor will be the size and maturity of each company's resource, with many now about to harvest their oldest plantations and re-plant this land, reducing their need for new land.

The Corporations Act 2001 contains requirements governing the content and presentation of disclosure documents, such as prospectuses and Product Disclosure Statements, provided to investors and potential investors. The Australian Securities and Investments Commission (ASIC) have also published guidance on its approach to the use of prospective financial information (including financial forecasts and projections) in disclosure documents (see ASIC Policy Statement PS 170: Prospective Financial Information issued 6/9/2002).

Under the Corporations Act, prospectuses and Product Disclosure Statements must be lodged with ASIC. However, lodgement does not imply that ASIC has approved the contents of the document, or that forecasts or the assumptions on which they are based are reasonable. Investors themselves must bear some responsibility to decide whether forecasted returns are realistic.

ASIC does, however, conduct targeted surveillance campaigns to test the quality of information in disclosure documents, such as the use of long-range financial forecasts. Where ASIC considers that a disclosure document is defective (for example, because it contains misleading information), it has various powers, including the ability to issue a stop order preventing any subscriptions being received from investors until the defects in the disclosure document are rectified.

The Australian Government favourably views industry initiatives that promote increased investor confidence and protection in relation to afforestation investments, noting for example the Australian Forest Growers Disclosure Code for Afforestation Managed Investments and accompanying Investors’ Guide to Afforestation Investment.

However, the Government does not endorse any particular investment and stresses that information given to investors and potential investors...
must meet the requirements of the Corporations Act and any policy guidance issued by ASIC.

Recommendation 3

3.70 The Committee recommends that research and other studies to be carried out under Action 5 of Strategic Element 2, relating to codes of practice to support sustainable plantation development be the subject of a separate public report by the Coordinator, to be presented to the Primary Industries Ministerial Council and Federal and State Parliaments.

The government response to this recommendation is provided under the heading ‘Grouped Recommendations concerning the Plantations Coordinator’.

Recommendation 4

3.101 The Committee recommends that Action 9 under Strategic Element 3 be amended to include as an expected outcome the establishment of a Market Information Centre, based on the model of the current New Zealand body (or service), which will make available full and up-to-date information on current and projected prices and returns on various types of timber, including plantation timber.

The Australian Government supports this recommendation in principle, subject to industry willingness to take up this task.

The forest and wood products industry, with assistance from the Australian Government Department of Agriculture, Fisheries and Forestry, has developed a proposal to establish a company limited by guarantee under the Corporations Act 2001 that will replace the existing Forest and Wood Products Research and Development Corporation. The new company will undertake R&D and Marketing and Promotion. The legislation to enable this new company has recently passed through Parliament and it is expected to commence operations before the end of 2007. One function under the proposed company’s ‘marketing stream’ could be the provision of up-to-date market data, information and analyses.

Recommendation 5

4.29 The Committee therefore recommends that funding for Private Forestry Development Committees (PFDCs) be made over a 3 year period, subject to the delivery of outcomes against Action 13 of the 2020 Vision for plantation forests.

The Australian Government supports the intent of this recommendation, noting that funding is subject to budget processes.

The Natural Heritage Ministerial Board has approved funding for PFDCs from the Natural Heritage Trust until June 2008.

The PFDCs are the Australian Government’s main vehicle for delivering plantation outcomes. There are 19 PFDCs across Australia, funded equally by the Australian Government through the Natural Heritage Trust and relevant State governments. The PFDCs are community-based groups that work with all levels of government, industry, regional bodies, landholders and the community to foster sustainable and responsible forest industry development.

The Australian Government’s view is that PFDCs play an essential role in engaging with Catchment Management Authorities (CMAs) and the wider community to support new plantation investment. The regional natural resource management (NRM) investment framework and the CMAs who are responsible for implementing it will be important to success of the Vision.

Recommendation 6

4.31 The Committee recommends that the following matters be included in any report prepared by the Coordinator:

Actions under Strategic Element 4 be reported against expected outcomes with regard to involvement of stakeholders in achieving the Strategic Element goals. Each report by the Coordinator should provide detail of how stakeholders have been involved in each year’s goal achievement and a measure of stakeholders’ satisfaction.

Assessment or report on Actions – especially Action 13 under Strategic Element 4 – should give details of consultation, contact or involvement with local governments and Regional Catchment Management Authorities in...
achievement of expected outcomes under the Action.

Details of current and proposed reviews and/or studies of social and community responses to further plantation development to be conducted by the Bureau of Rural Sciences and other bodies such as the Forest and Wood Products Research and Development Corporation.

The government response to this recommendation is provided under the heading ‘Grouped Recommendations concerning the Plantations Coordinator’.

Recommendation 7

4.32 The Committee recommends that research and other studies to be carried out under Action 13 of Strategic Element 4 (which involve consultation with Catchment Management Authorities) be the subject of specific report by the Coordinator.

The government response to this recommendation is provided under the heading ‘Grouped Recommendations concerning the Plantations Coordinator’.

Recommendation 8

5.38 The Committee therefore recommends that the plantation industry establishes joint ventures to encourage research to examine the environmental benefits that may be delivered by plantation forests, particularly in relation to the availability of water, salinity and water quality, and plantations in low rainfall areas.

The Australian Government supports this recommendation.

These recommendations are not directed at the Australian Government.

The Australian Government notes the Primary Industries Ministerial Council resolution No. 4.11 (October 2003), whereby Council agreed to “seek to identify key government and market-based instruments to leverage private investment and/or internalise environmental values in primary industry economic settings”.

The National Market Based Instruments Pilot Program, funded under the National Action Plan for Salinity and Water Quality (NAPSWQ), recognises the role of incentives and cost sharing arrangements.

In addition, the Australian Government Department of Agriculture, Fisheries and Forestry has completed the Commercial Environmental Forestry (CEF) project, in conjunction with CSIRO and the National Association of Forest Industries (NAFI), to develop a model for targeted public and private investment in plantation forestry to achieve environmental and commercial outcomes.

Other joint ventures between governments and industry for forestry research and development are already in place. Examples are:

- Forest and Wood Products Research and Development Corporation (FWPRDC), which is funded jointly by the Australian Government and the forest and wood products industry;
- Joint Venture Agroforestry Programme (JVAP) managed through the Rural Industries Research and Development Corporation.

Recommendation 9

5.39 The Committee recommends that the Commonwealth urgently funds the conduct of a water audit in both the mainland and Tasmania, to assess the impact of plantation forests on both water quantity and quality.

The Australian Government has already undertaken measures to address this recommendation.

The Australian Government has undertaken significant work to date in examining the impact of plantations on water resources through the BRS report titled ‘Plantations and Water Use’ prepared for FWPRDC, while research is continuing to be carried out through CSIRO Land and Water and other research organisations.

BRS is currently undertaking a number of projects addressing the information requirements of the Inter-Governmental Agreement (IGA) on a National Water Initiative. This includes assessment of the significance of water intercepting activities on catchments and aquifers based on an understanding of the total water cycle, and helping monitor the progress of catchments and aquifers towards either full allocation or the threshold level of interception.

To complement the BRS work, The River Catchment Water Quality Initiative, a component of the
Tasmanian Community Forest Agreement, provided $1 million for a river catchment water quality initiative. The first priority is to assess the impact of chemical use on water quality in Tasmania’s river catchments. The program builds on State chemical audit and water monitoring programs to assess the impact of chemical usage in Tasmania’s water catchments.

Under the Australian Government Water Fund, Tasmania has received $2.5 million to implement the Enhancing Water Planning in Tasmania project. With a contribution of $690,000 from the Tasmanian Government, the $3.19 million project focuses on the collection of critical information on water catchments throughout Tasmania. Information gathered under Enhancing Water Planning in Tasmania will help water managers understand and predict the fluctuations of surface and groundwater resources, and will guide future water planning decisions.

Recommendation 10

5.40 The Committee recommends that the government review the application of the Mandatory Renewable Energy Target (MRET) legislation as it applies to the plantation woody crop industry.

The Australian Government has already undertaken measures to address this recommendation. An Independent Panel reviewed the MRET legislation in 2003 and provided its report, Renewable Opportunities, A Review of the Operation of the Renewable Energy (Electricity) Act 2000 (The Act), to the then Minister for the Environment and Heritage, the Hon Dr David Kemp on 30 September 2003.

The MRET Report was tabled in Parliament on 16 January 2004. The Government responded in the context of its Energy White Paper, Securing Australia’s Energy Future in June 2004. The Government agreed with the independent panel’s recommendation to make it easier for plantations to qualify for Renewable Energy Certificates (RECs) and improve access for plantation biomass by broadening the definition of energy crops as an eligible energy source. Legislative amendments required to enable these changes came into effect in September 2006.

Subsequent regulatory amendments have broadened the definition of energy crops and removed the requirement for energy crops to be grown for the ‘primary purpose’ of producing energy. This amendment allows plantations to be eligible as energy crops. Further regulatory amendments to clarify the conditions for eligibility of plantation biomass are being developed.

Recommendation 11

6.36 The Committee recommends that the government investigate the possibility of introducing a taxation incentive related to the period of time a plantation is grown, however urges the government to keep in mind the necessity for the industry to meet environmental goals without significant subsidies and tax benefits.

On 10 May 2005, the Government announced a review of the application of taxation law to plantation forestry in the context of the Government’s broader plantation and natural resource management policies. The terms of reference for the review included consideration of ‘whether the operation of the Income Tax Assessment Acts impedes investment in longer term forest rotations which produce higher value products’. The Government received public submissions, and also conducted targeted consultation with forest industry representatives.

On 29 May 2006 the Government announced proposed taxation arrangements for plantation forestry. A further round of submissions and consultations occurred.

On 21 December 2006, the Government announced new arrangements for the taxation of investments in forestry managed investment schemes (MIS). The Government noted that the new arrangements will ensure the continued expansion of Australia’s plantation forestry estate, so reducing Australia’s reliance on native forests and on overseas imports. The new arrangements also recognise the critical role plantation forestry plays in sequestering greenhouse gases.

Under the new arrangements, from 1 July 2007, investors in forestry MIS will be entitled to immediate upfront deductibility for all expenditure provided that at least 70 percent of the expenditure is expenditure directly related to developing forestry (‘direct forestry expenditure’). There
will be an integrity rule requiring that arm’s length prices be used in determining the value of expenditure directly related to forestry. The arm’s length prices for purchased services would include the normal profit margin that an arm’s length supplier would require.

On 8 May 2007, the Government announced that, from July 1 2007, initial investors in a forestry MIS will be allowed to trade their interests once they have been held for a period of at least four years. The four-year restriction will apply only to the initial investors in a scheme. The measure will apply to interests in a pre-existing scheme, meaning that taxpayers who invested in a forestry MIS prior to 1 July 2003 will be able to trade their interests as of 1 July 2007. The legislation also contains rules to provide tax symmetry between investors’ costs and proceeds and to minimise tax arbitrage.

While eligibility for the statutory deduction is not related to the length of time a plantation is grown, the Government believes that secondary market trading in forestry MIS interests should encourage investment in both short and long rotation plantations as investors will no longer be required to hold their interests until harvest.

**Recommendation 12**


See response to Recommendation 13 below.

**Recommendation 13**

8.206 The Committee recommends that, within 12 months of the publication of the Commonwealth’s response to the Final Recommendations Report on the Inquiry on the Progress with Implementation of the Tasmanian Forest Agreement (1997), that this Committee conduct a review of operations under, and the enforcement of, the Forest Practices Code. The Committee should be able to seek expert advice in the conduct of its inquiry and the Committee would expect the immediate co-operation of both State and Commonwealth Governments. In the absence of full co-operation, the Committee foresees that it will recommend an immediate independent review with more compelling and drastic powers.

On 13 May 2005 Prime Minister John Howard and Premier Paul Lennon signed The Tasmanian Community Forest Agreement. Under this Supplementary Agreement the Parties Agree:

1. To fully implement the actions recommended in the Report of the Inquiry on the progress with Implementation of the Tasmanian Regional Forest Agreement (2002), subject to the exception outlined in relation to Recommendation 4.5 of the Report. The Commonwealth Government acknowledges the value of Threatened Species Listing Statements in providing interim direction for many rare and vulnerable Tasmanian species currently without Recovery Plans. However, under its current legislation, the Commonwealth cannot accredit such Statements as an alternative to Recovery Plans for threatened species. Recovery Plans will continue to be the mechanism for compliance with the Commonwealth Environment Protection and Biodiversity Conservation Act 1999; and,

2. That this Supplementary Agreement represents a full and final response to the Report.

**Recommendation 14**

9.24 The Committee recommends Strategic Element 5 be amended to provide that the National Plantation Strategy Coordinator prepare an annual report detailing the plantation industry’s performance against the expected outcomes of each of the 14 principal Actions required by the 2020 Vision program.

The government response to this recommendation is provided under the heading ‘Grouped Recommendations concerning the Plantations Coordinator’.

**Recommendation 15**

9.25 The Committee recommends that the National Plantation Strategy Coordinator’s annual report also indicate the extent of research and/or assessment work (and results) carried out by the Coordinator, industry and other agencies, applicable to plantation development.
The government response to this recommendation is provided under the heading ‘Grouped Recommendations concerning the Plantations Coordinator’.

Recommendation 16

9.26 The Committee recommends that the National Plantation Strategy Coordinator’s report is presented to the Minister for Agriculture, Fisheries and Forestry, and to the Minister for Environment and Heritage, and to the Ministers equivalent in each State.

The government response to this recommendation is provided under the heading ‘Grouped Recommendations concerning the Plantations Coordinator’.

Recommendation 17

9.27 The Committee recommends that the National Plantation Strategy Coordinator’s report is tabled in the Commonwealth and State Parliaments within a month of the relevant Minister receiving it, so as to allow scrutiny by the parliament and the community of the achievement of 2020 Vision goals.

The government response to this recommendation is provided under the heading ‘Grouped Recommendations concerning the Plantations Coordinator’.

Grouped recommendations concerning the Plantations Coordinator

Recommendation 3

3.70 The Committee recommends that research and other studies to be carried out under Action 5 of Strategic Element 2, relating to codes of practice to support sustainable plantation development be the subject of a separate public report by the Coordinator, to be presented to the Primary Industries Ministerial Council and Federal and State Parliaments.

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• Actions under Strategic Element 4 be reported against expected outcomes with regard to involvement of stakeholders in achieving the Strategic Element goals.

Each report by the Coordinator should provide detail of how stakeholders have been involved in each year’s goal achievement and a measure of stakeholders’ satisfaction.

• Assessment or report on Actions — especially Action 13 under Strategic Element 4 — should give details of consultation, contact or involvement with local governments and Regional Catchment Management Authorities in achievement of expected outcomes under the Action.

• Details of current and proposed reviews and/or studies of social and community responses to further plantation development to be conducted by the Bureau of Rural Sciences and other bodies such as the Forest and Wood Products Research and Development Corporation.

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The Australian Government supports these recommendations in principle.

The Plantations 2020 Vision Coordinator Project continues to be supported by the Australian Government, the State and Territory Governments and the national plantation industry representative organisations - the Australian Plantation Products and Paper Industry Council and Australian Forest Growers. The Australian Government continues to work with the other partners of the Vision to determine reporting requirements for the Coordinator. The Coordinator Project published a ‘2020 Vision Progress Report Against Actions’ in April 2005 and is in the process of preparing the 2007 update.

The Plantations Vision 2020 Coordinator’s annual report has primarily focussed on financial acquittal and activities undertaken for approval of the Vision partners via the Private Forestry Consultative Committee.

The practicality of Ministers tabling within a month of receiving reports would need to be examined.

There is merit in reports of the Plantations Vision 2020 Coordinator including where possible, information on research being undertaken as a means of disseminating this in a coordinated fashion, within the resources of the coordinator to undertake the task. The Australian Government notes there are likely to be resourcing issues for the Vision partners in terms of funding should the Coordinator’s reporting requirements be expanded.

AUSTRALIAN GOVERNMENT RESPONSE TO THE SENATE INQUIRY INTO AUSTRALIAN FOREST PLANTATIONS
MINORITY REPORTS

SENIOR SHANE MURPHY

Recommendation 1

The Government must take steps to require the Australian Taxation Office to bring forward taxation measures that will allow for continuous trade in plantation timber.

This recommendation is addressed in the main response to Recommendation 11.

SENIOR BOB BROWN

Recommendation 1

Abolish special deductions for plantation establishment by managed funds (12 Month prepay- ment rule).

As mentioned in the response to Recommendation 11, the Australian Government has decided to introduce a specific statutory deduction for contributions to forestry managed investment schemes, provided the relevant requirements are met (including that at least 70 per cent of the expenditure is expenditure directly related to developing forestry). Therefore, the Australian Government does not support this recommendation.

Recommendation 2

Ensure that private sector investment in hardwood plantations is not commercially undermined by state government subsidies on chip logs from native forests.

While the Australian Government recognises the importance of equitable conditions for public and private forestry business operations, there is no evidence that the price of native forest pulpwood is affecting investment in hardwood plantations. Therefore, the Australian Government does not support this recommendation.

Recommendation 3

That the Commonwealth act to bring Tasmania into line with other jurisdictions by prohibiting broad-scale clearing of native vegetation for plantation establishment.

Under the Tasmanian Community Forest Agreement, signed on 13 May 2005 by the Prime Minister and the Tasmanian Premier, the Australian
Joint Standing Committee on Foreign Affairs, Defence and Trade

Foreign Affairs Sub-Committee

Government response to the report on Australia’s relationship with Malaysia

Recommendation 1

The Department of Agriculture, Fisheries and Forestry promote in international fora the adoption of a transparent and efficient international Halal standard.

In Australia, Halal red meat production for export is governed by the Australian Government Muslim Slaughter Program (AGMS). The Government and industry considers the AGMS to be both a transparent and efficient Halal standard when included in an establishment’s Approved Arrangement.

As Australia’s Halal red meat export program, the AGMS is incorporated into the arrangements of all Halal exporting red meat establishments. The AGMS is underpinned by legislation and Australian Government involvement, through the Australian Quarantine and Inspection Service (AQIS). These aspects contribute to the transparency and efficiency of the AGMS and assist in assuring Australia’s Halal export markets of the integrity of the system.

AQIS introduced the AGMS program in 1983 to underpin the production of Halal meat and meat products. The AGMS is controlled by legal requirements in the Export Control (Meat and Meat Products) Orders under the Export Control Act 1982, and applies to red meat, edible offal and meat products.

The AGMS program has a number of elements to ensure the integrity of Halal products, including the inspection of establishments by both AQIS and an approved Islamic organisation. Only approved Islamic organisations can certify Halal red meat and meat products for export. AQIS maintains a list of all approved Islamic organisations responsible for the provision of Halal inspection, supervision and certification services for red meat and meat products and the specific countries they are listed for. In addition, Halal red meat for export receives an official Halal meat certificate co-signed by AQIS and a recognised Islamic organisation.

Recommendation 4

That the Commonwealth Ministers for Agriculture, Fisheries and Forestry and Environment and Heritage commission an independent review of Tasmania’s forest management system, with the power to subpoena witnesses and evidence; it should be completed within 12 months.

Authority over the management of Tasmanian state-owned and privately-owned forests rests primarily with the legislature of Tasmania. The Commonwealth’s primary involvement in forestry management by Tasmanians is through contractual agreements and undertakings with the Tasmanian Government and in particular, the Tasmanian Regional Forest Agreement and its supplementary agreement, the Tasmanian Community Forests Agreement. The accountability of the Tasmanian Forest Practices System has already been reviewed through the 5-year review of the Tasmanian Regional Forest Agreement (the Tasmanian Community Forests Agreement represents a full and final response to the 5-year review). The Australian Government is committed to supporting the RFA and to working within RFA processes with all stakeholders. The Australian Government is committed to supporting the RFA going forward, including the review process set out in the Agreement. Therefore, the Australian Government does not support this recommendation.

Joint Standing Committee on Foreign Affairs, Defence and Trade

Foreign Affairs Sub-Committee

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AQIS introduced the AGMS program in 1983 to underpin the production of Halal meat and meat products. The AGMS is controlled by legal requirements in the Export Control (Meat and Meat Products) Orders under the Export Control Act 1982, and applies to red meat, edible offal and meat products.

The AGMS program has a number of elements to ensure the integrity of Halal products, including the inspection of establishments by both AQIS and an approved Islamic organisation. Only approved Islamic organisations can certify Halal red meat and meat products for export. AQIS maintains a list of all approved Islamic organisations responsible for the provision of Halal inspection, supervision and certification services for red meat and meat products and the specific countries they are listed for. In addition, Halal red meat for export receives an official Halal meat certificate co-signed by AQIS and a recognised Islamic organisation.

Joint Standing Committee on Foreign Affairs, Defence and Trade

Foreign Affairs Sub-Committee

Government response to the report on Australia’s relationship with Malaysia

Recommendation 1

The Department of Agriculture, Fisheries and Forestry promote in international fora the adoption of a transparent and efficient international Halal standard.

In Australia, Halal red meat production for export is governed by the Australian Government Muslim Slaughter Program (AGMS). The Government and industry considers the AGMS to be both a transparent and efficient Halal standard when included in an establishment’s Approved Arrangement.

As Australia’s Halal red meat export program, the AGMS is incorporated into the arrangements of all Halal exporting red meat establishments. The AGMS is underpinned by legislation and Australian Government involvement, through the Australian Quarantine and Inspection Service (AQIS). These aspects contribute to the transparency and efficiency of the AGMS and assist in assuring Australia’s Halal export markets of the integrity of the system.

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The AGMS program has a number of elements to ensure the integrity of Halal products, including the inspection of establishments by both AQIS and an approved Islamic organisation. Only approved Islamic organisations can certify Halal red meat and meat products for export. AQIS maintains a list of all approved Islamic organisations responsible for the provision of Halal inspection, supervision and certification services for red meat and meat products and the specific countries they are listed for. In addition, Halal red meat for export receives an official Halal meat certificate co-signed by AQIS and a recognised Islamic organisation.
The AGMS is an international Halal standard accepted by the majority of Australia’s Halal export markets. Some countries, such as Malaysia, have requirements in addition to the AGMS. The Government considers that these requirements should be addressed on a case by case basis in consultation with industry. In such cases, industry has a commercial choice of whether or not to meet additional requirements in order to export to a particular market.

The AGMS is promoted widely in international markets by both industry and the Department. For example, AQIS promotes the AGMS and its associated legislation to visiting government officials from Australian Halal export markets such as Malaysia, the United Arab Emirates, Indonesia and Brunei.

Australian industry, through the Australian Meat Industry Council (AMIC) and Meat and Livestock Australia, actively promotes the AGMS program, including in international fora. An example is AMIC’s recent presentation on the AGMS at the World Halal Forum held 7-8 May 2007 in Malaysia.

**Recommendation 2**

The Department of Agriculture, Fisheries and Forestry, in consultation with interested parties, provide options to the Minister for developing a single Halal certifying body within Australia. The operations of the certifying body should conform to the principles of transparency and accountability.

The Government and red meat industry does not support this recommendation. It is important that industry has a choice of approved Islamic organisations to facilitate the Halal certification of red meat and meat products under the AGMS program, including those establishments located in regional and remote areas.

In Australia there are a number of Islamic organisations that are approved by AQIS to certify Halal red meat and meat products for export, including in each state. Some Islamic organisations are listed for specific countries, where this is a requirement of the Islamic authority of that importing country.

Having a number of approved Islamic organisations provides the Australian red meat industry with the flexibility and choice to work with a religious certifier it has a constructive working relationship with and that is in proximity to its place of business.

In addition, the development of a single Halal certifying body within Australia risks creating a potentially unfair and uncompetitive monopoly situation and would be inconsistent with the current legislation that underpins the AGMS program.

**Recommendation 3**

The Department of Immigration and Citizenship review:

- the reasons for the increase in Malaysian overstayers; and
- the reasons for the increase in the number of Malaysian passport holders being refused entry to Australia.

The Department should report to the Minister, providing strategies, with associated performance targets, for addressing the problem.

The Department has commenced a project to analyse the overstayer cohort to better target prevention and enforcement strategies. These strategies will focus on those offshore agents and onshore labour suppliers who support the entry of illegal workers to Australia, including Malaysian nationals. The Employer Sanctions legislation which commenced on 19 August 2007 makes it an offence to knowingly or recklessly employ or refer a person without authority to work in Australia. This is expected to deter the employment of people without work rights and act as a significant disincentive for a person to overstay their visa.

The Department regularly reviews compliance with Australian immigration law, with the aim of preventing and deterring breaches. The Department reports to the Minister, and to the Parliament through the Annual Report, on performance in this area.
GOVERNMENT RESPONSE TO THE
JOINT STANDING COMMITTEE ON THE
NATIONAL CAPITAL AND EXTERNAL
TERRITORIES’ REPORT QUIS CUSTODIET
IPSOS CUSTODES?: INQUIRY INTO
GOVERNANCE ON NORFOLK ISLAND

June 2007

GOVERNMENT RESPONSE TO THE
JOINT STANDING COMMITTEE ON THE
NATIONAL CAPITAL AND EXTERNAL
TERRITORIES’ (JSC’S) REPORT QUIS
CUSTODIET IPSOS CUSTODES? INQUIRY
INTO GOVERNANCE ON NORFOLK
ISLAND

This response replaces the interim response provided by the Australian Government in October 2005. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government has accepted the assurances of the Norfolk Island Government that it will continue its program of economic and financial reform and that it will seek to improve the transparency and accountability of governance on the island. The Australian Government will continue to engage with the Norfolk Island Government to ensure that it honours these commitments. The Australian Government has identified the need for the Norfolk Island Government to improve its financial and administrative transparency and develop contemporary laws that will provide legislative protection for Norfolk Island residents.

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<tr>
<td><strong>Recommendation 1</strong></td>
<td>Noted. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island. The Norfolk Island Government has undertaken some reform of accountability mechanisms since the Committee provided its report. These reforms are discussed under Recommendations 3, 4, 5, 6, 7 and 13.</td>
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<td>That the continuation of self-government for Norfolk Island, as provided for under the Norfolk Island Act 1979 (Cth), be conditional on the timely implementation of the specific external mechanisms of accountability and reforms to the political system recommended in this report.</td>
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<td><strong>Recommendation 2</strong></td>
<td>Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island. Norfolk Island remains able to apply for funding from some Australian Government programmes. The Australian Government will consider appropriate requests for assistance from the Norfolk Island Government on a case-by-case basis.</td>
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<td>That the Federal Government reassess its current policies with respect to Norfolk Island and the basis for the Territory’s exclusion from Commonwealth programmes and services, with a view to determining:</td>
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<td>• a clearly understood and consistent rationale and framework for Commonwealth funding, advice and assistance that will be provided across government to the Norfolk Island community;</td>
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<td>• a means of assessing Norfolk Island’s need for Commonwealth financial and other assistance and of determining the extent of Commonwealth assistance or input to be provided, both now and in the future, and how it should be provided;</td>
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**JSC recommendations**

- a clear and achievable end point or coordinated set of policy outcomes; and
- the means of achieving those outcomes such as any preconditions that must be met before assistance will be provided, independent and external monitoring, and consideration of the various mechanisms for providing assistance such as an agreed plan with set time-lines and deadlines.

**Recommendation 3**

That, consistent with other Australian jurisdictions, the *Norfolk Island Act 1979* (Cth) be amended to:

- adopt a Code of Conduct for Members of the Legislative Assembly as a Schedule to the Act;
- introduce a duty for Members of the Legislative Assembly to act in an honest and impartial manner in the interests of the whole community and in conformity with the Code of Conduct;
- specify penalties in the Act including disqualification from office for wilful or serious breach of the Code;
- confer jurisdiction on the Commonwealth Ombudsman to investigate alleged breaches; and
- confer jurisdiction on the Supreme Court of Norfolk Island, constituted as a Leadership Tribunal, to enforce the Code.

**Government Response**

Noted. The Norfolk Island Legislative Assembly has passed the *Legislative Assembly (Register of Members' Interests) Act 2004* which includes:

- a Code of Conduct requiring MLAs to place public duty before private interest;
- referral of complaints to the Privileges Committee for investigation; and
- penalties ranging from reprimand to suspension, removal from executive office to a fine of up to 50 penalty points.

The provisions of the Act, including the penalties, reflect arrangements in other jurisdictions.

The Commonwealth Ombudsman does not have the power to oversee the behaviour of members of the Norfolk Island Legislative Assembly.

**Recommendation 4**

That, consistent with other Australian jurisdictions, the *Norfolk Island Act 1979* (Cth) be amended to:

- tighten the requirement for ad hoc disclosure of any material interest in which a Member of the Legislative Assembly, their immediate family or associate(s) will directly or indirectly benefit or suffer a loss depending on the outcome of debate;
- prohibit the Member of the Legislative Assembly from being present during the debate; and
- insert new provisions that:
  - establish a register of pecuniary and non-pecuniary interests;
  - require annual returns containing details of expected income and interests for the forthcoming year;
  - require notification of any change within

**Government Response**

Noted. The Norfolk Island Legislative Assembly passed the *Legislative Assembly (Register of Members' Interests) Act 2004* which addresses the recommendation through the various provisions noted below, which:

- require disclosure of any material interest held by MLAs and their immediate families which 'might appear to raise a conflict';
- include a Code of Conduct which requires members to disclose to the Assembly any pecuniary and non-pecuniary interests;
- require notification of any change within
JSC recommendations

- non-pecuniary interests as part of the Code of Conduct;
- require annual declaration of a specified list of interests to be adopted as a Schedule to the Act;
- require notification of changes to the register within 28 days;
- establish penalties for proven breaches, including disqualification from office for up to 5 years for wilful or serious breaches;
- confer jurisdiction on the Commonwealth Ombudsman to investigate alleged breaches; and
- confer jurisdiction on the Supreme Court of Norfolk Island, constituted as a Leadership Tribunal, to enforce the disclosure requirements.

Recommendation 5

That the Norfolk Island Act 1979 (Cth) be amended to engage an independent institution with jurisdiction to investigate allegations of ‘corrupt conduct’ within the Norfolk Island Legislative Assembly, Administration and all statutory boards and government business enterprises.

Government Response

30 days; and
- establish penalties for proven breaches, including suspension for up to six months.
- The Act does not confer jurisdiction on the Commonwealth Ombudsman to investigate and enforce breaches of the provisions of the Act.
- The Commonwealth Ombudsman does not have the power to oversee the behaviour of members of the Norfolk Island Legislative Assembly.

Recommendation 6

That, in order to implement Recommendation 5, the Federal Government negotiate with the Government of New South Wales with a view to amending the Norfolk Island Act 1979 (Cth), as recommended above, to apply the Independent Commission Against Corruption Act 1988 (NSW) to the Norfolk Island Legislative Assembly, Administration and all statutory boards and government business enterprises.

Government Response

Noted. The Norfolk Island Government has commenced negotiations with the NSW Government with a view to applying NSW Independent Commission Against Corruption legislation to Norfolk Island on an agreed cost sharing basis.

Recommendation 7

That, consistent with other Australian jurisdictions, the Norfolk Island Act 1979 (Cth) be amended to:
- extend the provisions of the Model Criminal Code with respect to corruption to Norfolk Island;
- provide that a substantial breach of the Code of Conduct amounting to corrupt conduct be grounds for disqualification from office as a Member of the Legislative Assembly, and

Government Response

Not agreed. The Australian Government decided not to proceed with changes to the governance arrangements of Norfolk Island and did not change the Norfolk Island Act 1979. The Norfolk Island Criminal Code Bill 2006 was drafted in February 2006 and awaits passage through the Norfolk Island Legislative Assembly. It includes provisions of the model criminal code in respect to corruption in terms similar to that of the relevant ACT legislation. The Norfolk Island Act 1979 already provides...
empower the Administrator to declare the office vacant on the advice of the Federal Minister; and

- empower the Administrator to declare all offices of the Legislative Assembly vacant on the ground of systemic corruption on the advice of the Federal Minister having regard to a report of the above-mentioned investigative body (the NSW Independent Commission Against Corruption).

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<td>for the disqualification of members of the Legislative Assembly in a range of circumstances, including conviction for offences carrying a sentence of one year or longer. Under the current provisions of the <em>Norfolk Island Act 1979</em>, the Administrator can end the terms of the members of the Legislative Assembly by calling a general election and setting an election date in accordance with subsections 33 and 35 of that Act. If the Administrator does not consider the subject matter being dealt with under subsections 33 and 35 to be Schedule 2 matters, then these powers must be exercised in accordance with the Minister for Territories’ instructions. If the Administrator does consider the issue to be a trigger for the calling of an election and setting an election date to be a Schedule 2 matter, the powers would be exercised in accordance with advice, if any, given by the Norfolk Island Executive Council. If there is no such advice, the Administrator would be able to exercise these powers in the absence of Executive Council advice.</td>
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**Recommendation 8**

That, regardless of the outcome of the recommended Federal Government review on extending Commonwealth social and health services legislation and programmes to Norfolk Island outlined in Recommendation 9, the Federal Government take all necessary steps in the intervening period to implement the following measures, including amendment of the *Norfolk Island Act 1979* (Cth) if required:

- the Norfolk Island *Social Services Act 1980* and *Healthcare Act 1989* be amended to rationalise application procedures and clarify entitlements to pensions and benefits under the respective laws, including the right to review;

- the jurisdiction of the Norfolk Island Administrative Review Tribunal be extended to all decisions concerning pensions and benefits and related health and medical assistance matters; and

- subject to implementation of the proposed social services regime, the Norfolk Island

Not agreed. Social services, health and welfare remain the responsibility of the Norfolk Island Government. The Norfolk Island Legislative Assembly has passed amendments to the *Social Services Act 1980* (Social Services (Amendment no. 2) Bill 2006). The Social Services (Amendment no. 2) Bill 2006 (the Bill) did not receive the Administrator’s assent. This Bill contained eligibility thresholds for benefits, include a right of appeal on a decision to the Norfolk Island Administrative Appeals Tribunal and alter some application criteria. Assent was not given because the provisions within the Bill were a significant departure from standards elsewhere in Australia.
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<td>Claims Committee and the Social Services Board be abolished.</td>
<td>Noted. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island.</td>
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<td><strong>Recommendation 9</strong></td>
<td>The Australian Government tasked the Commonwealth Grants Commission (CGC) to advise on the amount of financial assistance that would be required to enable State and local-type services to be provided on Norfolk Island at comparable Australian levels at average efficiency levels. The CGC report was tabled in the House of Representatives on 31 October 2006.</td>
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<td>That, as part of the wider reassessment proposed in Recommendation 2, the Federal Government review and assess the level of income support and health and medical assistance on Norfolk Island with a view to:</td>
<td>Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island.</td>
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<td>• ensuring parity with entitlements paid to Australian citizens and residents domiciled on the mainland, and</td>
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<td>• identify which government services and responsibilities currently provided to the Island community by the Norfolk Island Government might be better provided by the Federal Government.</td>
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<td>That the Federal Government report to the Federal Parliament on the outcomes of this review.</td>
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<td><strong>Recommendation 10</strong></td>
<td>Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island.</td>
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<td>That, depending on the findings of the proposed review in Recommendation 9, the Commonwealth resume responsibility for social security and extend Medicare and the Pharmaceutical Benefits Scheme to Norfolk Island.</td>
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<td><strong>Recommendation 11</strong></td>
<td>Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island.</td>
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<td>That, as recommended by the Human Rights and Equal Opportunity Commission, the Federal Government extend the operation of the Migration Act 1958 (Cth) in full to the Territory of Norfolk Island, and that Schedule 3 of the Norfolk Island Act 1979 (Cth) be amended to delete reference to ‘immigration’ and to remove from the Norfolk Island Legislative Assembly and Administrator their powers with respect to immigration.</td>
<td>The Australian Government is, however, further considering its position in relation to the application of Commonwealth customs, immigration and quarantine legislation to Norfolk Island.</td>
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</table>
**Recommendation 12**
That, as recommended by the Human Rights and Equal Opportunity Commission, the Federal Government take immediate steps to work with the Norfolk Island Government to develop and implement a regime to regulate the permanent resident population, temporary residency and tourist numbers by the lawful operation of land, planning and zoning regulations.

**Government Response**
Noted. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island.

**Recommendation 13**
That the Federal Government apply an administrative law regime, based on the Australian Capital Territory model, to Norfolk Island to provide for independent and external scrutiny of administrative action, and that a *Norfolk Island (Consequential Provisions) Bill* be drafted and introduced to the Federal Parliament as matter of urgency to:

- extend the jurisdiction of the Commonwealth Ombudsman under the *Ombudsman Act 1976* (Cth) to conduct occurring under a Norfolk Island enactment or by a Territory authority;
- apply the *Freedom of Information Act 1982* (Cth) or, subject to negotiation with the Australian Capital Territory, the *Freedom of Information Act 1988* (ACT);
- apply the *Public Interest Disclosure Act 1988* (ACT); and
- confer jurisdiction on the Commonwealth Ombudsman to deal with matters arising under freedom of information and whistleblower legislation.

**Government Response**
Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island.

The Norfolk Island Government has committed to introduce legislation in the Norfolk Island Legislative Assembly to provide access to Freedom of Information processes.

**Recommendation 14**
That sections 51-51F of the *Norfolk Island Act 1979* (Cth) be amended to provide for the following:

- the appointment of the Commonwealth Auditor-General as Auditor for the Norfolk Island Administration to provide both finance and performance audit reports;
- financial and performance audit reports be tabled, in their entirety including any remarks concerning significant irregularities, in the Norfolk Island Legislative Assembly by the Executive Member responsible for Fi-

**Government Response**
Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island.

The Norfolk Island Legislative Assembly passed the *Annual Reports Act 2004* requiring annual reports of the Chief Executive Officer and public sector agencies to be tabled within three months of the end of the financial year.

The *Norfolk Island Act 1979* (Cth) provides for the Administrator to appoint an auditor, for the
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| *nance within two sitting days of the Assembly after receipt of the report; and*  
  • provision of the report by the Commonwealth Auditor-General directly to the Federal Minister for Territories to be tabled, in its entirety, in the Federal Parliament as soon as practicable during the next sitting of the Parliament. | auditor to report annually, for the speaker to table the auditor’s report and for the Administrator to forward this report to the Minister for Territories. |

**Recommendation 15**
That subsection 8 (2), *Public Accounts and Audit Committee Act 1951 (Cth)* be amended to require the Federal Parliament’s Joint Statutory Committee of Public Accounts and Audit to examine the financial affairs of the Administration of Norfolk Island and review all reports of the Commonwealth Auditor-General on the Administration of Norfolk Island.

Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island. 
Currently, audits are reviewed by the full Norfolk Island Legislative Assembly. Neither the ACT nor the Northern Territory is required to submit financial accounts to the federal Parliament for scrutiny.

**Recommendation 16**
That the *Norfolk Island Act 1979 (Cth)* be amended to require the Norfolk Island Government to report annually to the Legislative Assembly within three months of the end of each financial year, and that:
  • the Annual Report include all information on all Norfolk Island Administration operations including government business enterprises;  
  • the Executive Member must table the report within two sitting days of receipt;  
  • the annual report to be forwarded to the Administrator within two days of being tabled in the Legislative Assembly for transmission to the Federal Minister for Territories for tabling in the Federal Parliament; and  
  • the Joint Standing Committee on the National Capital and External Territories to be given, through its Resolution of Appointment, the role of reviewing the annual report of the Norfolk Island Administration.

Not agreed. The Norfolk Island Legislative Assembly has passed the *Annual Reports Act 2004* that requires annual reports to be presented to the Assembly by the Executive Member within three months of the end of the financial year. By convention, annual reports are currently forwarded to the Administrator of Norfolk Island and the Minister for Territories.
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| **Recommendation 17**  
That the *Norfolk Island Act 1979* (Cth) be amended to incorporate:  
- the *designation* of Chief Minister and the role of Chief Minister as leader of the government;  
- the *election* of the Chief Minister, from among the sitting Members of the Legislative Assembly, at the first meeting of the Assembly immediately following a general election;  
- the power of the Legislative Assembly to dismiss the Chief Minister through a vote of no confidence passed with a two thirds majority of the Assembly Members, at any time during the life of the Assembly;  
- the duty of the Chief Minister to appoint up to three Ministers, from among the sitting Members of the Legislative Assembly;  
- the power of the Chief Minister to dismiss a Minister from office at any time;  
- the duty of the Chief Minister to allocate portfolio responsibilities and to table in the Legislative Assembly and publish in the *Norfolk Island Government Gazette* the division of executive responsibilities;  
- the duty of a Minister to administer the matters allocated to him or her by the Chief Minister; and  
the number of Ministers not to exceed three. | Not agreed. The *Norfolk Island Act 1979* allows the Administrator to appoint members as required to executive offices (and to terminate such appointments), but there is no explicit provision in relation to the office of Chief Minister. This is similar to arrangements in the Northern Territory (section 36 of the *Northern Territory (Self-Government) Act 1978*). The operation of the Norfolk Island Legislative Assembly is a matter for the Norfolk Island Government. |
| **Recommendation 18**  
That Section 35 of the *Norfolk Island Act 1979* (Cth) be amended to provide that in the event the Legislative Assembly resolves to dismiss the Chief Minister through a vote of no confidence passed with a two thirds majority of the Assembly Members, the Legislative Assembly is dissolved and writs for an election shall be issued by the Administrator. | Not agreed. This recommendation is inconsistent with the treatment for the ACT and the Northern Territory Legislative Assemblies. In the ACT, a vote of no confidence would lead to another Chief Minister being elected. If this did not occur within 30 days and the Governor-General did not dissolve the Assembly, then an election would be called. In the Northern Territory the Administrator appoints and terminates the appointment of Ministers. |
JSC recommendations | Government Response
---|---
**Recommendation 19**
That Sub-section 11 (8) of the *Norfolk Island Act 1979* (Cth) be repealed.

[Subsection 11(8) provides that: “A member of the Legislative Assembly who does not hold executive office is entitled to attend all meetings of the Executive Council”]

Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island.

**Recommendation 20**
That Sections 41 and 42 of the *Norfolk Island Act 1979* (Cth) be amended to provide that:

- the Speaker and Deputy Speaker of the Legislative Assembly be appointed from among suitably qualified persons who are not elected Members of the Legislative Assembly;
- the Speaker and Deputy Speaker of the Legislative Assembly be appointed by the Administrator on the advice of the Federal Minister for Territories;
- the Speaker and Deputy Speaker of the Legislative Assembly be appointed immediately following each general election for the life of the Assembly;
- the role of the Speaker, and in the Speaker’s absence, the Deputy Speaker, is to preside over meetings of the Legislative Assembly, and therefore, the Speaker does not have a vote on any matter before the Assembly; and
- the Speaker and Deputy Speaker not hold any executive office or any other public office on Norfolk Island.

Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island.

The operation of the Norfolk Island Legislative Assembly is a matter for the Norfolk Island Government.

**Recommendation 21**
That Section 40 of the *Norfolk Island Act 1979* (Cth) be amended to provide that:

- all meetings of the Legislative Assembly must be held in public, except during debate on matters relating to the employment conditions of public officers;
- all Members of the Legislative Assembly, unless excluded on the grounds of conflict of interest, are entitled to be present;
- the authority to call meetings of the Legislative Assembly rests with the Speaker, acting on the advice of the Chief Minister;
- notice of the time and place of meetings of

Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island.

The operation of the Norfolk Island Legislative Assembly is a matter for the Norfolk Island Government.
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| *the Legislative Assembly be published in the Norfolk Island Government Gazette;*  
• a 12 month forward calendar of Legislative Assembly sittings be issued and published in the Norfolk Island Government Gazette;  
• the Speaker, on the advice of the Chief Minister, may recall the Legislative Assembly for a special sitting to deal with a matter that requires urgent attention;  
• *seven* days notice of the special meeting must be given in writing to each Member of the Legislative Assembly and include an outline of the business to be considered; and  
• the *Speaker* may extend the period of recall of the Legislative Assembly if the Speaker believes that for any reason insufficient notice has been given. | Noted. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island.  
The Norfolk Island Government has advised that all financial reports from the Norfolk Island Administration and other agencies are examined in detail by the Norfolk Island Legislative Assembly. |

**Recommendation 22**  
That the *Norfolk Island Act 1979* (Cth) and the *Public Moneys Act 1979* (NI) be amended to establish a Norfolk Island Legislative Assembly Standing Committee to Review Government Expenditure, with the power to examine the financial affairs of the Norfolk Island Administration and all statutory authorities and review the reports of the Commonwealth Auditor-General in relation to Norfolk Island, as outlined in Recommendation 14.  
Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island.  
The Australian Electoral Commission does not have jurisdiction in Norfolk Island. |

**Recommendation 23**  
That Section 35 of the *Norfolk Island Act 1979* (Cth) be amended to provide that the term of the Legislative Assembly shall be four years from the date of its election, and that after the third anniversary of the declaration of the election results by the Australian Electoral Commission, the Legislative Assembly may be dissolved by the Administrator at the request of the Legislative Assembly following a resolution to do so, passed by two-thirds majority.  
Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island.  
The Australian Electoral Commission does not have jurisdiction in Norfolk Island.
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<td><strong>Recommendation 24</strong></td>
<td>Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island. The Norfolk Island Act 1979, provides that the Administrator can end the terms of members of the Legislative Assembly by calling a general election and setting an election date (subsections 33 and 35). If the Administrator does not consider the subject matter being dealt with under subsections 33 and 35 to be a Schedule 2 matter, then those powers must be exercised in accordance with the Minister for Territories’ instructions. However, if the Administrator does consider the exercise of subsections 33 and 35 powers for calling of elections and setting the date to be related to Schedule 2 matters, then these powers would need to be exercised in accordance with advice, if any, given by the Norfolk Island Executive Council. If there is no such advice, the Administrator would be able to exercise these powers in the absence of Executive Council advice.</td>
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<td>That, consistent with other Australian jurisdictions, the Norfolk Island Act 1979 (Cth) be amended to provide that the Administrator may, at his own discretion or on the advice of the Federal Minister:</td>
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<td>• terminate at any time the appointment of an individual Minister or the Executive as a whole, where the Administrator is satisfied that the Minister or the Executive has acted unlawfully or corruptly;</td>
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<td>• dissolve the Legislative Assembly and issue writs for a new election, where the Administrator is satisfied that the Legislative Assembly is incapable of effectively performing its functions, or is conducting its affairs in a grossly improper manner;</td>
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<td>• that the Administrator publish a statement of reasons in the Norfolk Island Government Gazette as soon as practicable after the day of the dissolution;</td>
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<td>• that the Federal Minister publish the statement of reasons in the Commonwealth Gazette as soon as practicable after the day of the dissolution and table the statement in each House of the Federal Parliament within 15 sitting days of that House after the day of the dissolution; and</td>
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<td>• that the general election be held on a day specified by the Administrator by notice published in the Norfolk Island Government Gazette, not more than 90 days after the day of dissolution of the Legislative Assembly.</td>
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| **Recommendation 25** | Noted. The Norfolk Island Legislative Assembly (Amendment) Act 2006 was given assent on 30 November 2006. This Act reduced the number of votes an elector could give to a candidate from four votes to two votes. The operation of the Norfolk Island Legislative Assembly is a matter for the Norfolk Island Government. |
| That Section 20 of the Legislative Assembly Act 1979 (NI) be amended to introduce the ’block vote’ variation of the first-past-the-post method of voting for elections to the Legislative Assembly, and that the Federal Government support this amendment. | |

CHAMBER
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<tr>
<th>JSC recommendations</th>
<th>Government Response</th>
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<tr>
<td><strong>Recommendation 26</strong>&lt;br&gt;That the <em><strong>Norfolk Island Act 1979</strong></em> (Cth) and the <em><strong>Commonwealth Electoral Act 1918</strong></em> (Cth) be amended to:&lt;br&gt;- ensure that all elections and referenda on Norfolk Island come under the supervision of the Australian Electoral Commission;&lt;br&gt;- that the Australian Electoral Commission be responsible for preparing and maintaining the electoral roll for Norfolk Island; and&lt;br&gt;- that the Legislative Assembly Act 1979 (NI) be amended to reflect the amendments to the Commonwealth statutes.</td>
<td>Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island.</td>
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<td><strong>Recommendation 27</strong>&lt;br&gt;That the <em><strong>Norfolk Island Act 1979</strong></em> (Cth) be amended to provide that Australian citizenship be reinstated as a requirement for eligibility to vote for and be elected to the Norfolk Island Legislative Assembly, with appropriate safeguards for the right to vote of all those currently on the Norfolk Island electoral roll.</td>
<td>Agreed. The <em><strong>Norfolk Island Amendment Act 2004</strong></em>, assented to on 10 March 2004, amended the <em><strong>Norfolk Island Act 1979</strong></em> as recommended by the Committee. The Act came into force on 11 March 2004. A group of Norfolk Island residents applied to the High Court of Australia challenging the validity of the law. A hearing was held on 8-9 November 2006. On 27 April 2007 the High Court unanimously held that the <em><strong>Norfolk Island Amendment Act 2004</strong></em> was valid under section 122 of the Constitution.</td>
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<td><strong>Recommendation 28</strong>&lt;br&gt;That the <em><strong>Norfolk Island Act 1979</strong></em> (Cth) be amended to provide that the period for which an Australian citizen must reside on Norfolk Island before being eligible to enrol to vote in Territory elections and referenda be a minimum of six months.</td>
<td>Agreed. The <em><strong>Norfolk Island Amendment Act 2004</strong></em>, assented to on 10 March 2004, amended the <em><strong>Norfolk Island Act 1979</strong></em> as recommended by the Committee. The Act came into force on 11 March 2004. A group of Norfolk Island residents applied to the High Court of Australia challenging the validity of the law. A hearing was held on 8-9 November 2006. On 27 April 2007 the High Court unanimously held that the <em><strong>Norfolk Island Amendment Act 2004</strong></em> was valid under section 122 of the Constitution.</td>
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<td><strong>Recommendation 29</strong>&lt;br&gt;That the <em><strong>Electoral Act 1918</strong></em> (Cth) and other relevant Commonwealth statutes be amended to provide for the inclusion of Norfolk Island in the Federal electorate of Canberra for the purposes of voting in Federal elections and referendums, and that:&lt;br&gt;- the existing provision, under the Electoral Act 1918 (Cth), for optional enrolment by Norfolk Island residents be replaced with</td>
<td>Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island.</td>
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### JSC recommendations

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<th>Recommendation 30</th>
<th>Government Response</th>
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<td>compulsory enrolment for all Norfolk Island residents who qualify under Section 93 of the Electoral Act 1918 (Cth); • those Norfolk Island residents currently enrolled in Federal electorates under the provisions of the Electoral Act 1918 (Cth) to change their enrolment to the Federal Electoral Division of Canberra; and • Norfolk Island residents who qualify for enrolment must, following the amendment, do so in the Federal Electoral Division of Canberra.</td>
<td>Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island. The Norfolk Island Government has responsibility for the legislation of Norfolk Island.</td>
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### Recommendation 31

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<td>That, with the assistance of the Federal Government, the Norfolk Island Government enter into a service delivery agreement with the Commonwealth Office of Parliamentary Counsel and the Commonwealth Attorney-General’s Department for the provision of its usual drafting services.</td>
<td>Noted. The Australian Government would consider a request from the Norfolk Island Government for the provision of legislative drafting services.</td>
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</table>
### JSC recommendations

**Recommendation 32**
That the Federal Government assist the Norfolk Island Government in the immediate reform of the laws of Norfolk Island in relation to the following:

- review the Territory’s child welfare law to ensure that it conforms with the Convention on the Rights of the Child and best practice in Australia;
- provide assistance to ensure reform of the Territory’s child welfare law is complete within 12 months of acceptance of this recommendation;
- provide assistance to ensure reform of the Territory’s criminal justice laws is complete within 12 months of acceptance of this recommendation;
- investigate the regulation of companies with a view to applying Federal company, bankruptcy and insolvency laws to the Territory;
- ensure that proposed uniform national legal profession laws apply to legal practitioners who practice in the jurisdiction of Norfolk Island;
- pending promulgation of the proposed national legal profession laws, legal practitioners on Norfolk Island be required to register in some other Australian legal jurisdiction; and
- review the Employment Act 1988 (NI) to ensure it is consistent with best practice and legislation in other Australian jurisdictions and is in compliance with International Labour Organization Conventions and Australia’s other international obligations.

### Government Response

Noted. The Australian Government would consider a request from the Norfolk Island Government for legislative reform assistance. The Norfolk Island Government has provided an exposure draft of the Children and Young People Bill 2006 to the Norfolk Island Legislative Assembly. The Bill is expected to be introduced into the Assembly during 2007. The Norfolk Island Administrator assented to the Norfolk Island Bankruptcy Act 2006 on 20 February 2007.
GOVERNMENT RESPONSE TO THE JOINT STANDING COMMITTEE ON THE
NATIONAL CAPITAL AND EXTERNAL TERRITORIES’ (JSC’S) REPORT NORFOLK
ISLAND FINANCIAL SUSTAINABILITY: THE CHALLENGE – SINK OR SWIM
June 2007

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<tr>
<td>Recommendation 1</td>
<td>Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island. The Norfolk Island Government introduced a Goods and Services Tax (GST) that is designed to broaden the revenue base. The GST commenced at a rate of 9 per cent on 2 April 2007. Other Norfolk Island taxes and levies will be reduced or eliminated.</td>
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The Committee recommends that a new taxation model be developed whereby Norfolk Island is gradually incorporated into the taxation regime of the Commonwealth of Australia.

Recommendation 2

The Committee recommends that, on acceptance of Recommendation 1, the Commonwealth make transitional financial arrangements to ensure the Norfolk Island Government is adequately funded prior to the implementation of the new taxation model. Particular emphasis should be on:

- replacing and/or maintaining depreciating infrastructure, notably the hospital and the school;
- key service provision, specifically health, aged care and social services;
- structural adjustment programs first, to sustain and increase the Island’s tourism industry, and second, to diversify the economy to the extent practicable; and
- engaging in wide-ranging consultation and discussions with the Norfolk Island Government and with the Norfolk Island community.

Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island. The Norfolk Island Government has provided the Australian Government with assurances that it will continue its programme of financial and governance reforms to progress Norfolk Island to a state of financial sustainability. This programme includes measures to boost the number of tourist arrivals on Norfolk Island.
GOVERNMENT RESPONSE TO THE JOINT STANDING COMMITTEE ON THE NATIONAL CAPITAL AND EXTERNAL TERRITORIES’ (JSC’S) REPORT NORFOLK ISLAND ELECTORAL MATTERS

June 2007

GOVERNMENT RESPONSE TO THE JOINT STANDING COMMITTEE ON THE NATIONAL CAPITAL AND EXTERNAL TERRITORIES’ (JSC’S) REPORT NORFOLK ISLAND ELECTORAL MATTERS

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| **Recommendation 1** | The Committee recommends that Australian Citizenship be reinstated as a requirement for eligibility to vote for and be elected to the Norfolk Island Legislative Assembly, with appropriate safeguards for the right to vote of all those currently on the electoral roll.  
A group of Norfolk Island residents applied to the High Court of Australia challenging the validity of the law. A hearing was held on 8-9 November 2006. On 27 April 2007 the High Court unanimously held that the Norfolk Island Amendment Act 2004 was valid under section 122 of the Constitution. |
| **Recommendation 2** | The Committee recommends that the Government amend all appropriate legislation, including the Norfolk Island Act 1979 and the Commonwealth Electoral Act 1918, to ensure that all elections and referenda on Norfolk Island come under the supervision of the Australian Electoral Commission. | Not agreed. The Australian Government considered alternative governance arrangements for Norfolk Island in 2006. The Australian Government accepted the assurances of the Norfolk Island Government and decided not to proceed with changes to the governance arrangements of Norfolk Island. |
| **Recommendation 3** | The Committee recommends that the period for which an Australian citizen must reside on Norfolk Island before being eligible to enrol to vote for the Legislative Assembly be reduced to six months.  
A group of Norfolk Island residents applied to the High Court of Australia challenging the validity of the law. A hearing was held on 8-9 November 2006. On 27 April 2007 the High Court unanimously held that the Norfolk Island Amendment Act 2004 was valid under section 122 of the Constitution. |
Government Response to Report 81 of the Joint Standing Committee on Treaties

The Government thanks the Committee for its consideration of the treaties tabled, and gives the following responses to the Committee’s recommendations:


Recommendation 1

1. The Committee recommends that the Australian Government provide funding for intensive research and development in the area of energy generation using thorium reactors with the purpose of comparing its waste and energy generation capacity to conventional nuclear reactors.

On 28 April 2007 the Prime Minister announced that the government will be implementing a strategy to increase uranium exports and to prepare for a possible expansion of the nuclear industry. The strategy includes a firm commitment to Australia’s participation in the Generation IV advanced nuclear research program. The Government notes that a number of thorium reactor research projects have been conducted in several countries, but none of these projects has yet been brought successfully to mature commercialisation. The thorium fuel cycle seems unlikely to be competitive against the uranium fuel cycle in the foreseeable future and the thorium fuel cycle is not included in the suite of reactor technologies under consideration by the Generation IV reactor research program. The level of funding required for a national thorium power reactor R&D program would be very substantial, and this funding would have to be re-directed from other areas. For these reasons, the Government has no plans to fund intensive R&D in thorium power reactors.

Recommendation 2

2. The Committee recommends that the Australian Government through its membership of the International Atomic Energy Agency (IAEA) calls for an urgent review of the IAEA’s funding requirements and that Australia sets a lead by increasing its voluntary contributions and lobbies other governments to do likewise.

The Government notes that the IAEA’s regular budget is agreed by IAEA Member States on a biennial basis and reviewed annually to assess the Agency’s funding requirements. Australia supported the decision by the IAEA General Conference in September 2003 to increase the IAEA’s safeguards budget by approximately twenty per cent. Australia was one of the first countries to provide support to the IAEA’s Nuclear Security Fund, and made further contributions totalling approximately $560,000 in 2006-07. Australia consistently pays its annual share of the IAEA’s voluntary Technical Cooperation Fund. Through its participation in the IAEA’s Programme and Budget Committee (a sub-committee of the Board of Governors), Australia plays an active role in reviewing the status of the IAEA’s budgeting and expenditure processes. As a leading advocate of IAEA safeguards as an essential element of the nuclear non-proliferation regime, the Government will continue to monitor the IAEA’s funding requirements to carry out its mandated activities. Further, during 2005-06 additional contributions in the form of research, assistance and consultancy services were made through the Australian Safeguards Support Program (ASSP) to the value of $457,146. ASSP has been in existence for 26 years and is on-going.

Recommendation 3

3. The Committee recommends that the Australian Government lobbies the IAEA and the five declared nuclear weapons states under the NPT to make the safeguarding of all conversion facilities mandatory.

The Government does not accept this recommendation. Uranium conversion is not a primary point of proliferation concern, even
less so in respect of nuclear-weapon states (NWS). The IAEA has not made safeguarding of conversion facilities in NWS a priority. Safeguarding of conversion facilities in NWS would not be an effective use of limited international safeguards resources. The safeguards resource requirements would be substantial since most conversion facilities do not incorporate design features to facilitate application of safeguards.

**Recommendation 4**

4. The Committee recommends that the Australian Government increases funding allocated to the Australian Safeguards and Non-Proliferation Office’s safeguards support and international outreach programs to ensure that effective safeguards are being applied in regard to the treaties.

In 2006 the Australian Safeguards and Non-Proliferation Office (ASNO) received supplementary funding of $1.4 million for a four year program dealing with nuclear security and counter-terrorism activities.

International outreach programs conducted by ASNO involve a number of countries, including China. Chinese officials regularly take part in ASNO’s training activities and have been invited to take part in an ASNO initiative to develop a regional safeguards association.

**Recommendation 5**

5. The Committee recommends that the Australian Government continue its dialogue with the Chinese Government about governance and transparency issues with a view to the Australian Government offering practical support where appropriate.

The Government regularly discusses governance and transparency issues with the Chinese Government. Issues of press freedom raised in evidence to the inquiry, together with other human rights concerns that touch on issues of transparency and governance, are a regular subject of discussion in our annual human rights dialogue with China. These issues are also raised regularly in high-level meetings. Realistic about the capacity of dialogue alone to effect change, the Government recognises also the importance of developing and implementing practical measures to assist China to improve its governance regime, including corporate governance. Australia’s current Development Cooperation Program in China is focused on efforts to improve governance and transparency in China, with a governance program worth $20.3 million between 2004 and 2010.

**Recommendations 6 and 7**


The Government is pleased to advise binding treaty action was completed on 4 January 2007. These two Agreements came into force on 3 February 2007.

**Government Response to Report 84 of the Joint Standing Committee on Treaties**

The Government thanks the Committee for its consideration of the Agreement between Australia and the Republic of Indonesia on the Framework for Security Cooperation (Lombok Treaty), and provides the following responses to the Committee’s recommendations:

**Recommendation 1**

The Committee recommends that the Australian Government continue to address widely expressed concerns about human rights in Indonesia with the Indonesian Government and in appropriate international fora.

The Australian Government continues to register with the Indonesian Government at the highest levels the importance of upholding its commitment to an open, tolerant and pluralist society. Australia strongly supports the Indonesian Gov-
ernment’s commitment to ensuring the human rights of all Indonesians are respected.

Australia has a strong track record of representations in urging the Indonesian Government to investigate alleged human rights abuses.

Through its development cooperation program, the Australian Government is making a practical contribution to strengthen the capacity of the Indonesian Government and civil society institutions to promote legal reform and the protection of human rights.

**Recommendation 2**
The Committee recommends that the Australian Government increase transparency in defence cooperation agreements to provide assurance that Australian resources do not directly or indirectly support human rights abuses in Indonesia.

Australia has no defence cooperation agreements with Indonesia.

Defence is subject to a high degree of transparency, scrutiny and accountability in its defence engagement activities with Indonesia. Authoritative information on Australia’s Defence Cooperation Program with Indonesia is available from a wide variety of sources. Information on defence engagement activities and policy priorities of counter-terrorism, maritime security, peacekeeping, humanitarian assistance, disaster relief and governance, can be found in Defence strategic policy publications, such as successive Defence White Papers and Defence Updates, and ministerial and departmental speeches. The Minister responds to concerns raised in correspondence, which is an avenue open at all times to the members of the public, interest groups and Members of Parliament. Senate Standing Committee hearings provide a further mechanism for accountability and transparency of the Defence Cooperation Program with Indonesia. Official responses to Parliamentary Committees (most recently the public hearings of the JSCOT on the Lombok Treaty) make clear that we limit our cooperation to exclude those people we know to have been involved in serious human rights abuses.

**Recommendation 3**
The Committee recommends that the Australian Government encourage the Indonesian Government to allow greater access for the media and human rights monitors in Papua.

The Australian Government raises regularly with Indonesia the importance of access to Papua for credible observers with appropriate visas. A recent visit to Papua by the United Nations Secretary-General’s Special Representative on the Situation of Human Rights Defenders, Hina Jilani, was a welcome step in allowing access by the international community.

**Recommendation 4**
The Committee recommends that the Australian Government engage in a campaign to increase public support for the Australia – Indonesia relationship. This campaign would have the goal of increasing awareness of the democratic reforms in Indonesia and the value to Australian security of strong relations with Indonesia.

The Australian Government will continue to foster greater understanding within Australia of developments in Indonesia, including democratic reforms and the value to Australian security of a strong relationship with Indonesia.

The Australia-Indonesia Institute has proved to be an effective tool in raising such awareness by promoting mutual understanding and increased contact between the people of Australia and Indonesia. The Institute’s media programs encourage Australian journalists to report on Indonesia, including by exploring current issues in greater depth. The Institute also aims to increase knowledge about Indonesia within Australia through people-to-people contact, especially among current and future opinion makers. It achieves these goals through its regular exchange programs, which include the Australia-Indonesia Youth Exchange Program and the Muslim Exchange Program.

The Australian Government will continue to explore further opportunities to enhance domestic awareness of the importance of the bilateral relationship.

**Recommendation 5**
The Committee supports the Agreement between Australia and the Republic of Indonesia on the Framework for Security Cooperation (Mataram, Lombok, 13 November 2006) and recommends binding treaty action be taken.
The Australian Government is committed to bringing the treaty into force at an early date. The Government understands that the treaty needs to be considered by Commission I (Defence, Foreign Affairs, Communication and Information) of the Indonesian Parliament. The treaty will come into force following an exchange of diplomatic notes with the Indonesian Government stating that our respective national treaty ratification processes have been completed.

Dissenting Report
At the JSCOT public hearings on 26 February and 30 April 2007, the Government gave evidence on the matters raised in the dissenting report.

RESPONSE TO RECOMMENDATIONS

Recommendation 1
The Committee recommends that the ACC continue its involvement in law enforcement on strategies against sexual servitude and trafficking in women.

Response:
Accepted.

In October 2003, the Australian Crime Commission (ACC) Board authorised a People Trafficking for Sexual Exploitation (PTSE) special intelligence determination. The primary aim of the PTSE determination was to contribute to law enforcement and government understanding and knowledge of issues relating to PTSE activity nationally.

Although the PTSE determination ceased operation on 30 September 2006, the ACC continues to gather information relating to PTSE through its intelligence gathering processes. If a need to use coercive powers is identified this would be requested through ACC Board processes. The ACC’s coercive powers have been an important tool in gathering intelligence and identifying new lines of inquiry.

Recommendation 2
The Committee recommends that a review of the new legislation take place a year after its implementation, and as part of that review, consideration be given to amendments to include the provision to the court of victim impact statements specific to these offences, similar to those contained in the NSW Crimes (Sentencing Procedure) Amendment (Victim Impact Statements) Act 2004.

Response:
Accepted in part.


The new provisions provide a broad range of people trafficking-related offences for investigators and prosecutors to pursue. While it is too early to undertake a formal review of the legislation, the Government will continue to monitor the offences to ensure they remain an effective deterrent to such conduct.

The Government is reviewing the use of victim impact statements as it considers its response to the Australian Law Reform Commission Report 103 - Same Crime, Same Time: Sentencing of Federal Offenders. The Report includes a number of recommendations on the use of victim impact statements which must be considered in the context the broader approach to federal sentencing. This includes whether any legislative provision for the use of victim impact statements should apply more generally, beyond offences related to trafficking in persons.

Under existing arrangements, the impact that a Commonwealth offence has on victims can be taken into account by the Court when sentencing the offender.

The Crimes Act 1914 (Cth) provides that the personal circumstances of the victim and any injury, loss or damage resulting from the offence must be taken into account when determining the sentence to be imposed on a federal offender (paragraphs 16A(2)(d) and (e)).

Commonwealth law also picks up State and Territory provisions regarding victims’ interests. All States and Territories have legislative provisions or court rules providing for the interests of victims to be taken into account in sentencing.

Recommendation 3

The Committee recommends that the ANAO consider undertaking an evaluation of the results of the National Action Plan, after three years of operation.

Response:


Joint Parliamentary Committee on Intelligence and Security

Review of the re-listing of Ansar al-Sunna, JeM, LeJ, EIJ, IAA, AAA and IMU as terrorist organisations

Tabled 12 June 2007

Government Response to Committee’s Recommendation

Recommendation 1:

The Committee does not recommend the disallowance of the regulations made to proscribe the following organisations: Ansar al-Sunna, Jaish-e-Mohammad, Lashkar-e-Jhangvi, Egyptian Islamic Jihad, Islamic Army of Aden, Ashut al-Ansar and the Islamic Movement of Uzbekistan.

Response:

The Government agrees with the recommendation.

Environment, Communications, Information Technology and the Arts Committee

Report: Government Response

Senator BARTLETT (Queensland) (3.35 pm)—Mr Deputy President, I seek leave to move a motion in relation to the government response to the Environment, Communications, Information Technology and the Arts Committee report on invasive species entitled Turning back the tide: the invasive species challenge: report on the regulation, control and management of invasive species and the Environment Protection and Biodiversity Conservation Amendment (Invasive Species) Bill 2002.

Leave granted.

Senator BARTLETT—I move:

That the Senate take note of the document.
As the Minister for Community Services said when he tabled this document, there are 10 government responses to committee reports that have all just been tabled at once. If we do not speak to those documents straight-away they will be put off to the netherworld of even later on Thursday evenings, and I suspect these particular responses will probably not be debated before the election, so I want to speak to at least a couple of them.

I particularly want to speak to the response from the government to the report of the Senate Standing Committee on Environment, Communications, Information Technology and the Arts inquiry into invasive species. The report, which contained 25 unanimous recommendations—cross-party, constructive, non-partisan proposals to deal with the very serious environmental and economic challenge of invasive species such as weeds and other things—was tabled in this chamber on 8 December 2004. It has taken the government nearly three years to respond to that Senate committee report.

I am pleased with most of the response now that it has appeared. There are only three recommendations that the government have rejected out of the 25. Some of the others they have accepted in principle or have accepted the thrust of but have indicated other ways of achieving similar goals. That does not mean that the government have only just now started to act on those 22 things that they have agreed with; they have been doing those things. But it reinforces to me the growing degree of contempt that the federal government have. I know there have been a couple of ministers in the environment portfolio over that period of time, but there is no excuse for taking three years to respond to a report that has only 25 recommendations. Some of them were substantial and detailed recommendations but not that complex. The issue is complex—it is very difficult tackling invasive spaces—but the recommendations were not that complex.

To take almost three years to provide a response to the committee shows contempt for the Senate and for the committee. Even worse, in my view, it shows contempt for the many people who contributed to this inquiry. This inquiry was not some political stunt. It was a very considered, detailed and comprehensive inquiry into what is a very important issue. The threat to Australia’s environment posed by invasive species such as weeds is regularly cited as being in the top two or three environmental threats. It is not as glamorous as the crown of thorns starfish or whaling. Whether or not a particular type of grass is running wild or a type of weed has got into some remote national park or escaped from pastoral land into a national park is not as glamorous, but it is certainly as serious. Invasive species are a major threat to biodiversity, and that includes marine environments, where they are even more likely to be neglected because they are less likely to be seen.

The fact that this is not glamorous does not mean it is not important. It is also a massive economic danger, both in the marine environment and on land. It costs billions of dollars a year in agricultural production in particular, as well as in lost economic opportunities. So it is a very serious issue. To take three years to respond is unsatisfactory. There were 78 submissions to this inquiry, many of them very comprehensive. There were four public hearings held in different parts of the country. It is very disappointing, frankly, that the response has taken so long.

I will go to the substance of the government response. As I said, it does agree with 22 of the 25 recommendations. There has been some progress in this area at federal level, as well as at state level. There has been some increased cooperation between the fed-
eral government and the states and territories since that time. That was a message that came out through the evidence provided to the committee during its hearings and in its report. I should emphasise that the inquiry was initiated by the Democrats. It was chaired by former Queensland Democrats Senator John Cherry, who, as people may know, now heads up the Queensland Farmers Federation and works on some of the issues that were identified in this report.

The committee considered, amongst other things, a private senator’s bill of mine that sought to put up a legislative proposal to assist in dealing with invasive species. The committee rejected my legislation as a suitable way forward. I have coped with that rejection. I can live with it. But I cannot cope and live quite so comfortably with the fact that the government has taken three years to respond to the recommendations in the committee report.

There were three recommendations the government did not agree to. They did not agree to recommendation 8 in terms of its practical applicability. As for their reasons for not agreeing with recommendation 24, I can see why they were put forward. I am disappointed that they disagreed with recommendation 6, which recommended that the Commonwealth, in consultation with the states and territories, promulgate regulations under the Environment Protection and Biodiversity Conservation Act, federally, to prevent the trade in invasive species of national importance. The Australian government took a different approach. Its response says:

While the EPBC Act is one mechanism for the control of weeds that pose a threat to Australia’s biodiversity, the Australian Government considers that in the first instance states and territories should improve the management and control of weeds within their jurisdictions.

I think it is a cop-out to say that the states and territories should improve the management and control of weeds within their jurisdiction. It is self-evident; of course they should, and they have to some degree. They need to do it better, particularly at points of entry into the country. But I believe that there is a clear role for the Commonwealth to play here, through federal environment protection laws and through the regulations, to proactively prohibit the trade in these species.

There has been some progress in general in that regard. The government’s response notes that former Minister for Fisheries, Forestry and Conservation Senator Ian Macdonald worked with state and territory counterparts from mid-2005 to try to prevent the further sale of plant species classified as weeds of national significance. There has been some progress in that regard. But, as this response itself notes, that has still not been fully addressed, in Victoria in particular. It has taken too long in some of the other states as well. It is simply ludicrous that we are identifying plant species as serious problems, in that they have the potential to become weeds, and yet they are still able to be sold. How could that even be a question for consideration?

I should emphasise that, whilst this part deals with plants, there is an issue with regard to the sale of ornamental or aquarium fish. I do not believe there are sufficient or adequate controls over the sale of some of those fish species that are sometimes released into the natural environment and present potential problems down the track. There are better controls in place now, in part due to the work of this committee and also due to the work that the Democrats have done through our implementation and strengthening of the federal environment protection act. The ability to better monitor and oversee the importation of plant and animals species into Australia and to assess in advance whether there is potential risk...
with regard to invasive species is a step forward, but we need to do more. There have been some advances, but the Commonwealth government can still take greater leadership in this area and can still make better use of the legislative tools and the financial resources that they have at their disposal. As we have seen with the equine virus, quarantine issues are always still very, very critical and can have a massive impact when they do not work. More needs to be done. The fact that it has taken nearly three years for the government to respond to this sends a bit of a signal that perhaps they still do not treat the issue with the seriousness and importance that it merits. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Treaties Committee
Reports: Government Responses

Senator BARTLETT (Queensland) (3.46 pm)—by leave—I move:

That the Senate take note of the documents.

Again I note that it is reasonable to guess that next Thursday we may not get the opportunity to speak to these types of documents, and this may well be the last opportunity for the Senate to have any debate on these responses. These are government responses to reports of the Joint Standing Committee on Treaties tabled on 6 December 2006 and 8 December 2006. The first is the response to the treaties committee report that examined the intent of the federal government to enable the sale of uranium to China, and the second deals with the adoption of the Lombok Treaty, which is the security treaty between Australia and Indonesia. I think that was actually tabled more recently than is indicated here.

As a member of the treaties committee, I simply want to re-emphasise that on both occasions all members, except for me, of the treaties committee—that is, the Labor and Liberal members of the committee—supported the federal government in establishing a treaty to enable the sale of uranium to China and to establish a security treaty with Indonesia. I dissented on both occasions, but on both occasions the committee also brought down extra recommendations. With regard to the transfer of nuclear material to China there were seven recommendations, two of which were to adopt the various treaties. There were five other recommendations to try to address some of the flaws, risks or shortcomings that the committee identified in the broader process of the transfer of nuclear material between Australia and the communist regime running the People’s Republic of China.

It is, therefore, appropriate to examine the government responses. They are not just saying, ‘Yes, we agreed with the committee agreeing with us.’ These recommendations were ones the committee put forward as mitigating factors or as ways to ameliorate the risks that were identified in the course of the inquiry. The committee’s first recommendation in this area was that the Australian government provide funding for intensive research and development in the area of energy generation using thorium reactors, with the purpose of comparing its waste and energy generation capacity to conventional nuclear reactors. In effect, the government rejected this recommendation. It says the government has no plans to fund intensive R&D in thorium power reactors. There is a rationale given from the government, but it is disappointing.

The second recommendation was that the Australian government, through its membership of the International Atomic Energy Agency, call for an urgent review of the atomic energy agency’s funding requirements and that Australia sets a lead by in-
creasing its voluntary contributions and lobbies other governments to do likewise. Whilst, again, the federal government gives a response to this, the response is a bunch of bureaucratic hot air that basically says no. Again, that is very disappointing. It is just some mealy-mouthed foreign affairs bureaucratic speak that says that the government will continue to monitor the International Atomic Energy Agency’s funding requirements and details how much support has been provided through the Australian safeguard support program. It totally rejects the committee’s recommendations. This is serious. Even though the committee said, ‘We will accept the adoption of an agreement to transfer nuclear material between Australia and China,’ as part of that they clearly identified that the International Atomic Energy Agency is struggling enormously to adequately perform its role of monitoring these sorts of transfers of nuclear material, that it needed more funding and that Australia should lead by increasing our contributions—and the government has said no. I think that is actually a very serious problem.

The third recommendation was that the Australian government lobby the International Atomic Energy Agency and the five declared nuclear weapons states under the non-proliferation treaty to make the safeguarding of all conversion facilities mandatory. The federal government does not accept this recommendation. These were recommendations put forward by the Democrats in our antinuclear position. My position was not to have a nuclear transfer with China at all. This is a majority recommendation by the rest of the committee, the unanimous agreement between the Liberal and Labor members of the committee that we should make the safeguarding of all conversion facilities mandatory under the non-proliferation treaty, and the federal government says no. It is actually a serious problem. The committee clearly recognised that there are real shortcomings in the adequacy of the monitoring process even under existing arrangements under the non-proliferation treaty and of the role and ability of the International Atomic Energy Agency.

The last couple of recommendations dealt with increasing the funding allocation to the Australian Safeguards and Non-Proliferation Office. The federal government response does not actually say, ‘We don’t agree’; it just gives a bit of bureaucratic hot air that it does not agree. It certainly does not indicate any intention of following that recommendation. The fifth recommendation is:

The Committee recommends that the Australian government continue its dialogue with the Chinese Government about governance and transparency issues with a view to the Australian Government offering practical support where appropriate.

Again the government does not even say it accepts that recommendation; it just gives a bit of nice bureaucratic-speak in general after that. That is particularly concerning, particularly as we are moving towards the lead-up to the Olympics, less than a year away. In communist China, particularly in Beijing, human rights abuses are, according to many reports, as bad as ever. The lack of interest in improving governance and transparency is as bad as ever and, whatever the Australian government has been doing with regard to its dialogue on this matter, it is not working terribly well. Even with the recommendations put forward by both major parties in this report to ameliorate the reality of Australia adopting a nuclear transfer treaty with China, in effect those concerns have been swept to one side by the federal government. It is a very poor response.

With respect to the responses to report No. 84 of the Joint Standing Committee on Treaties, the report into the security cooperation agreement with Indonesia, my view was that
we should not adopt that treaty, but the Labor and Liberal members of the committee agreed that we should and put forward four other recommendations to address some of the serious concerns that were raised during the process. The first recommendation is:

The Committee recommends that the Australian Government continue to address widely expressed concerns about human rights in Indonesia with the Indonesian Government and in appropriate international fora.

The Australian government does not actually say it agrees with that; it just talks about what its record is. The second recommendation is:

The Committee recommends that the Australian Government increase transparency in defence cooperation agreements to provide assurance that Australian resources do not directly or indirectly support human rights abuses in Indonesia.

The Australian government’s response is basically, ‘The things we do at the moment are satisfactory.’ I do not think that meets the concerns that the committee identified, although it is not for me to speak on their behalf. The third recommendation is:

The Committee recommends that the Australian Government encourage the Indonesian Government to allow greater access for the media and human rights monitors in Papua.

We had the absurd situation where we continually got assurances that the human rights situation in West Papua was not all that bad and that we should not be that worried that any cooperation between Australia and Indonesian military officials might involve skill- ing up Indonesian military officials who would then be involved in human rights abuses in West Papua. In between all of those assurances, we still had the absurdity of being made aware that people cannot get in there to see what is happening. Frankly, it does not fill me with a lot of confidence to be told that the human rights situation in West Papua is not too bad, but it is almost impossible for people to get in there and see for themselves or to get any sort of independent verification of that. There was a recent visit to Papua by the UN Secretary-General’s Special Representative on the situation of human rights defenders, as the government notes, and that is a welcome step. I support that. I am certainly not taking a blind Indonesian-bashing approach on this, as my comments in the report and in this chamber have indicated. But I do not think the Australian government’s response provides enough recognition of the sense of seriousness of the concerns that were raised through the treaties committee process and through the inquiry. I note the fourth recommendation about engaging in a campaign to increase public awareness of the Australia-Indonesia relationship. That is something that I think is very important. The Australia-Indonesia Institute, which is funded through the Australian government, does play a positive role and it is important that we do explore further opportunities to enhance a domestic awareness of the relationship between Australia and Indonesia.

Whilst these responses are much quicker than the government’s response to other reports, I do not think they show sufficient recognition or respect for the cross-party concerns expressed in the reports. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

DOCUMENTS

Responses to Senate Resolutions

The DEPUTY PRESIDENT— I present a response from the Premier of Victoria, Mr Brumby, to a resolution of the Senate of 13 June 2007 concerning the Kerang train disaster.
COMMITTEES
Privileges Committee Report

Senator FAULKNER (New South Wales) (3.57 pm)—I have a very brief oral report to make to the Senate on behalf of the Senate Standing Committee of Privileges on the subject of unauthorised disclosure of committee proceedings. A sessional order on this subject was agreed to by the Senate on 6 October 2005, following a recommendation of this committee in its 122nd report and also following appropriate scrutiny of the drafting by the Procedure Committee.

The Privileges Committee has kept a watching brief on the operation of the order and notes that, since the order came into effect, not one new case of unauthorised disclosure has been raised as a matter of privilege. The committee also notes a small number of reports on committees’ use of the procedure to investigate their own cases of unauthorised disclosure and to determine whether further action is warranted.

In the committee’s view, the order appears to be operating effectively in conjunction with the 1996 order of continuing effect on this subject and should therefore be placed on the same footing. I therefore seek leave to give notice of a motion for the Senate to adopt the terms of the sessional order agreed to on 6 October 2005 as an order of continuing effect.

Leave granted.

Senator FAULKNER—I give notice that, on the next day of sitting, I shall move:

That the sessional order adopted on 6 October 2005 in relation to the unauthorised disclosure of committee proceedings operate as an order of continuing effect.

Australian Crime Commission Committee Report: Government Response

Senator BARTLETT (Queensland) (3.59 pm)—I seek leave to take note of the government response to the Parliamentary Joint Committee on the Australian Crime Commission supplementary report to the report entitled Inquiry into the trafficking of women for sexual servitude.

Leave granted.

Senator BARTLETT—I move:

That the Senate take note of the document.

Again, I want to speak to this now because we may well not get the opportunity next Thursday. Given that I am repeatedly complaining about how long it takes for the government to respond to committee reports, I would not want them to think that nobody pays them any attention when they do respond or that they feel like they have been ignored—they are certainly not ignored.

This is a supplementary report from the Joint Committee on the Australian Crime Commission, a committee that I am now a member of, although I was not at the time of this report. The simple point I want to make is that it is about a very serious issue—the trafficking of women for sexual servitude. It was a supplementary report following up on issues the committee felt needed to be examined. It was in 2003 that the committee commenced an initial inquiry into the work of the Australian Crime Commission in assessing trafficking in women for the purposes of sexual servitude in Australia. That report was released a year later, in June 2004. The committee decided to revisit the issue in mid-2005 to evaluate the progress of the implementation of its recommendations. It released a supplementary report in August 2005. The report contained just three recommendations, which were unanimous. Again, I have to make the point: it is a very important issue and a very simple, short but
unanimous and constructive report, with just three recommendations—and the government takes two years to respond. That is simply not good enough. It does not show adequate recognition and respect for the work of the committees or for the very serious issue that is involved here.

I do note that the government has accepted one of the recommendations, that the Crime Commission ‘continue its involvement in law enforcement strategies against sexual servitude and trafficking in women’, and has partially accepted the recommendation for a review of the legislation to take place a year after its implementation—which is now of course out of date, because it has been in place for more than a year. I did want to make the point that it is welcome that a response has occurred, and it is good that there is ongoing engagement and involvement of the Australian Crime Commission on the important issue of the trafficking of women for sexual servitude, but it is not satisfactory that it takes two years to respond to just three unanimous recommendations. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

AUSTRALIA’S MANUFACTURING SECTOR

Senator CARR (Victoria) (4.03 pm)—I move:

That the Senate:

(a) acknowledges the critical place of manufacturing in the Australian economy, particularly its contribution to business research and development, innovation and exports;

(b) understands that innovation is the key to enabling Australia’s manufacturing sector to compete in a challenging and rapidly evolving international marketplace;

(c) condemns the Howard Government for its failure to sustain the high rates of growth in manufacturing exports and research and development achieved under the former Labor Government; and

(d) calls on the Howard Government to show leadership on this critical issue, end the blame game and work with the states and territories, industry and the research community to build a comprehensive national innovation system in Australia.

This motion essentially outlines the concerns of the Labor Party and the position that we have argued strenuously up and down the country. We acknowledge, as we always have; firstly, the critical place of manufacturing in the Australian economy, particularly its contribution to business research and development, innovation and exports, and that innovation is the key to enabling Australia’s manufacturing sector to compete in a challenging and rapidly evolving international marketplace; and, secondly, that the government can, either by its actions or its inaction, dramatically affect the capacity to develop an innovation imperative which will enable those in this country to work in a partnership between both its manufacturers, in terms of the owners of businesses, and its workers within those industries, and to work with government and the research community to ensure that Australian industry is able to prosper into the future.

The third point of my argument is that it is quite clear, beyond any reasonable doubt, that the Howard government has failed to heed the innovation imperative. It has presided over a slump in the rate of growth in research and development spending. Therefore, I would argue, it has also directly contributed to the decline in manufacturing exports.

Finally, it is my argument that national leadership is the key to our sustained prosperity. If we were to stand alongside Australian industry, if we were to believe in it, if we were to be optimistic and confident about the future, and if there were the right policy
settings in place, we would be able to see a significant improvement in the position of Australian manufacturing. So I condemn wholeheartedly the Howard government’s failure to show the national leadership that is required, particularly when it comes to industry and innovation policy and, more specifically, to promoting a vision of a thriving Australian manufacturing sector.

I also condemn the Howard government for failing to even participate in the National Manufacturing Forum, which was a high-level forum convened by all the states and territories comprising industry groups, experts in varying fields and unions, which made recommendations about how to take Australian manufacturing forward into the 21st century. Further, I condemn the Howard government for allowing Australia’s national innovation system to languish, to become a forest of red tape, a forest of lantana with gaps and duplications aplenty.

Under the Howard government, Australia’s innovation pulse has grown faint. When I go up and down this country, manufacturers—particularly international firms that are working in the international environment—tell me that when they talk to their parent companies all too often the view reflected back to them is that there is no serious commitment by the Australian government towards manufacturing. There is a view abroad that this country is governed by a Liberal Party that has essentially turned its back on manufacturing. In mid-November 2006, the Prime Minister was celebrating the 20th anniversary of the ‘Australian Made’ logo. In a report that appeared on the ABC on 5 December 2006, the Prime Minister was asked to comment on the prospects of Australian manufacturing. The report said:

Prime Minister John Howard was there to mark the occasion and reflect on how his government intends to support those who, in dwindling numbers, are making things in this country.

John Howard is reported as saying:

There will always be some who believe that globalisation has been allowed to go a little too far and there will be others who believe that as a consequence, Australian manufacturing in particular is not getting a fair go.

He went on to say:

I don’t have a ready answer to the resolution of that tension.

That sums up the government’s approach to manufacturing. They do not have a clear vision of the future, they are stale and out of date and they essentially live in a world which is well past. They are a government that essentially have a static view on what is a dynamic industry. As a consequence, we are faced with a situation where the government are unfit to meet the challenges of the future.

Like the leader of the Labor Party, Mr Kevin Rudd—who hosted the national manufacturing roundtable on Monday—I take the view that there is cause for optimism for manufacturing in this country. In coming to the leadership of the Labor Party, Mr Rudd made his position crystal clear. He said that he did not want to be a Prime Minister of a country that does not make things anymore. That was not some sort of stunt or ideological posturing; it was a clear statement of values and belief. The abiding goal of the Australian Labor Party is to ensure that we as a nation pass on to our children a country that is in a better condition than the one that we inherited—one that is fairer, stronger and more self-assured. A stronger Australia is an Australia in charge of its own destiny—that is, a country that takes advantage of its opportunities and that makes its own luck. I believe, and I am sure this is a view that is very widely shared within this country, that a thriving manufacturing sector has real opportunities in this country and certainly will be a key part of a stronger Australia under a Rudd Labor government.
Manufacturing is 12 per cent of the Australian economy. In South Australia it is 15 per cent and in my home state it is 14 per cent. Manufacturing directly employs over one million people and a third of those are in Victoria. Manufacturing could employ many more people today if the growth in exports and in research and development achieved under the previous Labor government had continued under the Howard government. Manufacturing currently accounts for $75 billion of exports and, without this contribution, Australia’s ballooning current account deficit would be looking even worse than its current woeful state.

Despite the Howard government’s neglect, Australian manufacturers continue to innovate and to compete in a very tough international environment. Take, for instance, the case of Australian Defence Apparel in Bendigo, which is now exporting textiles and ballistic protection vests to Vietnam. AstraZenica’s factory in North Ryde is the only one in the world that is certified to export products to Japan without a further quality check when they arrive in that country. And of course ResMed, the manufacturer of medical devices which address breathing sleep disorders, now operate in over 65 countries worldwide. In recent years, Australian manufacturers have been selling solar panels to China, landmine detectors to the United States and fast ferries to Japan—not to mention the Australian food and wine industries, which are world renowned for their innovation in production and packaging, or our global suppliers of mining and mine safety equipment.

It is unfortunate that coalition ministers, while rightly enthusiastic about the innovative services sector, have so little understanding of the importance of manufacturing. They do not seem to understand that many service sector jobs are reliant on manufacturing. They do not seem to understand that Australian manufacturing adds value to the resources—both mineral and agricultural—that they are so fond of talking about. I bet that there are few coalition ministers who would be able to tell you that manufacturing accounts for almost 40 per cent of Australia’s research and development. The fact is that manufacturing is a critical source of technical knowledge and of process and organisational innovation. You only have to think of ‘just-in-time’ and ‘teamwork’ to understand the impact that manufacturing innovation has had on the rest of the economy as a consequence of the innovation that has occurred in those processes. However, it is disappointing that so few in the government seem to be aware of the importance of manufacturing business and that they are the most likely to be the innovators in this country. It is a sad and sorry state that we hear so little from this government about the importance of manufacturing.

When you look back over the 12 years of the life of this government and at the issue of industry policy, you can see just how terrible the neglect has been. The Productivity Commission made the point that manufacturing plays a major role in the Australian economy, with levels of output and employment considerably exceeding mining and agriculture combined. Manufacturing continues to be the dominant source of technological innovation in the business sector. More recently, KPMG’s international survey of manufacturing executives, Globalisation and Manufacturing, considered whether it is important for developing countries to retain a manufacturing sector. It concluded:

... the answer is yes. The continued importance of manufacturing as a source of wealth in developed markets should not be underestimated.

In today’s world Australia simply cannot compete globally on the basis of cheap mass production. Instead, Australian industry needs to be smarter than its competitors.
Elsewhere in the developed world, there is a real sense of urgency about the need to improve competitiveness and innovation. All around us—in Asia and in Europe—our international competitors have been increasing their R&D spending at incredibly rapid rates. This government does not share the same sense of urgency about our competitive and innovation position. Anyone who understands manufacturing in the 21st century understands that innovation is vital. Labor has a very strong record of achievement in this area. Labor understands the importance of change in the manufacturing industry to enable the industry to move up the value chain. Labor understands the importance of innovation to ensure the long-term sustainability of the manufacturing industry in this country.

On Monday we were privileged to be joined by former senator and Labor industry minister, the Hon. John Button. At the beginning of his speech former Senator Button relayed an anecdote about the Prime Minister, which I cannot repeat in its full glory because of the standing orders. It went back to 1998, when former Senator Button happened to be at the same function as the Prime Minister. The Prime Minister approached him and said that he felt that the Labor government had really understood innovation. Mr Button’s response—which, as I said, cannot be repeated here, so I will paraphrase it—was that it was enlightening to know that the Prime Minister had at least acknowledged that the Labor government did appreciate the importance of these issues and that the coalition had no idea when it came to innovation policy.

It is quite clear that there has been a major breakdown in the development of industry policy under this government. It is quite clear, in our performance in exports and research and development, that this country is slipping internationally. This government has halved the R&D tax concession. As a consequence, we have seen a collapse in the Australian private sector R&D effort. It has taken the better part of this last decade to recover to the position we were in back in 1996. Expenditure did not recover in real terms until 2002-03. As a proportion of manufacturing value added, the recovery took until 2003-04. Between 1995 and 2001, Australia was one of only three OECD countries to reduce its tax subsidies for R&D, while 12 countries increased the level of support. Since then, a number of countries have increased their support for R&D through their taxation systems, including New Zealand and the United Kingdom this year. In 1999 Australia ranked seventh in the small and medium business tax subsidies in R&D, but it had dropped to 14th by 2006. For large firms, Australia stood at No. 6 in 1999 but it is now down to No. 11.

The reduction in Australia’s relative support for business R&D comes at a time when the internationalisation of research and development is actually growing. International comparisons indicate that our position is moving in exactly the opposite direction to that of our competitors. It is particularly instructive to look at what is happening in China. China is doubling its research and development expenditure every seven years. We are seeing a situation here now where China has committed to lifting its research and development expenditure every seven years. We are seeing a situation here now where China has committed to lifting its research and development expenditure as a proportion of GDP to 2.5 per cent by 2020. China is now the second-largest source of expenditure on R&D in the world.

Unlike the Howard government, Labor understands that complacency is not an option. That is why Labor says that a national government must sit down with industry, roll up its sleeves and ensure that Australia can maintain a position of its own choosing in the international marketplace and not a position foisted on it by others. That is why it is absolutely a matter of urgency that national
leadership be demonstrated, that we build upon the prosperity that we currently enjoy, that we ensure that that prosperity is sustained and that the growth in Australian manufacturing R&D increases rather than decreases, as it has done under this government.

The average growth in manufacturing R&D spending has fallen from 16.6 per cent under Labor to only five per cent under John Howard. Over the last five years, the average annual growth in manufacturing exports has fallen from almost 15 per cent under Labor to less than two per cent. As a result, Australia’s productivity compared with the United States has retreated and has lost virtually all the relative gains of the 1990s. This country is facing serious challenges. As a society, we are facing serious challenges. We need to apply a whole-of-government approach to ensure that we develop a national innovation system and that opportunities are seized rather than our relying upon an outdated view of the importance of manufacturing. Labor has made a number of commitments to ensure that that occurs. Labor has already committed $500 million for a green car program.

Senator Ronaldson—Ha!

Senator CARR—I see my colleague from Victoria casts some aspersions about that. The automotive industry in Victoria constitutes two per cent of state GDP, and it is 2½ per cent in South Australia. This senator, who represents the state of Victoria, seems to think it is humorous that some 60,000 families in this country are facing this sort of challenge. And what is the government’s response? It is: ‘We will do nothing. We made arrangements in 2002 and we have to do nothing into the future.’

We have made it very clear that other measures are also required. We have made commitments to boost our national research and development and to ensure that our industries are able to be well resourced and supported by a Commonwealth Labor government. We have indicated that we will commit $100 million to a national network of manufacturing centres to help small and medium sized manufacturers to find new ideas and new technologies that will help them innovate and become more productive. Mr Sid Sidebottom, the ALP candidate in Braddon, has made a particular point of lobbying to ensure that opportunities are pursued in Northern Tasmania to build the capacity of manufacturers in the seat of Braddon. (Time expired)

Senator RONALDSON (Victoria) (4.23 pm)—I walked in here and saw Senator Carr with his prepared speech and the lectern and I thought that we were finally going to hear something from Senator Carr in relation to Labor’s industry policy. About the only thing that I gleaned from his speech was that, while he was attacking the government’s commitment to manufacturing, he spent about a minute talking about a number of successful manufacturing exporters who have been exporting successfully under the auspices of this government. What an extraordinary way to attack the government—by talking about the government’s successes! In 20 minutes, did we hear one thing from the Australian Labor Party about a policy? Did we hear one word from Senator Carr about what the Labor Party’s policy will be? We did not.

I will take the chamber to a quote from Doug Cameron on 24 April 2005 regarding the China free trade agreement. This was a time when I think Senator Carr was the shadow minister. Doug Cameron said:

If you’ve got a policy, if you’ve got values, if you’ve got principles, why don’t Labor stand up for them? And this is the problem of Labor over the last 12 years. They don’t simply have any
values and principles that manufacturing workers can see.

That was Doug Cameron talking about one of his own. I would have thought that there would be some factional alliance there, wouldn’t there—loosely or very tightly?

Senator Brandis interjecting—

Senator RONALDSON—I would be surprised?

Senator Brandis—He knocked off Senator Campbell.

Senator RONALDSON—Yes, that is right, but we will not talk about that. Poor Senator Campbell. So, in April 2005, Doug Cameron, who will be Senator Cameron, actually nailed you, Senator Carr, in relation to your lack of policy. The soon-to-be Senator Cameron will be absolutely devastated with your speech today—platitudes and no policy. They are incapable of forming a policy.

Senator Nash—They don’t have any.

Senator Brandis—that’s not true, Senator Nash; they have all our policies.

Senator RONALDSON—that is right. Indeed, these centres that Senator Carr is bandying around as some new policy—a $500 million policy—just replicate our productivity centres. So at least the Labor Party is consistent. At least Senator Carr is consistent. The Labor Party actually take everything—and we have just had further confirmation of that. Rather than the claptrap that we heard earlier, I will give the chamber some of the actual statistics in relation to manufacturing. Senator Carr, if you get out your pen and jot some of these statistics down, I think you will be a lot wiser at the end of this 20 minutes.

Senator Brandis—Maybe not wiser, but better informed.

Senator RONALDSON—that is right. That is probably a better way of putting it. I want to go through some of the key manufacturing statistics, so get your pen ready, Senator Carr. You are just sitting there looking a bit glum—though I can understand that. When you are without policy, you would look as glum as you look, my friend.

For the manufacturing industry, value-adding in 2006-07 was a record $98 billion in real terms, representing 10.3 per cent of GDP. Total manufactured exports rose by $10.2 billion in 2006-07 to reach a record $85.3 billion. If you want the source of these statistics, Senator Carr, just ring my office afterwards and I am sure they will be happy to help you. Over the same period, exports of elaborately transformed manufactures, or ETMs as they are otherwise called, rose by nearly $1.7 billion to reach $28.5 billion. Capital expenditure on investment in manufacturing capacity is running at record levels, having risen at an annual rate of 3.3 per cent from 1996 to 2006 to now be $14.4 billion per annum. In the financial year 2005-06, research and development in the manufacturing sector represented almost 39 per cent of Australia’s total business expenditure on R&D, with total expenditure increasing by 12 per cent to a record of almost $3.9 billion.

As Senator Carr travels around the country, he is simply not being truthful about this. Despite what Senator Carr has been saying, manufacturing exports have increased by an average rate of 5.2 per cent since May 1996. Senator Carr is the same shadow minister whose party over some 13 or 14 years sat around idly while 40,000 manufacturing jobs in this country were lost. In the last quarter there were 22,000 jobs created in the manufacturing sector. I am disappointed that Senator Carr is leaving the chamber.

Senator Brandis—he cannot bear to hear this.

Senator RONALDSON—it is very disappointing. There may of course be a good
reason for that, Senator Brandis. His colleague Senator Conroy in May 2005—around the same time as the Doug Cameron quote that we were talking about earlier—said, ‘For sheer breathtaking hypocrisy, it is hard to match my good friend and Senate colleague Kim Carr.’ We know that he had his tongue firmly in his cheek when he was talking about Senator Carr being a good friend!

I want to now turn to some of the matters we are addressing in relation to certain sectors. For example, in the textile, clothing and footwear sector, we have $1.4 billion through a long-term industry plan. In relation to the automotive sector, there is a comprehensive package. As you would know, Mr Acting Deputy President, this sector is facing some challenges at the moment. But, having said that, let me say that the automotive sector is achieving some very positive results. In 2005-06 automotive exports reached a record $5.2 billion, including $1.76 billion in components exports and $3.44 billion in vehicle exports. In 1990, under federal Labor, the percentage of local production exported was seven per cent. I want my colleagues to listen to this: seven per cent was the percentage of local production exported in 1990. In contrast, under the Howard-Costello government, the percentage of local production exported in 2006 was 38 per cent.

Our Automotive Competitiveness and Investment Scheme continues to provide the long-term security that is required by industry. We are providing more than $7 billion through to 2015 to help the automotive industry become internationally competitive. It is the largest assistance program in the history of the industry. On top of that, as honourable members will be aware, and indeed as a result of the hard work of the member for Corangamite and the Liberal Party candidate for Corio, Angelo Kakouros, the federal government stepped in to assist the workers at Ford. This was done in a variety of ways, but part of this was a $52.5 million grant for Ford Australia to enable it to develop the next generation Falcon, and a $6.7 million grant with maximum funding provided by the Victorian and South Australian governments for Holden to produce safety and fuel management improvements. There is also a $7.2 million supplier capability development program as part of the ACIS package. The federal government stepped in. My understanding is that nearly $20 million was put into Ford in Geelong to assist the workers down there. The government is quite rightly proud of that, and Mr Stewart McArthur and Mr Angelo Kakouros should take great credit for it.

I want to now turn to probably the most extraordinary part of Senator Carr’s platitudinous speech. In May this year the Prime Minister and the Minister for Industry, Tourism and Resources, Mr Macfarlane, released this government’s industry statement, titled Global integration: changing markets, new opportunities. The industry statement provides $1.4 billion, which is money on the table—no platitudes, as we saw from Senator Carr, the great interventionist. When he was reappointed as shadow minister for industry, horror was expressed in the financial pages of this country’s press. Senator Carr is industry’s living nightmare. Industry, rather than welcoming him—as he tried to convince this chamber today that it did—is actually scared stiff of this man being industry minister.

I want to go through and detail the extent of the $1.4 billion package that the industry minister and the Prime Minister released in May. It is about strengthening the policy platform for Australian industry. It is about ensuring that the strength of industry and manufacturing in the sector is both retained and expanded. I will go through it now. The package includes $254.1 million for the Global Opportunities program, which will
help Australian firms win work in global supply chains and major projects. So what do we hear from Senator Carr? We hear that nothing has been done to encourage Australian exporters and manufacturers. He has already died on his own sword, because he made that comment and then detailed, obviously to impress someone somewhere, an example of very successful exporters. Why you would attack the government and then talk about successful exporters is quite frankly beyond me, but he managed to do it. The package also contains continued support through Austrade for export opportunities arising from the Australia-United States Free Trade Agreement, and $351.8 million for Australian industry productivity centres, which will help firms review their business performance and capitalise on new market opportunities. Senator Carr’s only policy was to come out with some convoluted program that he tried to differentiate from the government’s. But, when you look at it, you will see that the program he is putting in place is just a direct replica. So, with his apparent convoluted process, if you get down to it, he is just repeating what the government is doing. Why he would be talking about wasting $500 million when they will already be in place is beyond me.

There is $90.3 million for the Commercial Ready Plus program, which will encourage additional research and development in small firms; $20.1 million over five years to encourage technology transfer through the new Intermediary Access Program; $21.5 million over four years for the development of a National Nanotechnology Strategy; $36.2 million over four years to develop niche manufacturing industries based on nanotechnology; $89.2 million over 10 years to develop and maintain an online registration system for both the Australian business number and state and territory business names; $14.3 million over two years to extend the Building Entrepreneurship in Small Business program for another year; and $54.2 million over four years to support R&D in the food-processing sector.

This is a government that has delivered. This is a government that is committed to the manufacturing sector. This is a government that is committed to Australian industry. The statistics I read out before are proof of the success of that. What do we have as an alternative? Possibly two months out from an election, we have a shadow minister with a prize opportunity to talk for 20 minutes on his own motion—with a lectern and a prepared speech—about what the Australian Labor Party will be doing for the manufacturing sector if they are elected to government. The best he could give us was about 60 seconds. As I said before, he was repeating policy that he lifted directly from this government.

I have already mentioned Doug Cameron’s view of Senator Carr. In 2005, when Senator Carr was the shadow minister—just in case someone has switched on their telly—Doug Cameron said:

“If you’ve got a policy, if you’ve got values, if you’ve got principles, why don’t Labor stand up for them?”

And this is the problem of Labor over the last 12 years. They don’t simply have any values and principles that manufacturing workers can see.

This was a direct whack at the then shadow minister, Senator Carr. I think he was the shadow minister under that extraordinary success of the Australian Labor Party, Mr Latham. I think Mr Beazley might have dropped Senator Carr and then, quite remarkably, Mr Rudd brought him back in. Speaking of remarkable occurrences, I would like to quote from some very enlightening newspaper articles about this time. On 12 December 2006 an article in the Canberra Times said:
The decision to allocate industry to the socialist left’s Kim Carr is also baffling. Though he has experience of the portfolio (under Crean and Latham), Carr has hardly distinguished himself as a thinker or an effective media and parliamentary performer—

Ain’t that the truth! We had another example of that today—20 minutes of that. The article continued:

… qualities which will be crucial to winning support for Rudd’s plan to save Australia’s manufacturing base.

Indeed, his reputation as an ideologue has already ensured Carr will get a cool reception from peak employer and industry bodies.

Senator Brandis—Who said that?

Senator RONALDSON—This is the Canberra Times, not always known for its support of this—

Senator Brandis—You know what John Cain said about Senator Carr, don’t you?

Senator RONALDSON—I don’t actually, but I would very interested to hear what he said.

Senator Brandis—In his memoirs he said that Senator Carr, when a political adviser, single-handedly destroyed the Kirner government.

The ACTING DEPUTY PRESIDENT (Senator Lightfoot)—Senators, when you have finished your private conversation perhaps Senator Ronaldson would like to address his comments through the chair.

Senator RONALDSON—I would normally be reluctant to take interjections, Mr Acting Deputy President, but there was an interjection and I thought it would be rude to interrupt the minister at the table.

Sinclair Davidson from RMIT University said in the Age on 12 December 2006:

The appointment of Senator Kim Carr of the Victorian Socialist Left to the shadow industry portfolio needs to be seen in this light. Nobody has ever accused “Kim il Carr” of market fundamentalism. Indeed, he has been an implacable foe of all things “market”.

Rudd is promising a new direction in industry policy—not the discredited industry policy that leads to high tariffs, protectionism, and hidden taxes on consumers. So while Rudd is telling us that tariffs are discredited, he is reappointing the man who campaigned for that very policy at the last election.

We have a couple of people there who are great supporters of Mr Latham—Senator Carr and, of course, Senator Faulkner, the National President of the Australian Labor Party, who we know is very, very close to the disgraced Mr Latham.

In the Australian of 13 December 2006, Alan Wood said:

Then we come to senator Kim Il Carr, as his colleagues call him (after North Korea’s erratic leader). Carr is Rudd’s new Shadow minister for industry, actually another political retread from Latham’s shadow ministry, where he held the same shadow portfolio.

In those days Labor’s manufacturing policy was all about big handouts of taxpayers’ money to industry, a 10-year plan for manufacturing and similar paraphernalia of government interventionism.

So far Rudd has spent most of his time telling us what his promised new policy for manufacturing isn’t. It isn’t about tariff protection, it isn’t about picking winners, it isn’t about industry welfare, and so on. What is it about?

I am afraid that Alan Wood will be none the wiser after Senator Carr’s performance in this chamber today. I repeat: two months out from an election he had 20 minutes—with his lectern and with a prepared speech—to tell the Australian people what the Australian Labor Party will do for manufacturing if they are elected to government. It was a wasted opportunity. It was an appalling speech.

(Time expired)
Senator MILNE (Tasmania) (4.43 pm)—
I rise today to comment on this general business motion moved by Senator Carr. It is an important opportunity to talk about Australian industry policy and the place of manufacturing within the context of Australian industry policy. Unfortunately, with the great deal of hyperbole from the last speaker, the opportunity has been lost to talk about what can be the future of manufacturing in Australia.

I would like to begin by informing the Senate of a statement from Alan Atkinson as a foreword to the book The Natural Advantage of Nations: Business Opportunities, Innovation and Governance in the 21st Century. He said:

We need transformation—a wave of social, technical and economic innovation that will touch every person, community, institution and nation on earth. The irony is that this transformation is still viewed as an economic cost when it is in fact an enormous economic opportunity, an opportunity that we are now being increasingly forced to recognise.

That is where I would like to begin today. We have an enormous opportunity in Australia to make that change and transform the Australian economy away from what we have now—which is a resource dependent economy—to a brains based and service economy. To many if not most observers, the Australian economy could not be going better. But much of the nation’s economic prosperity is merely a veneer. Our most fundamental vulnerabilities relate to our use of and our overreliance on the bounty of natural resources with which Australia is endowed. The three clearest expressions of this economic vulnerability are the interrelated problems of our high greenhouse gas emissions, our looming domestic oil shortage and our ongoing economic dependence on natural resources. In fact, there are many analysts around the world who have argued that nations which have huge amounts of natural resources are the ones which in fact will not prosper in the long run because it is easy for them to use their natural resources and not have to rely on innovation, creativity and value-adding and just continue to export.

It is to those interrelated problems of greenhouse gases, domestic oil shortage and the economic dependence on natural resources that we have to turn our minds. To solve these interconnected problems, federal and state governments need to develop a wide range of strategies in a coordinated way. Some will be regulatory levers, some will provide economic inducements, some will impose economic penalties, but all will create new economic opportunities. Critics might argue that governments should not intervene but should leave the transition to a low-carbon, oil independent and low-resource-use economy to the free market. But government driven measures are needed because the present distorted marketplace is failing the environment. In Sir Nicholas Stern’s ringing indictment:

Climate change presents a unique challenge for economics: it is the greatest and widest-ranging market failure ever seen.

Throughout the 20th century, it was assumed that economic growth could be pursued with little consideration for its environmental consequences and that any pollution or resource scarcity challenges would be solved by technological advances or by simply going out and finding more. At the start of the 21st century, climate change and oil depletion have delivered a reality check. The silver lining of climate change is that it does give us the opportunity to reconsider the way that we live. We know that we have to change. We know that we have to rethink the economy so that it operates within the earth’s ecological limits if we are to avoid the collapse of human civilisation.
What is less well understood is that it is this transformation that will give us the opportunity to create enormous economic benefits in sectors hitherto neglected and to make changes which can make us happier, healthier and more secure in the knowledge that our children will inherit a world that is a joy to live in. There is an emerging consensus that nations and corporations that fail to understand this imperative will lose competitive advantage, while those that grasp the new opportunities that it offers will prosper.

That is what the Greens are doing with the strategy that I have outlined in a document that I produced called *Re-energising Australia*, which looks at the following issues: (1) how Australia is going to address climate change, (2) how we are going to provide a sustainable economy into the future and how we are going to have industry-wide and economy-wide transformation so that oil depletion does not become a major shock in our economy and (3) how we can address the fact that we have hollowed out the manufacturing sector under the Howard government. Contrary to what Senator Ronaldson had to say, that is in fact the case. The figures show it. The erosion of manufacturing has left Australia with a large and expanding trade deficit in manufactured products. In the mid-1990s, it was $43 billion per annum. In 2003-04, it had risen to $87 billion. This erosion leaves the Australian economy vulnerable, especially if overseas buyers begin to reduce their purchases of greenhouse-gas-intensive fossil fuels.

Australia needs to make its economy more robust by rebuilding its manufacturing base with industries that have low environmental impacts and high levels of value adding. These industries could include such expanding industries as environmental management, energy efficiency, renewable energy and fuel efficient vehicles. This is the opportunity that the Greens see for Australia. Instead of hollowing out the manufacturing base, signing up to free trade agreements that in fact transfer jobs overseas to low-wage economies and setting low standards which mean that we lose manufacturing here in Australia to our overseas competitors, what we need to do is invest heavily in innovation and education. In fact, as I have argued many times here and in Tasmania for years, Donald Horne said that imagination is the raw material of the future.

**Senator Brandis**—Donald Horne? That boring old failure.

**Senator MILNE**—You may refer to Donald Horne in that way, Minister for the Arts and Sport. That you should say that of Donald Horne just reaffirms to people what the coalition thinks about the arts. I will say that again: I believe, as Donald Horne has said, that imagination is the raw material of the future. As business strategists like Kenichi Ohmae have said, we have to accept—the developing and developed countries alike, such as Canada, Australia and the OPEC nations—that natural resources are no longer a key to wealth. As long as you have an economy which is natural resource based and you hollow out the manufacturing sector, as a price taker you are extremely vulnerable to global mass commodity markets.

As the Australian Manufacturing Workers Union has said, Australia has to sell 6,500 tonnes of iron ore to import one plasma TV. That says it all in terms of where the Australian manufacturing sector has got to. As long as the shiploads of coal keep going overseas, the shiploads of raw materials keep going out of the country in the volumes that they are and as long as people are getting good prices for those because of the booming economies in China and India, people will be congratulating themselves and saying: ‘Isn’t the economy doing well? Look at our surplus.’
But the point is that it is not sustainable into the future. There will come a time when Australia’s coal is not going to be purchased overseas because of the increasing impacts of climate change. We are already seeing other economies which are resource constrained moving to much more sophisticated economies. They are building much more efficiency into their manufacturing sectors. When the Prime Minister announced this week that the APEC aspirational target was a 25 per cent reduction in energy intensity by 2030, the Chinese must have been laughing. In their 11th Five-Year Plan they intend to reduce energy intensity in the Chinese economy by 20 per cent by 2010. These countries recognise that competitive advantage comes in trying to minimise the resources that go into every unit of production and that they need to value-add every unit of production.

I have been warning since I got into the Senate that the Australian car-manufacturing sector would go out the back door because we do not have high vehicle fuel efficiency standards in this country. But, no, the government kept rejecting the notion of tying government funding and subsidies to fuel efficiency. Instead of that, they just keep on giving the subsidies—$60 million to Ford and so on. Then China set a mandatory vehicle fuel efficiency standard so that Australian cars would be rejected from China because they do not meet Chinese fuel efficiency standards. So while the US car industry is in collapse because they are building big six-cylinder gas guzzlers, the Chinese and the Europeans are dividing the world vehicle market between them, the Europeans going for the very high end of the luxury vehicle market—still hybrids, still high-fuel efficiency, but at the luxury end—and the Chinese and the Japanese are going for the middle and lower ends of the vehicle manufacturing market. And the government is still sitting around failing to introduce mandatory vehicle fuel efficiency standards and failing to use the procurement capacity of government to switch over the government car fleet. Indeed, if you look at the taxi fleet around the country and the overall vehicle fleet in Australia, you find that it is nowhere near as advanced as the vehicle fleets in other countries because the taxis and the second-hand market get their cars from the government vehicles in the second-hand market. So if governments would take a lead on fuel efficient vehicles we would see that spread through the whole economy.

The same goes for appliances. As long as we do not have high standards we are never going to compete. I have that as my own experience in Tasmania with Tioxide, a paint plant. They argued that they would not meet high environmental standards because it would put them out of business. In fact refusing to make them adhere to higher standards meant that they did not invest in upgrading their capital. They allowed their plant to run down because they were allowed to and they opened up a greenfields plant in Malaysia. Had we insisted that they invest in upgrading their plant and equipment that would not have happened.

There is an enormous opportunity in Australia. Our competitive advantage is in our intellectual capital and renewable energy. We have some of the best brains in the world in the solar energy sector, in particular in the University of New South Wales, ANU and so on. We have got competitive advantage because of innovation and creativity. We should be nurturing that in this country by bringing in a policy framework which leads to the rollout of energy efficiency and renewable energy in the domestic, commercial and large industrial sectors and of course in all aspects of our economy. Imagine the jobs that could be created in Australia if we decided to make Australia the world’s best practice in terms of renewable energy, energy
efficiency and vehicle fuel efficiency. We would see a whole range of new jobs. The wind energy people have put out a statement showing the number of jobs that they expect could be created if we went into large-scale investment in renewables. The great thing about the solar sector and the wind sector is that solar thermal plants, wind plants and so on are in rural and regional Australia where the jobs are needed. We could get out of irrigated cotton, for example, and put that land into solar thermal power generation. People do not lose their land; they do not lose their livelihood; they have a change from growing irrigated cotton, which is unsustainable, to going into producing solar thermal power. They are the sorts of innovative changes that could occur around Australia if this government showed some leadership.

But you also have to invest in education. If you want to have a sophisticated economy with innovation you must invest in education and in the arts. You need a major investment in education and the arts, and under this government we have seen the university sector run down across the country. The US free trade agreement and other free trade agreements have left us with the arts sector also vulnerable because of loss and lack of local content.

Senator Brandis—Mr Acting Deputy President, on a point of order: I am sure the honourable senator did not mean to mislead the Senate. However, in making the claim she just made she did neglect to point out that arts funding under the Howard government has increased by 65 per cent.

The ACTING DEPUTY PRESIDENT (Senator Lightfoot)—I appreciate that but it is not a point of order, Minister.

Senator MILNE—I am aware that it is not a point of order. You just have to move around the arts community to see how frustrated they are—

Senator Brandis—We are frustrated with state Labor government cutting their funding to the arts.

Senator MILNE—We all know that the entertainment and arts industries can have more relevance to economic growth in a post-industrial society than traditional forms of manufacturing. That is obvious. I agree with you that some state governments have underfunded the arts. We need an investment in our symphony orchestras around the country. You only have to look at the relationship with China where they do have a longstanding appreciation of the arts. We could send our orchestras on trips and goodwill visits and so on and we could have real exchange, real jobs, real dollar investment in expanding the knowledge and service based sectors of our economy. But you are not going to get that unless you get a major investment in education, and I am talking about public education from preschool right through to tertiary.

This is one of the major problems in Australia. Not only have we gone back to riding on the sheep’s back by turning ourselves into a quarry and digging everything up, or cutting it down, but also we have underfunded public education. We have left our young people with horrendous debts because of HECS fees. We have hollowed out manufacturing by chasing cheap wage economies overseas. Well, now is the opportunity to change. We cannot keep on importing oil. We cannot keep on selling ourselves short by digging everything up and sending it overseas. We have to ask: what sort of nation do we want here in Australia; what sort of economy do we want?

Let us make the transition from a resource based economy to a brains based economy. Let us make the transition while we do have a surplus because we have benefited from high prices in the resources sector. Why not
invest that surplus in education, in creativity, in the arts and in dealing with climate change and oil depletion? We can invest in commercialising a lot of the technologies which are out there and ready to go. Origin Energy has sliver cells ready to go. It needs $100 million but it will have to look offshore. Vestas has left Tasmania; it has gone offshore. Solar Heat and Power has gone offshore—I could give you a list of companies in the renewable energy sector which have gone offshore.

The Greens have also developed an initiative whereby we would train a lot of energy auditors to look at energy efficiency across the country. We would invest a large amount of money in upgrading residential housing across Australia so that everybody had solar hot water and insulation, and over time that would be paid back. It would be an investment of the current surplus in the nation and in the jobs associated with rolling out energy efficiency technology in particular, and upgrading the housing stock. It would also be a way of addressing energy poverty because energy prices will go up with carbon pricing. If you improve the homes in which people live, you make sure that energy poverty does not bite in the way it is about to.

There are opportunities. I suggest the minister avail himself of the opportunity of reading ‘Re-energising Australia’, which talks about re-energising the nation in addressing climate change and oil depletion, massive investment in public transport and massive investment in infrastructure through such initiatives. That would make life better in the cities. We would have cleaner air. We would have more competitive cities because we would not have the loss of amenity by being stuck forever in traffic jams in places like Sydney, for example. We would have healthier populations because people would walk more. There are a whole range of reasons why massive investment in upgrading infrastructure in our cities, particularly public transport, is an excellent idea.

There are a range of initiatives which the government can take up by way of regulation and investing the surplus, which would create jobs in manufacturing in Australia, rather than see some of our best brains have to leave the country in order to see their technologies rolled out. The classic one, of course, is Australia’s first solar billionaire, who had to go to China to make his billions. He could not do it in Australia because we do not have the policy settings to deliver the energy revolution that would boost manufacturing in this country.

**Senator GEORGE CAMPBELL** (New South Wales) (5.03 pm)—A prominent philosopher once said that events tend to occur in history twice, that the first time is tragedy and the second time is farce. Unfortunately, the approach this government has taken in the development of our manufacturing sector will lead us to a position in the not too distant future where we are going to be faced with a farce which will cost the Australian workforce dearly.

Let us look at what the Fraser government left this country in 1983, after seven years in office, when the current Prime Minister, John Howard, was Treasurer of this country. He left double-digit inflation and double-digit unemployment set against figures that were substantially lower than they are now. Both of those were a legacy of John Howard’s treasurership of this country but, more than that, they left us a manufacturing industry in a state of crisis. It is not often spoken about, but not long after Labor came to power in 1983, BHP announced it was going to close its steelworks, that it was going to get out of steelmaking, and we had crises in a number of other manufacturing sectors, many of which were generated out of the Fraser government talking up the resources boom that
did not happen and manufacturing companies redirecting their efforts into that resources boom.

I would remind people that in 1977 the state of manufacturing in this country was so perilous that the MTIA, the forerunner of the AiG, went around this country, in conjunction with the metal unions, holding forums in every state of Australia, with workers protesting about the state of manufacturing and its imminent collapse. That was 30 years ago under the Fraser government. The circumstances at the moment are exactly the same. Manufacturers, primarily through the AiG, and unions, including through my own union, the metal workers, have been consistently raising concerns about the lack of direction in our manufacturing sector, the narrowness of the Australian economy and the perils of basing our future wealth on the resources sector.

It would not be so bad doing that if we were insisting as a nation that in exchange for those resources we were getting a trade-off, that there was value-adding to those resources before they were shipped out of the country or that we had a hand in developing and manufacturing out of some of those resources into the global marketplace. But we do not. We simply dig it up, stick it on ships and send it overseas and then we bring it back as imported, manufactured goods.

Senator Ronaldson was quoting figures about manufacturing. What Senator Ronaldson did not tell the Senate about is the growth of imported manufactured goods into this country. What we are doing in terms of exports has been far outweighed by our absorption of imported goods, and this is causing difficulties in our trading relationships. But that side of the equation is never spoken about. In 1983, we were faced with a crisis in manufacturing in this country. What did the Labor government do under minister John Button? It initiated a number of industry plans.

Senator Patterson interjecting—

Senator GEORGE CAMPBELL—It put in place a steel industry plan which created a set of circumstances, Senator Patterson, where we still manufacture steel in this country. We still manufacture steel in this country as a result of that plan. It implemented a car industry plan. It implemented the TCF industry plan, which meant that we continued to manufacture footwear and textiles in this country.

Senator Patterson interjecting—

Senator GEORGE CAMPBELL—You are a senator from Victoria, Senator Patterson. You go around Victoria and tell workers in the textile industry in Bendigo and Ballarat and other areas of Victoria that those regional areas are not entitled to earn a living. You go and tell them. You are their representative. You go around and tell them that they are not entitled to earn a living from that industry.

The ACTING DEPUTY PRESIDENT (Senator Moore)—Senator, I am sure you meant that through the chair.

Senator GEORGE CAMPBELL—I meant it through the chair. I am sorry, Madam Acting Deputy President, but Senator Patterson was interjecting continuously while I was making my remarks. Not only did the Labor government at the time implement those industry plans; it put in place a manufacturing council. The manufacturing council did a stocktake of all our manufacturing industries—a collaborative effort between the workforce, the industries and the manufacturers—and developed strategies for improving that manufacturing base. In addition to radically restructuring the way in which we produced goods in this country by abolishing demarcation practices, by introducing flexibility in the workforce and by
increasing productivity, which was not done without pain, that process also radically helped create a situation where, in the early nineties, our export of manufactured goods started to grow.

The proof of the pudding is in the eating. I do not want to be quoting a lot of figures as others have done in this debate, because it simply confuses people at the end of the day and the figures do not really mean that much. But if you want to get the message of what has happened, it is in one simple set of figures. Between 1983 and 1996, our manufactured exports grew by 14.8 per cent. Between 1996 and 2000, they grew by 5.1 per cent. Between 2001 and 2006, they grew by 1.8 per cent. So all of the effort, all of the energy, that was put in in the eighties to lay the foundation for a more diversified economy, to lay the foundation within which our manufacturing industries could grow and thrive, has been nullified over the life of this government.

This government does not have and has never had a belief in the manufacturing sector. We have been living, as everyone knows, on the resources boom. No-one knows how long it will continue. We did not expect the terms of trade to collapse by 10 per cent in 1986 but it happened, and it happened overnight. Workers had to take a wage cut as a result of it. Workers had to take a wage cut because the terms of trade had collapsed. We will be essentially facing the same set of circumstances again in the years 2010, 2011, 2012 or whenever it is likely to come along. Something that we have to be concerned about is the narrowness of the Australian economy. It is an investment, which is in the national interest, to ensure the economy is diversified. The only way in which you can diversify it is through our manufacturing sector.

I am not one who sees China or India as being threats. I believe that, if we handle it properly, if there were some creative thinking in this country, it could be a real opportunity for our manufacturers to position themselves as part of the supply chains to both those countries, to select key niche areas in those industry sectors. We have the expertise and the skills to be able to play a role, to do that effectively and, as a result, to substantially boost our manufacturing involvement in the global economy. So we should not necessarily see them as a threat; we should see them as an opportunity.

But this government does no thinking at all about what it should be doing in that area. One of the problems is that we have a department of industry that is simply a service department. It is like Centrelink. It hands out buckets of money and industry grants to various companies for various programs which it has had running for a long period of time. I am not arguing that some of those programs are not worth while; they are worth while. But I think some of them are quite dubious in terms of what they deliver; nevertheless, if some companies get a benefit out of it then obviously they are worth while. But the department is a policy-free zone when it comes to thinking strategically about the future.

I have consistently sat at estimates hearings and questioned officers of the department about their ideas for the development of various industries and what they were doing in terms of innovation in certain sectors. You hardly got a murmur out of them about their ideas in that area. It is partly because the real thinking about what happens in manufacturing occurs in the Treasury department; it does not occur in the industry department at all. If there is going to be growth in the manufacturing sector in this country, then we have to seriously look at the way in which the current department of in-
Industry is structured and restructure it to ensure that it not only delivers the program but does some critical thinking in terms of strategies and ideas for the future of manufacturing.

Manufacturing is critical. If we are going to be part of the global economy, it is critical for us to grow our manufacturing sector. Innovation is one of the key areas of doing it. What has happened to innovation? If you look at our expenditure on R&D, I think we are in the bottom third of the OECD countries. We are below a number of developing countries on our spend on R&D—I think it is about 0.67 per cent as opposed to what is argued should be the level, around 2.5 per cent. All of the European countries are growing their expenditure on R&D while we have been going backwards, because we do not see the significance of being able to position ourselves in the marketplace. If we want our companies to operate in the global economy and operate effectively, then broadband service is going to be critical. We have been hearing the debate in this place about broadband for a number of months now. I just hope the Minister for Communications, Information Technology and the Arts has got it right—I do not think she has—because the significance of that decision in our capacity to play a role in the global economy is going to be of very great substance to our economy, and to the ability of companies to operate real-time in their positions within the global chain.

Other speakers have mentioned the number of companies we have in this country who have very significant opportunities opening up to them. I know of one little company in Victoria that is making biodegradable packaging out of cornstarch—an enormous product. What has it had to do? It has had to take its manufacturing to Europe because it cannot get the support of the infrastructure here to operate effectively. Now, that is only one. We had a company up in Lismore called Permadrive that developed a way of harnessing the braking power in trucks. I have actually sat in a truck with no engine in it and been driven up the street of Lismore as a demonstration of how it could operate. They got a contract with the American army. Has the Australian Army bought their product? No, it has not. But the American army has seen the value of it. I understand that company is struggling to survive because we are not prepared to put the effort into ensuring that they survive in that marketplace.

What did we do as a government? I tell you what we did—two representatives of the company were on their way to Detroit to negotiate the deal with the American army, and we made a decision and withdrew the Austrade commissioners out of Detroit. The two representatives turned up there and there were no Austrade commissioners; they had been taken home as a money-saving exercise. They had to go back to Los Angeles to do the negotiations where Austrade still had a representative. That is the sort of thing that occurs because there is a lack of strategic thinking about what we need to do to be able to succeed globally in manufacturing. We need to adopt policies that will position our manufacturers in the global marketplace and where they are able to build collaborative arrangements with China, with India and with other countries, who are the emerging engine rooms of production at the current moment.

We have made a lot in this country about the free trade agreement with America, in particular about what that was going to mean for Australian companies in getting access to government procurement in the United States. I have not heard—and I have asked a number of people—either industry or government get up anywhere and tell us of one contract that an Australian company has won.
to supply goods or services to government in the United States since that agreement was signed. I do not think we are likely to hear about one in a very short period of time, because that is a process that is guarded zealously. We in fact suffer from the reverse in this country. We have a predisposition for our officers involved in government procurement to get overseas as quickly as they can. The purchases are overseas because they get a holiday at the end of it—well, it is seen as being a holiday.

I think we need to look seriously at our procurement policies. We ought to ensure at the end of the day not that we are giving an unfair advantage to our companies but that our companies have a fair opportunity of being able to participate in bidding for government procurement. Government procurement in this country, if you take state and federal governments, is worth something like $50 billion a year, which I would suggest is a significant basis upon which you can grow manufacturing companies and get companies into the global marketplace with new products, new goods and new services. But we do not use it strategically or wisely in terms of how it can become a driver of development of our industries.

As I said, this issue is not a new issue. It is an issue that has been the centre of debate certainly for the workers I have represented as a union official over many years, and the people I still try to represent as a senator in this place. It has been an issue of debate about what the role of manufacturing should be in the Australian economy. It has always become an argument on whether it did or did not get resources adequate for growth, and it has always lost the debate to either the agricultural sector or the mining sector.

Senator Brandis interjecting—

Senator GEORGE CAMPBELL—It might be humorous to you, Senator Brandis. You come from a mining state. I am sure you are happy to survive on those resources. But I actually have to give great credit to the Beattie government because at least they have seen the potential for those resources to run out in the longer term and they have set about strategically positioning Queensland as a base for manufacturing. Their manufacturing has been growing and they have been putting resources into helping small manufacturers to develop their products, to get the research into place, to get the resources to actually do the research and to build their opportunities for growth and innovation. But it is not only happening here; the Irish have done it. The Irish have been smart enough, whilst they have been milking the European Community, to invest two buckets of money—€750 million in each of them—one to ensure that their indigenous companies invest in research facilities and the other to ensure that researchers of the highest quality return to work in those facilities to build the base of their manufacturing sector. Because they know that, at the end of the day, the European stuff, including pharmaceuticals, will run out and that it is a finite position. They have to build the basis of their indigenous companies if in fact they are going to survive in the longer term. Australia has never taken the view much beyond getting bucketloads of iron ore onto the ships and getting it overseas as quickly as possible to make short-term profits—(Time expired)

Senator TROETH (Victoria) (5.23 pm)—Senator Campbell made a great issue at the start of his speech of not using figures and ‘figures only confuse people and mostly they are the wrong ones, anyway,’ and then proceeded to use several figures to prove his own case, which I thought was rather a strange thing to do. But he did make a claim that Australia only produces approximately two per cent of the world’s research innovation and output. The fact is, Senator Camp-
bell—and you should have acknowledged this—that Australia is only a small player on the world stage.

Senator George Campbell—Madam Acting Deputy President, I rise on a point of order. I do not want to interrupt Senator Troeth; she is entitled to put her point in this debate, but I do resent people misquoting figures that I did not even use. I never mentioned ‘two per cent’. I said in my contribution that R&D was 0.67 per cent—

The ACTING DEPUTY PRESIDENT (Senator Moore)—Senator Campbell, you now have that on record.

Senator Patterson—Madam Acting Deputy President, it is inappropriate for a senator to interrupt to clarify and to say they have been misrepresented. It is inappropriate and if Senator Campbell does that in the future, I ask you to direct that he do it at the end of his speech.

The ACTING DEPUTY PRESIDENT—Senator Patterson, thank you for your advice. Senator Campbell, there is no point of order.

Senator TROETH—I will leave that matter to be proved by the Hansard record. Nevertheless, Senator Campbell indicated that Australia had a very low output of research and innovation. It is well known that 98 per cent of research and innovation takes place overseas. Australia is a small country; it is a small player on the world stage. For instance, we interact in two per cent of world trade. But, over the last decade, we have supported Australian industry to seize opportunities offered by changing global markets. So, in May this year, the Prime Minister and the Minister for Industry, Tourism and Resources, Mr Ian Macfarlane—who would have to be the best industry minister that this country has ever produced—released the $1.4 billion industry statement entitled ‘Global integration’. That will strengthen research and innovation by helping Australian businesses identify opportunities and integrate into global supply chains. We are a small country with a population of 20 million, most of whom are engaged in the workforce. We need to seize our best opportunities overseas and interact on a global stage because we simply do not have the domestic market to have the economy of growing that those opportunities will give us—therefore we will be more competitive in the rapidly changing world economy.

I would like to talk to some extent about the Howard government’s support for manufacturing. Unfortunately, the Labor Party and the unions talk down Australian manufacturing and its prospects, but we are working very hard to build a sustainable future for Australian marketing. The industry statement which I recently spoke about will not only help the industry secure a place in the global economy overseas but also build and boost productivity here. We have a focused and disciplined approach to economic management, which gives us the money to do that in the first place and, because inflation and interest rates have both been low during our term of government, we have had a very positive climate for industry growth.

One of the former manufacturing industries, which is not what it used to be, is the automotive industry. We are now investing $7 billion into the automotive industry, plus another $1.4 billion into the textile, clothing and footwear sector through our long-term industry plans. Previously, both of those industries operated large-scale plants which produced a car, a pair of socks or a T-shirt from go to whoa. Australian industry is rapidly becoming accustomed to the fact that our best position for manufacturing lies in manufacturing components and aiming at the high-end niche market end of manufacturing. It is a bit like the $10 T-shirt argument. We will never compete with cheap textile, clothing and footwear. We must concentrate on
the end of the market where we do best—that is, the middle- to high-end of the market, which produces high-quality goods which can then retail for high prices.

The plans which I spoke of for those two industries have been carefully targeted by providing incentives for innovation and investment. Over the time we have had that strong economic management we have achieved some impressive results. Senator Campbell does not like figures, so I will not bore him with too many of them, but manufacturing industry value-added in 2006-07 was $98 billion in real terms, representing 10.3 per cent of GDP. That is sourced from the ABS. If that is not a healthy manufacturing industry, I would like to know what is. Manufacturing exports, which are referred to in another part of Senator Carr’s notice of motion, are growing strongly. They have increased by an average annual rate of 5.2 per cent since May 1996. Again, that is a very healthy growth rate.

Total manufactured exports, on an industry basis, rose by $10.2 billion to reach a record $85.3 billion in the 2006-07 financial year. Over the same period, exports of what are called ‘elaborately transformed manufactures’ rose by $1.7 billion to reach $28.5 billion. As I said, we have a relatively small economy and a relatively small population, but to reach those figures is outstanding.

I am not particularly laying this at Senator Campbell’s feet, but Labor’s claim of 100,000 job losses in the manufacturing sector is absurd. It is true—and I would be the last one to dispute it—that the manufacturing sector has been undergoing restructuring, but since May 2006 employment in the sector has only contracted by 20,000 jobs. It relates back to what I said earlier: compared to 20 or 30 years ago we manufacture a different type of good. We manufacture things into which a great deal of research and development has gone. We do not simply do the primary processing of our primary products like wool. We are now able to use those to operate in a niche market which brings us the best possible return for our dollar.

I need hardly remind Senator Campbell that during Labor’s term in office almost 40,000 jobs were lost in the manufacturing sector between November 1984 and May 1996. In the May 2007 quarter—that is the time for which I have the most recent figures—22,000 jobs were created in the manufacturing sector. So our policies must be working. In the financial year 2005-06, research and development in the manufacturing sector represented almost 39 per cent of Australia’s total business expenditure on R&D. Again, if our policies were not working, and small, medium and large businesses were not taking up those opportunities, those figures would not represent the record of $3.9 billion as they do. I think we should be congratulated.

By comparison, I would like to dwell on what the opposition have put forward so far. They have been talking about a manufacturing network, which I believe is a pale imitation of the government’s $352 million Australian Industry Productivity Centres. Labor proposes to establish new manufacturing centres that will improve the performance of the manufacturing industry. As I said, it is a poor copy and a pale imitation. For a start, our Australian Industry Productivity Centres are not limited to manufacturing as Labor’s are—rather, they are aimed more broadly at industry. We ensured that key industry associations were brought on board, rather than ignored as they were in the Labor proposal. In fact, industry was consulted before our new industry policy was developed back in 2006.

As expected, there is a strong element of central planning in what Labor proposes but
our productivity centres will not be proposing a single, one-size-fits-all. We believe in democracy from the bottom up and the firms themselves will be able to determine how best to address their own issues. By comparison, Labor would tell them how to run their businesses. I believe Labor would also marginalise manufacturing within government to a department with a narrow scope and without clear linkages to other departments, which would certainly have improved matters.

I was delighted to see in recent government announcements that there is no doubt that we have promoted government collaboration with industry, with initiatives from the education, trade, agriculture and industry portfolios. For instance, there is no doubt that the Higher Education Endowment Fund, which is shortly to come before the Senate, will provide a great deal of money for research and development of the highest order in Australian universities so that they, in turn, can produce R&D for the manufacturing industry, which will place Australian firms fairly and squarely on the same wavelength as many firms overseas.

Not only that; we have introduced significant changes to the R&D tax concession. In 2001, there was the 175 per cent premium and the tax offset, and now beneficial ownership has been removed for some of those firms. So more companies spend more on R&D.

In 2004-05 the R&D tax concession assisted 5,830 companies who were performing $7.8 billion of research and development. That is an all-time high. There is no doubt that that concession has driven strong growth in business expenditure on R&D over the last five years.

So I think small business is cooperating in R&D. Larger businesses are also producing R&D, but it is the global picture that I would like to concentrate on. As a member of the OECD, the government has strong linkages with other countries where we have made significant contributions. For instance, Australia and Finland co-led the OECD Knowledge-Intensive Services Activities and hosted the report launch in Sydney in 2006. Australia led a workshop on R&D tax concessions in 2005 and Australia actively collaborated on the development and measurement of innovation indicators. The industry department has ongoing innovation policy activities with Chile, most recently in July 2007. I note that Chile has now picked up the innovation. That is an intermediary program being supported by this government.

Finally, I would like to draw attention to the collaboration on innovation which we have with New Zealand. That is part of the regular coordination of innovation across Australian states and territories and the Commonwealth. We also have the work of the Australian Innovation Research Centre, and we can see its role growing through engagement with policy and research leaders across the world. I am simply delighted that what we are doing is obviously bearing great fruit.

To go back to the automotive industry, there is no doubt that the automotive industry is going through some challenging times, with restructuring and job losses occurring in many parts of the world. Australia is not immune from these pressures, as we have seen from recent developments, but we are achieving some very positive results. In 2005-06, automotive exports reached a record $5.2 billion. That included $1.76 billion in components exports, the area that I mentioned before, and $3.44 billion in vehicle exports. Furthermore, in 1990, under federal Labor, the percentage of local production exported was seven per cent. In contrast, under the Howard Liberal government, the percentage of local production exported in
2006 was 38 per cent, and our support for the car industry is strong.

Our Automotive Competitiveness and Investment Scheme will provide more than $7 billion to the year 2015 to help the industry become more internationally competitive. This is the thing about our policies: we are not using the quick fix. We try to plan ahead so that industries and sectors of industries have ample time to plan their production levels and the manpower that they will need over the coming years—and it is not two or three years; 2015 at least gives them time to plan. We have given Ford Australia a $52.5 million grant, enabling it to develop the next generation Falcon and to design and engineer a pick-up truck platform for the global market. We have given a $6.7 million grant, with matching funding by the Victorian and South Australian governments, to Holden to introduce safety and fuel management improvements and further reduce greenhouse gas emissions on Commodore vehicles, which I am surprised Senator Milne did not pick up on. As well, there is a $7.2 million supplier capability development program.

There is also an Automotive Industry Strategic Action Group, to work on a coordinated approach to secure more international work and access to global supply chains for the Australian components sector. This is what we should concentrate on—not just on developing manufacturing in our country for the sake of the domestic market. We have to look globally. We are a small player; we need our workers and our industries to be internationally competitive and to reach those very high standards which are undoubtedly being reached by overseas countries. There is no reason why, with the high education standards in this country and the will to do it by the government, we cannot do it. I believe that we are looking forward to a very strong manufacturing future, which completely belies the tone of Senator Carr’s motion.

Senator McEWEN (South Australia) (5.40 pm)—I am very pleased to be able to speak to Senator Carr’s motion, which gives us the opportunity to turn our minds to the importance of the place of manufacturing in the Australian economy. The motion gives us the opportunity not only to do that but also to compare the position of the two major parties on the future of manufacturing in Australia. As we know, the manufacturing industry is an essential component of any modern economy. The stronger and more developed our national manufacturing industries are, the stronger and more competitive our economy will become.

The manufacturing industry is particularly important to my state of South Australia. We have significant investment there in our manufacturing industry, particularly in the defence industries and, of course, the automotive industries. I am very proud to host both of those industries in my state. As of May 2007, nearly 90,000 people in South Australia were employed in manufacturing. Manufacturing accounts for over 15 per cent of the South Australian economy. In the electorate of Makin, for example, 10,400 people, or almost 17 per cent of the workforce, are employed in manufacturing. In the electorate of Kingston, at the other end, the urban part, of the state, nearly 12,000 people, or 20 per cent of the workforce, are employed in the sector. So what happens in manufacturing really matters, not just to the whole of Australia but particularly to my state and to those electorates I mentioned, because in those electorates a number of families are suffering greatly from the out-of-control cost-of-living increases—

Senator McGauran interjecting—

Senator Boswell interjecting—

The ACTING DEPUTY PRESIDENT (Senator Troeth)—Order! Senator McGau—
reason and Senator Boswell, would you please lower the volume of your conversation.

**Senator McEwen**—Thank you, Madam Acting Deputy President. I was mentioning that the families who live in electorates like Makin and Kingston are suffering from out-of-control cost-of-living increases under this government. Families in those electorates are disproportionately affected by the housing affordability crisis. As I mentioned earlier today, 77 per cent of families renting in Kingston are paying more than 30 per cent of their income in housing costs. For those reasons it is very important that we address the future of manufacturing in South Australia, particularly in the electorates around Adelaide.

Unfortunately for Australia, long-term trends show manufacturing declining as a share of the Australian economy. Over the last decade, under the Howard government, the growth of exports and the amount of research and development spending, both of which are critical for sustaining competitiveness, have fallen. Labor is committed to facilitating growth within manufacturing because we know its importance with regard to not only innovation, exports and global integration but also the security of Australian families and the wellbeing of the Australian workforce.

Under the Hawke Labor government the objectives of industry policy changed from a primarily inward focus, concerned with the protection of industries, to an outward focus. I mention that because it illustrates that, despite what those on the other side say, Labor has always had a modern view of how the manufacturing industry should be progressed in this country. That was ably demonstrated under the Hawke Labor government, which took the approach of encouraging Australian industry to become internationally competitive through increasing exports, improving technological innovation, enhancing skills and developing an entrepreneurial culture. Through that innovative, visionary approach the Labor government was able to achieve high rates of growth in manufacturing exports and in research and development. Unfortunately, Australia under the Howard government was not able to sustain that growth.

Under Labor, manufacturing exports grew at a rate of 14.8 per cent per year, but under the Howard government that rate has fallen to just 1.8 per cent per year. Labor, however, are very optimistic that we can improve the rate of manufacturing exports again, as we will show leadership for industry and we have a plan for what needs to be done—unlike the Prime Minister, who has a plan for not much else except what to do in retirement. Labor believe that governments can and should have an impact on the health of Australian industry. Governments can have an impact through action or inaction. After 11 years of inaction at the hands of the current government, Labor are ready to take action to support Australian industry.

Despite the significant decrease in Australian manufacturing, it still accounts for more than one million jobs and $75 billion worth of exports a year. Manufacturing is responsible for almost 39 per cent of business expenditure on research and development, which is the most of any sector. Labor recognises how important this is and has taken an active role in planning for the future of manufacturing in Australia, with the view that manufacturing is a vital driver of innovation. A focus on innovation is essential to the very survival of manufacturing in Australia. That is why Labor says that innovation policy is industry policy.

Currently there are, I understand, some 169 separate Commonwealth and state programs intended to assist Australian industry to become more innovative and competitive.
With such fragmentation and duplication it is very difficult for organisations to find what they need and to get help to be more innovative. Manufacturers just want to make things in the best way possible. They do not want to be bogged down in endless paperchases to get government assistance and advice. A national strategy and national leadership are desperately needed, and the Howard government has failed to provide either. Federal Labor, if we have the opportunity, will change this through the introduction of industry innovation councils. They will build partnerships amongst all participants in the supply chain and develop long-term strategic approaches to improving productivity. We will also establish a government department to provide innovation leadership by bringing together the key policy areas of innovation, industry, science and research.

A Labor government will sit down with the states and territories, companies, trade unions and workers to create a coordinated national industry policy that will guide us into the future together. Instead of playing the blame game, which this government is an expert at, Labor will show leadership, accept responsibility and take us forward. Labor has already begun that process, with Labor leader Kevin Rudd hosting a national manufacturing roundtable earlier this week. The roundtable brought together stakeholders and experts critical to the future of Australian manufacturing. Our roundtable included representatives from industry organisations, the labour movement, successful manufacturing businesses, research and innovation agencies, and economic and finance advisers and experts. It was an opportunity for everyone involved in manufacturing to come together to discuss the various challenges to and opportunities for Australian manufacturing in the future. Under the leadership of Mr Rudd and Labor’s shadow ministers, businesses were able to sit at the table with Labor and share fresh ideas to address the challenges so that we can take Australian manufacturing into the future with confidence.

There was agreement at the roundtable that government does play very important roles in a number of areas critical to successful manufacturing, and the foremost for the healthy future of manufacturing in Australia is the provision of affordable, accessible and appropriate education, training and skills development. The Howard government has not put adequate effort into those areas since its election in 1996, more than a decade ago. Australia and its workforce are a lot poorer because of the government’s hopeless, visionless and leaderless attitude to education and skills development. Even four-year-olds have been given a raw deal, with more than one-third of four-year-olds not receiving any pre-primary education at all. According to the OECD’s Education at a glance report, Australia spends just 0.1 per cent of GDP on pre-primary education, which is particularly concerning when our competitor OECD countries spend an average of 0.5 per cent of GDP.

At the other end of the scale, tertiary education institutions have been significantly underfunded. In the Howard government’s first budget they received a huge funding cut of more than $800 million—a budget cut they are still attempting to recover from. It is only now, when the skills crisis has really struck home and industries are pleading for assistance and the electorate has begun to notice the effects of the skills crisis created by this government, that the Howard government has done anything to address the education and training of Australians to the extent we need them to be skilled in order to ensure our manufacturing industry is vibrant and successful in the future.

The government has created the Australian technical colleges—30 of them—in an
attempt to deal with the crisis. But those colleges will, unfortunately, be a drop in the ocean in lessening the skills gaps in Australia’s workforce. It is another example of too little too late from this government. Enrolments at the ATCs are still too low. At the ATC in Kingston, in my state, enrolments are still around the 100 mark this year. In 2010 Australia will face a shortage of more than 200,000 skilled workers. At that time the ATCs will produce their first qualified tradespeople. The graduation rate will not decrease the skills shortage by 50 per cent or even 10 per cent because there will only be approximately 10,000 graduates.

Instead of wasting taxpayers’ money on those colleges, the government should have provided additional funding to the whole education sector, including the TAFE sector. You have to ask, as many of us here have asked the government many times and as many in the education sector repeatedly ask: why did the government determine to spend millions of dollars on a relatively inefficient system of technical colleges instead of investing in the structures that were already there—the universities and the TAFE colleges across the country that have demonstrated through their long history that they have the ability to educate and train people thoroughly and quickly? Why did we have to set up a parallel system of ATCs?

If we have the privilege of being elected to government, Labor will create an education revolution. It is a centrepiece of our policy going forward into the forthcoming federal election. As part of that, Labor would like to acknowledge the contribution made by the TAFE workforce in developing the knowledge and skills of Australia. In cooperation with unions, industry and state and territory governments, Labor will take a national approach to improving the professional skills and status of TAFE teachers, through the development of their contemporary and industry related skills.

Labor will address the emerging and ongoing skills shortages as a matter of high priority. Australia’s skills base can only be secured through a sustained commitment to providing training opportunities for more Australians. But that task cannot be left to governments alone. We should encourage more businesses to increase their local training programs, rather than continuing this current government’s only solution, which seems to be to increase temporary skilled migration. Labor believes that Australia’s skills needs will only be secured through last solutions, such as expanded education and training opportunities, complemented by a balanced skilled migration program with an emphasis on permanent migration.

To enable Australian industry to develop, innovate and grow, industry requires support to undertake high-level training and to expand the qualification base of its workers. We will ensure that training strategies are linked to industry development policy. Recently, the Labor Party, under the hand of Senator Carr, released an excellent background paper entitled Fresh ideas for Australian manufacturing. That paper, which I commend to all senators, examines the importance and challenges of manufacturing in Australia. We released that paper because we truly believe that manufacturing is a key driver of innovation and is crucial in maintaining Australia’s prosperity beyond the current mining and resource boom. That paper outlines a number of new challenges to Australian manufacturing, including concerns about climate change, globalisation, the impact of the mining boom and, as other senators have already mentioned, the rise of China as an economic force, particularly in our region of the world.
Labor’s roundtable discussions earlier this week centred around those issues. Participants discussed ways in which to deal with them creatively, efficiently but, more importantly, urgently. Climate change was of course discussed at length, as it is the most important issue facing today’s society. If we do not take immediate action on slowing down and reversing climate change then every other issue loses significance. Nobody will be making anything if we do not have any water or renewable energy to put into the manufacturing process. We have a responsibility as well to protect our planet for the generations ahead. I am very proud to see that many Australians have recognised that the environment is paramount and overshadows every other major issue that we have facing us. Most Australians are doing—

The ACTING DEPUTY PRESIDENT (Senator Forshaw)—I know there are only a couple of minutes to go before this debate concludes, but I would appreciate it if there could be some silence from senators in the chamber. Senator McEwen, I hope I have not cut short your time.

Senator McEWEN—As I was saying, Australians are doing the right thing in terms of climate change. But, unfortunately, simply doing things in the household is not going to be enough. Recycling, minimising water usage and reducing the amount of energy we use in our homes is not enough. Australian businesses need to join the party. More importantly, they want to. We saw that this week in the report about sustainability and industry that was released by the Chief Executive of the Ai Group, Heather Ridout. It is not often I get to quote Heather Ridout in a speech, but she made a statement that I agree with, for once. She said:

Companies clearly need more information on how they can improve sustainable practices, they need a better understanding of an emissions trading scheme, and they need better incentives, particularly for small to medium firms. Business is crying out for leadership from a strong government committed to slowing climate change, not one full of climate change sceptics like the current government. The current government, as we know, has refused to ratify the United Nations agreement negotiated in Kyoto. Until recently, the Prime Minister was a climate change denier. It has only been recently, in the face of poor polls, that his scepticism has miraculously subsided and he has become an almost convert.

Government has refused to increase the mandatory renewable energy targets. Instead, we see this government’s obsession with nuclear power increase, and the government’s solution to the energy needs which are going to underpin manufacturing industry is to build nuclear reactors in Australia and to build the accompanying nuclear waste facilities that must go with them. It is a very impoverished view of what needs to be done to ensure that manufacturing industry in Australia is vibrant and growing and is sustainable into the future.

Debate interrupted.

DOCUMENTS

The ACTING DEPUTY PRESIDENT (Senator Forshaw)—Order! It being 6 pm, the Senate will proceed to the consideration of government documents.

Australian Meat and Livestock Industry

Debate resumed from 9 August, on motion by Senator Ian Macdonald:

That the Senate take note of the report.

Senator BARTLETT (Queensland) (6.00 pm)—I spoke to this document, which details the list of livestock mortalities for the second half of last year, July to December 2006, in the last sitting period. It includes one particular vessel with a very high degree
of livestock mortalities. I spoke then about the significant difficulties there were in getting some transparent information about the reasons behind that high rate of mortality. It took a long period of time and a lot of persistence by Animals Australia, an animal welfare and rights organisation, to find the details. The basic explanation as to why there was this level of mortality was fairly perfunctory and, as it turned out, not particularly accurate. It took until the full information was released under FOI for some of the completely unsatisfactory reasons for the high livestock mortality on that particular vessel to become apparent. To me, apart from the problem of inadequate facilities and inadequate environments for livestock still persisting on some voyages, it also raises the wider concern that all the talk about greater transparency, openness and accountability in the industry continues to be belied by the inability to get to the full information and the full truth.

I have no doubt there have been some improvements on the way things used to be, but it is a simple fact that all the improvements that have occurred in the live export industry over the last couple of decades have come about as a result of persistent and consistent pressure from people in the community concerned about the animal welfare consequences, in particular, and problems. None of it has been generated by the industry itself, yet the industry continues to say that it is using best practice, that it is better than anywhere else, that it is in their own interest to have as good a standard as possible, et cetera. Each time there is enough information that gets out to highlight more inadequacies, there is another outcry, some more action happens, and then we are assured that everything is fine and could not be better until the next scandal and the next piece of information comes out to show that things still fall well short of the mark and well short of what should be satisfactory for a country like Australia that purports to be concerned about the welfare of animals.

The continuing reality is that live exports export jobs from Australia. While it is true that we have difficulty finding enough workers to staff a number of meatworks around Australia, that is a separate issue and simply a reflection of the wider skills and labour shortages in some regions and industries in different parts of Australia. We do not use that as an excuse to give up on any other industry but, for some reason, with live exports we seem to think that it is okay to keep exporting jobs as well as to align ourselves with and perpetuate an industry that has unacceptable animal welfare standards.

It should be emphasised that the continual reports and facts come to light not because of the industry being open but because of the continuing commitment of people in the community who are concerned about the immense, unnecessary and unacceptable levels of suffering of animals involved in the live export trade. There have been a number of pieces of footage shown of the absolutely appalling experiences that both Australian cattle and sheep go through when they are offloaded at ports in the Middle East, in places like Egypt. That is the fate that we as a nation are sending these animals to. The first time footage was produced of an abattoir in Egypt—at great personal risk to the people who arranged to shoot and get hold of that footage—we had the usual denials: ‘They are not Australian animals,’ ‘It is not even in Egypt,’ ‘It is all a beat-up,’ ‘It is all a stunt,’ and, ‘It is not real.’ Basically, a smokescreen was put up, so much so that people had to go back and do it again to show that, even after the Australian government had brought in place a memorandum of understanding with Egypt—which they said would fix everything up—the same problems existed. The minister finally admitted there
was nothing they can do; it is not enforceable, and they will just keep plugging away. The federal government has basically given up on even pretending that there are adequate and acceptable animal welfare standards with regard to livestock when they reach their destination.

Question agreed to.

Aboriginal and Torres Strait Islander Social Justice Commissioner Social Justice Report

Debate resumed from 20 June, on motion by Senator Bartlett:

That the Senate take note of the document.

Senator SIEWERT (Western Australia) (6.06 pm)—This report of the Aboriginal Torres Strait Islander Social Justice Commissioner, the 2006 Social Justice Report, is a very interesting report. I congratulate the Social Justice Commissioner on producing the report, on the wide range of issues that he covers and the detail with which he covers them. He raises some very important points in this report relating to Aboriginal and Torres Strait Islander access to social justice in this country. I would like to point out some of the key points that he has made in this report. He talks about, for example, what makes good Indigenous policy. He says:

In the context of Indigenous affairs, the most senior officers of the APS—the Australian Public Service—have recognised their part in contributing to dysfunction and disadvantage in Indigenous communities as a result of the ‘failure of a generation of public policies to translate into the sustained economic betterment of indigenous Australians.’

He quotes Dr Shergold as saying:

I am aware that, for some 15 years as a public administrator, too much of what I have done on behalf of government for the very best of motives had the very worst of outcomes. I (and hundreds of my well-intentioned colleagues, both black and white) have contributed to the current unaccept-
report where the social justice commissioner says:

The greatest irony of this is that it fosters a passive system of policy development and service delivery while at the same time criticising Indigenous peoples for being passive recipients of government services!

I think that is a very important and salient point. The first recommendation that the social justice commissioner makes in the report is:

That the Secretaries Group request the Australian Public Service Commissioner to conduct a confidential survey of staff in Indigenous Coordination Centres to identify current issues in the implementation of the new arrangements and the challenges being faced in achieving whole of government coordination. This survey should be conducted by the APSC.

I think that is a very, very important recommendation. I put a motion to this place this week to seek to put in place that very survey. Of course, it was unfortunately not supported by government. I would have thought that if the government were interested in getting policy delivery and service delivery to Aboriginal communities they would have supported that recommendation. Everybody in the field knows that ICCs are failing and are not working, so let’s find out why they are failing and why they are not working. Further in the same recommendation he says that there should be established a parliamentary committee of inquiry into the progress of the new arrangements in Indigenous affairs. (Time expired)

Senator BARTLETT (Queensland) (6.11 pm)—I would also like to speak to the report of the Aboriginal and Torres Strait Islander Social Justice Commissioner. It is a very important and comprehensive report, and I urge people to look at it. The section I would like to focus on tonight is the one dealing with developments in recognising and protecting the rights of Indigenous peoples internationally. We had a debate at the start of the week in this chamber, on an urgency motion which the Democrats initiated, about the need for the Australian government to support the adoption of the United Nations Declaration on the Rights of Indigenous Peoples. I think that is being voted on in the United Nations General Assembly today—perhaps even as we speak. It is a matter of great disappointment that the Australian government has indicated that it is not willing to support the adoption of this declaration. If people want to learn the facts about this declaration, what is involved in the substance of it and what is involved in the purpose and the meaning of it—as opposed to the disgraceful misinformation and spin that has come from the federal government to justify their appalling lack of support for this important step of adopting an international declaration on the rights of Indigenous peoples—then I recommend that they read this report. The report sets it out in a very straightforward way, in unvarnished language, unemotionally and very factually.

One of the things I have found so frustrating, even with Australia’s own social justice commissioner clearly detailing the benefits to Indigenous peoples in Australia as well as internationally in going down this path and in setting in place some benchmarks and standards for us to seek to measure up to—non-binding and even ‘aspirational’, to use one of the federal government’s current buzzwords—is the misinformation. One of the key reasons the federal government has put out in the public arena, as well as in this chamber, as to why they will not support the UN declaration as it stands is that they are still worried about the meaning of some of the words. As this report details, the process of developing this declaration has taken literally decades, and the report outlines, on pages 230 and 231, both the key features of the declaration and the process of it being
developed. The Australian government is, sadly, one of just a small number of governments around the world which are seeking to frustrate the adoption of this declaration. There is no other possible motivation that could be behind the federal government’s position. It cannot continue to say, ‘We are just trying to reach consensus’ when clearly the consequence is to just hold it up—and now, if it is going to be adopted anyway, to just not support it.

The federal government has expressed concern about the lack of certainty about what ‘right’ might mean, because the convention recognises the right of Indigenous peoples to self-determination, and has suggested that somehow that might mean an opportunity for separatism, a nation within a nation or Indigenous people having the right to break away from Australia. Firstly, that is clearly and deliberately a misrepresentation of what self-determination under international law is about; secondly, the draft convention that is being put forward for adoption specifically and explicitly rules out any such interpretation of the meaning of self-determination; thirdly, the right of all peoples to self-determination is already recognised under international law and Australia is a party to the relevant convention that recognises that right, the International Covenant on Civil and Political Rights. Article 1, part 1 states: ‘All peoples have the right of self-determination’—except, it appears, as far as the Howard government is concerned, Indigenous peoples; their only pathway to self-determination is to lose their identity and their culture and go through assimilation.

That goes to the second part of the total furphy the federal government is putting around about this UN declaration: that somehow or other it puts customary law above national law. It does no such thing. It is simply dishonest and divisive for the federal government to be putting out this sort of propaganda. It is old-style, ridiculous, hard-line, arch-conservative propaganda that does nothing other than play on people’s total misunderstanding of international law and total misunderstanding and ignorance of the nature of customary law in Australia. If we are genuinely wanting to see Indigenous people progress, as the Prime Minister and others in his government keep saying, then let’s stop the furphies, stop the misinformation and actually recognise and support some basic, fundamental rights for Indigenous peoples. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Surveillance Devices Act 2004

Debate resumed from 14 June, on motion by Senator Ian Macdonald:

Senator IAN MACDONALD (Queensland) (6.17 pm)—I want to speak briefly to document No. 5, the report by the Commonwealth Ombudsman to the Attorney-General on the results of inspections of records under section 55 of the Surveillance Devices Act, perhaps in my capacity as the Chairman of the Parliamentary Joint Committee on the Australian Crime Commission. It is, if I might say so, a good report. It generally gives a tick to both the Australian Crime Commission and the Australian Federal Police on the discharge of their responsibilities under the particular act. I think it is an opportunity to understand the work that these two Commonwealth law enforcement agencies do for all of us in Australia. They are both, particularly the Australian Crime Commission, given very stringent powers but are subject to very careful arrangements in the way they use those powers.

All in all the Australian Federal Police and the Australian Crime Commission are there to protect Australians from serious and organised crime, and indeed all criminal activities. Across the board both the Australian
Federal Police and the Australian Crime Commission have a very high reputation for professionalism in the way they discharge their work in protecting Australia from crime. The parliamentary joint committee is in the throes of issuing a report looking at the future impact of serious and organised crime on Australia. Perhaps next week we might have an opportunity to discuss that report in some further detail. But I did want to use this particular report to again highlight the debt of gratitude that I think all Australians owe to the fine work and professionalism of the Australian Crime Commission, and all of its officers, and the Australian Federal Police.

Question agreed to.

Human Rights and Equal Opportunity Commission

Debate resumed from 7 August, on motion by Senator Bartlett:

That the Senate take note of the document.

Senator BARTLETT (Queensland) (6.20 pm)—I rise to speak to document No. 17, the Human Rights and Equal Opportunity Commission report entitled Same-sex: same entitlements, which is the report from their inquiry into discrimination against people in same-sex relationships. I would like to firstly, again, commend the report to the Senate and to anybody who is actually interested in the facts about this issue. There is a longstanding problem with quite severe discrimination being experienced by a range of Australians who are in same-sex relationships.

As part of speaking to this report, I would like to note the legislation that has been tabled in this place, in my name and in the name of my fellow Democrat senators, which simply and very succinctly seeks to implement the recommendations of the report that I am discussing at the moment. The recommendations are actually quite simple. The report identifies I think about 56 or so—certainly over 50—pieces of legislation at Commonwealth level where discrimination currently exists under law against people in same-sex relationships. The report identifies a simple way of addressing and amending each of those pieces of legislation, which is basically to change the definition of ‘de facto relationship’ and ‘partner’ to take into account same-sex partners and same-sex relationships under the definition of de facto.

Giving people in same-sex relationships the same status as people in opposite-sex de facto relationships has nothing to do with the issue of marriage or recognition of marriage as a legal contract. It specifically has nothing to do with the issue of adoption by same-sex couples either. In many cases it is simply about people’s financial and work related entitlements and benefits. It is a simple right of equality for those people. That is a right that the Prime Minister himself has said should apply. He has said that a number of times. Unfortunately, he has not acted to put in place that right and that equality. That is a matter of great frustration for the Democrats. In 1995 we first put in place legislation and we followed it up with a Senate committee inquiry which detailed a lot of the discrimination and the enormous impact that it has. The Human Rights and Equal Opportunities Commissioner said that discrimination against same-sex couples ‘is there in the statute books in black and white’. He stated that it exists around basic issues of:

… employment, workers’ compensation, tax, social security, veterans’ entitlements, health care, superannuation, aged care and migration.

He went on to say:

I am still incredulous that there could be such blatant and widespread discrimination against an entire sector of our community in such fundamental areas of life.

This affects thousands of Australians, sometimes in enormous, very personal and often quite hurtful ways—particularly if they are
dealing with the death of a partner. If your partner dies and your relationship has been in place for decades but you have to fight even to be recognised as having any right at all as their long-time partner, then it is not surprising that some people will find that extremely hurtful and insulting. It is that basic financial discrimination that should be addressed.

The private senator’s legislation that the Democrats have put forward was considered this morning in an ad hoc hearing of a number of members of parliament and senators from a range of different parties. We had to do that because, unfortunately, the coalition members in the Senate refused to allow the legislation to be considered by a Senate committee. It is a disgrace to prevent legislation from even being considered. You do not have to agree with the legislation, but to prevent it from even being considered by a Senate committee is appalling and sets a very bad precedent. It was an ad hoc committee which did not have formal parliamentary privilege but senators and members got together anyway. Mr Warren Entsch and Dr Mal Washer from the Liberal Party and Senator Barnaby Joyce from the National Party came along, as did Senators Moore and Webber from the ALP. My Democrat colleague Senator Allison—who had just heard from the human rights commissioner and others about the specifics of this legislation—also attended. The ad hoc committee is hoping to table its views and its report in the chamber next week so that we can get movement on this issue. We know the solution—it is there in this report. We know that across all political parties there is widespread support for implementing the solution. Let’s just get on with it and remove the discrimination now. We have been waiting far too long.

I seek leave to continue my remarks later. Leave granted; debate adjourned.

Commonwealth Ombudsman’s Assessment of Appropriateness of Detention Arrangements

Senator BARTLETT (Queensland) (6.25 pm)—I move:

That the Senate take note of the document.

The report from the Immigration Ombudsman details people in long-term immigration detention. This is one of a series of reports that have been put forward by the Immigration Ombudsman as a consequence of amendments made to the Migration Act under section 486O. It was put in place, as people may recall, as a result of a lot of political pressure, including from backbench members of the government, to get more transparency about what was happening in detention centres and what the consequences were, on a personal level, for many people who were in long-term detention. Particularly after the Cornelia Rau incident, it was very obvious that there was inadequate oversight of what was happening in detention centres—in particular, who is in there, how they are being treated and what harm is being done to them. That was particularly apparent for people who were there for prolonged periods.

These reports detail 214 cases, but I will not go through all of them here. Many relate to cases where people finally got out of detention but some of them do not. That is a reminder that, while it might have gone off the front pages, it is still a fact that our country locks people away in administrative detention—so-called migration detention—for years, even though they have not only never been convicted of an offence but also have never been charged with an offence. All that has happened to them is that they have had their visa cancelled—then we lock them up. That is it. It does not matter. There is no need to prove that they are a safety risk to the community, no need to prove that they are a
flight risk and no need to prove that they are a health risk. Nothing at all! If you do not have a visa then you lose your freedom for years—in many cases with immensely damaging health consequences.

I appreciate that it is no simple matter to deal with some of the hard cases in immigration law. I do not pretend that it is easy every single time and with every single case, but I ask members of the public and the Senate to remember just how fundamental it is to take away people’s freedom, particularly to take it away for years and years and to do so without any judicial oversight or any adequate oversight over the conditions that those people experience—let alone any judicial oversight over the length of time those people are locked up. That is a continuing disgrace. It is one of the most fundamental breaches of one of the most basic components of our democratic society and the rule of law. To jail people for years without charge or trial is a disgrace and should not be allowed to continue. But it is still continuing. It is still happening today in Australia and it continues to be allowed under our Migration Act. If people read even one of these reports—and we have skipped over three other similar reports by the immigration ombudsman in the list of documents today—then they will find that they are just numbers here—they identify up to 214. But they are not numbers. They represent over 200 people who have been subjected to prolonged immigration detention with, in many cases, though not all, severe personal harm coming to them as a direct consequence of their detention.

One of the cases here is that of a Sri Lankan man who was detained for over four years. It is clearly detailed in the report that the immigration department made an administrative error right at the start in how it classified him as an offshore entry person when he was detained in the Cocos Islands for five months initially. He was not provided with any legal help when he first made his application, which prevented him from applying for the appropriate visa. That meant that his case was not heard by the Refugee Review Tribunal for 15 months after he arrived. It is bad enough that we stuff people around—a refugee who eventually got his visa after four years—on such fundamental issues but the consequence of people being stuffed around due to an administrative error is prolonged imprisonment, with all of the health consequences that go with it. That is still happening. Not all of them get the profile of Cornelia Rau, but the harm can be just as severe. The fact that some of them might be refugees or asylum seekers or even people who have arrived here and had their visas cancelled, as opposed to permanent residents, does not make it any more excusable. It is a reminder of why we need to amend the Migration Act. I certainly commit to continuing after the election to push all parties to take out this iniquitous provision of our Migration Act. The Senate should use its powers to do so.

(Time expired)

Question agreed to.

**Australian Rail Track Corporation**

**Senator IAN MACDONALD** (Queensland) (6.31 pm)—I move:

That the Senate take note of the document.

I draw the Senate’s attention to the Australian Rail Track Corporation’s statement of corporate intent, to highlight some advances in a sector of the transport industry which is not often considered. Senators will know that the Australian Rail Track Corporation Ltd is a company whose shares are totally owned by the Australian government and overseen by the Minister for Finance and Administration and the Minister for Transport and Regional Services. Since 1998 ARTC has managed the interstate rail network between Albury and Broken Hill in the east and Kalgoorlie in the west. The ARTC has also ef-
ected a wholesale agreement with Westnet Rail that enables it to provide a one-stop shop for interstate network access from Kalgoorlie to Perth. In September 2004 the ARTC commenced a 60-year lease of the interstate and Hunter Valley rail networks in New South Wales. I did want to highlight the freight market and several other things, but I will have to continue later. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Consideration

The following orders of the day relating to government documents were considered:

**Migration Act 1958—Section 91Y**—Protection visa processing taking more than 90 days—Report for the period 1 July to 31 October 2006. Motion of Senator Bartlett to take note of document agreed to.

**Regional Forest Agreement between the Commonwealth and the State of Tasmania—Variation, dated 23 February 2007.** Motion of Senator McGauran to take note of document agreed to.

**Australia–Indonesia Institute**—Report for 2005-06. Motion of Senator McGauran to take note of document agreed to.


**Migration Act 1958—Section 486O**—Assessment of appropriateness of detention arrangements—Reports by the Commonwealth Ombudsman—Personal identifiers 200/07 to 214/07. Motion to take note of document moved by Senator Bartlett and agreed to.

General business orders of the day nos 12 to 16, 18 and 19 relating to government documents were called on but no motion was moved.

**The ACTING DEPUTY PRESIDENT (Senator Moore)**—The time allowed for the consideration of government documents has now expired.

**COMMITTEES**

**Privileges Committee**

Report

Debate resumed from 11 September, on motion by Senator Faulkner:

That the Senate—

(a) agree to the recommendation at paragraph 40; and

(b) endorse the finding at paragraph 41, of the 131st report of the Committee of Privileges

Senator FORSHAW (New South Wales) (6.33 pm)—This is a unanimous report of the Privileges Committee. It is a report that dealt with the inquiry into the possible false or misleading evidence and improper refusal to provide information to the Finance and Public Administration References Committee. This inquiry, conducted by the Privileges Committee, arose out of a referral by myself, as Deputy Chair of the Senate Finance and Public Administration References Committee, and Senator Murray. We jointly wrote to the President about what we felt may well have been the giving of false or misleading
evidence to a Senate inquiry, whether there had been any improper refusal to provide information to a committee and whether any contempt had been committed.

The saga of events that led to this report from the Privileges Committee is fairly well known to senators, not just to those on the Senate Finance and Public Administration References Committee. It arose out of the inquiry by the Senate Finance and Public Administration References Committee into the operation of Regional Partnerships and the Sustainable Regions Program—also referred to as the ‘regional rorts inquiry’. I know government members would not accept that description.

I accept the report, and I endorse the motion moved by Senator Faulkner as chairman of the Privileges Committee. I have read the report a couple of times. The Privileges Committee recognised that it was dealing with a serious and complex issue. This was a major reason why Senator Murray and I referred it to the Privileges Committee. The issues before the Privileges Committee are set out on page 2 of its report, and I will read them into the Hansard:

Senators Forshaw and Murray then decided to raise Mr Maguire’s conduct as a matter of privilege on two counts:

• first, that Mr Maguire refused to respond to the committee’s requests to provide the information that he had undertaken to provide at the hearing, namely, a list of his companies; and

• secondly, that in failing to corroborate his claim that his companies made substantial financial contributions to Mr Windsor’s political campaigns, a claim denied by Mr Windsor and his campaign chairman, Mr Stephen Hall, and unable to be substantiated by the AEC; Mr Maguire knowingly gave false or misleading evidence to the Finance and Public Administration References Committee.

What I have just read, in a very quick snapshot, summarises the issues that arose.

During the inquiry by the Senate Finance and Public Administration References Committee into the Regional Partnerships program, Mr Greg Maguire gave evidence that he had made financial contributions to the campaign funds of Mr Tony Windsor, the current member for New England and a former member of the New South Wales parliament. He volunteered that evidence and he did so when the committee was testing assertions made by Mr Windsor regarding funding for an equestrian centre project to be built in Tamworth. There was a major difference of view about Mr Windsor’s role as a member and whether or not the project could be brought to fruition whilst he remained the member for New England. There is a lot more background to that, but Mr Maguire—who at the time was the chairman of the committee that was promoting this project—came along to demonstrate the veracity of his own submission and to refute other evidence. During his evidence Mr Maguire claimed that his companies had made contributions to Mr Windsor’s election campaigns. He said:

Mr Windsor is also aware that my companies have made substantial financial contributions to his political campaigns over the years.

I note that Senator Carr, who participated in the inquiry, is in the chamber. Mr Maguire was asked to provide some proof of what he had said—remembering that this is evidence that he volunteered—and he undertook to provide to the committee a list of companies that had made such contributions. Over many months—both up to the tabling of the committee’s report and subsequently—he refused to honour that undertaking. He refused to respond to requests and he refused to respond to letters from the secretary of the committee asking that he honour his obligation to provide the evidence. At the same time, the Australian Electoral Commission,
which had examined the issue as well, apparently could find no evidence on their records of any disclosure of financial contributions.

So we had the situation where there was a direct conflict of evidence from Mr Windsor on the one hand, who denied that he had ever received such contributions, and Mr Maguire on the other hand, who said that he had made them. I note in the Privileges Committee report that they also requested that Mr Maguire provide the proof of financial contributions that he had undertaken to provide to the Senate Finance and Public Administration References Committee. At no stage did Mr Maguire comply. Rather, he engaged lawyers and adopted an approach where he was not going to cooperate and not going to respond. He made that clear in correspondence to both committees.

The problem that is noted in the Senate Privileges Committee report is that they reached an impasse because, in order to take the matter further, it would involve calling Mr Windsor, a member of the House of Representatives, before the Privileges Committee—something that is unable to be done due to the relationship between the two houses. As is stated in the report:

It is a well established rule that one House may not inquire into or adjudge the conduct of a member of another House.

So, unfortunately, the Privileges Committee reached the same dead-end that the Senate finance committee had reached, which was that we had no cooperation, no assistance and no response from Mr Maguire. To my mind, if you give evidence to a Senate committee and you make a statement and you offer to back that up with documentary proof and you fail to do so, there is only one conclusion that can be reached: that you do not have the evidence and it may have never existed. At all times, Mr Maguire has had the opportunity to comply but he has refused to do so. I note that the Senate Privileges Committee states:

This has been one of the more unsatisfactory inquiries of the committee. Conduct by a witness that would normally warrant the most serious criticism will remain unaddressed because jurisdictional issues prevent a full examination by the committee of all the circumstances. In other circumstances, a finding of contempt against Mr Maguire would appear to be almost a foregone conclusion. As a result of his conduct, Mr Maguire emerges from both this committee’s inquiry and that of the former Finance and Public Administration References Committee with little credibility.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

**Scrutiny of Bills Committee Report**

Debate resumed from 12 September, on motion by Senator Sterle:

That the Senate take note of the report.

**Senator BARTLETT** (Queensland) (6.44 pm)—I speak to the latest report of the Scrutiny of Bills Committee. This is an important report. You could say that about all of them, but I think that this one, in particular, deserves attention. The Scrutiny of Bills Committee is a non-partisan committee. It assesses legislation against basic principles of good public policy and good public administration and basic principles of the rule of law. It does not make assessments about the policy merits of legislation and, inevitably, it produces unanimous reports. It has members from the Labor Party and the Liberal Party and my Democrat colleague Senator Andrew Murray. Unfortunately, it often does not get the attention it deserves precisely because it deals with administrative principles, which immediately makes people’s eyes glaze over. But those administrative principles are fundamental things like whether or not a person
who is affected by a decision has any right to a review of that decision, whether or not the power that a minister is giving to themselves to make particular decisions is a power they have under the law and whether or not the determination that a minister is making is one that is consistent with the law—those pretty fundamental things.

This latest report from the Scrutiny of Bills Committee is once again both unanimous and very concerning, and it is not something that should pass without comment. The committee produced a very comprehensive report a few weeks back at very short notice to deal with the package of the five pieces of legislation that dealt with the government’s emergency response with regard to Aboriginal communities in the Northern Territory. As people may recall from that debate, the government pressed ahead with having the legislation considered by the Senate before it had produced any sort of response to the committee’s report. It then tabled some response part-way through the committee stage of the debate.

But this latest report from the committee does provide follow-up information. Even though those pieces of legislation have now passed into law, the committee has nonetheless produced this report for the information of senators and for the community—and it is very appropriate that it has done so. With all due respect to the senators who passed the legislation, I would suggest that they look at this report and at the concerns the committee has continued to express. They have expressed a range of concerns, and I doubt that in the short time available to me I can detail them all, but I will refer to a couple. With one example some questions were raised about the fact that, under the new Northern Territory response legislation and amendments to the Aboriginal Land Rights (Northern Territory) Act, the minister now has the power to determine whether any person can enter or remain on particular roads on Aboriginal land or to put in place temporary restrictions on the rights of people to enter or remain on roads on Aboriginal land or within Aboriginal community land.

The government has decided that such determinations made by ministers are not legislative instruments, which means they cannot be overseen by this parliament. In some cases, the legislation just states that determination is not legislative in character but that it is purely a short-term administrative measure and therefore does not require oversight by parliament or the prospect of disallowance. In other cases, the committee report says that the legislation—and the response from the minister—specifically states that the ‘Attorney-General has granted an exemption for these determinations from the Legislative Instruments Act,’ thus implying, according to the committee, that the determinations are, in fact, legislative in character.

The Attorney-General has granted an exemption for these determinations from the Legislative Instruments Act on the basis that they are ‘only temporary in nature and will often need to take effect on very short notice’. The report says:

The committee notes, however, that the fact that an instrument is temporary in nature and needs to take effect on short notice is irrelevant to whether or not it is considered to be a legislative instrument, as defined in ... the Legislative Instruments Act 2003. The committee further notes that while the Legislative Instrument Act 2003 provides for the Attorney-General to issue a certificate determining whether an instrument is a legislative instrument or not, it makes no provision for him—

the Attorney-General—

... to ‘exempt’ a determination from that Act.

It does raise the issue of having the Attorney-General unilaterally saying that this legislative instrument is exempt from the Legislative Instruments Act ‘because I say so’. That,
I would suggest, is a precedent that all senators—who are, I might remind us, law makers—should be concerned about. Another section of the legislation which I think is very germane to other matters and debates that have happened in this chamber this week goes to the issue of merits review. There are a range of areas in these different bills, which are now law, where very significant decisions affecting people are not subject to merits review. The committee sought the minister’s advice as to whether, if they are not legislative instruments, as the minister says—and these are a range of things that go to what can happen on people’s land in relation to interests in Aboriginal land in the territory—because they are administrative in character, they are administrative decisions. The question then becomes whether they should be subjected to merits review under the Administrative Appeals Tribunal Act.

The response from the government is that it is not appropriate for these determinations and notices to be subject to merits review under the act, because the potential for review would create unacceptable delays for what are short-term emergency measures. They may or may not be emergency measures, but they are potentially in place for five years. I do not know of any other Australian who would accept administrative decisions being made about what can and cannot be done on their land that could be enforced for five years and who would then say, ‘That’s okay; I don’t need any merits review of that because it’s only short term.’ It is such a ludicrous perversion of language. We are used to that in question time or media conferences or those sorts of things but this is perversion of language in the law, and that, I submit, is a serious problem.

I will use one more example which I think is very relevant and very current, given some of the great protestations that have been made by coalition members throughout this week about the disgraceful actions of the Queensland Labor government in taking away the democratic rights of Queenslanders with regard to their local councils—criticism I very much concur with, I might say. We had continual outrage from coalition members saying that there was no right of appeal with regard to the determinations that were made to amalgamate councils by the review body. ‘How terrible; no review; what a disgrace,’ they said. I totally agree that it was a disgraceful process. But the powers in this act can bring about the complete abolition of councils. The minister can just come in and seize the assets of a community store. The minister can just come in and wind up administrative bodies and organisations and community councils on Aboriginal land throughout the Northern Territory.

In responding to the committee’s concern about why there is no merits review of these decisions, the minister’s response was: ‘If we gave people the right to merits review for these decisions, this would prolong matters.’ Yes, it would prolong matters. Reviewing things does prolong matters; that is true. But, as the committee says, the absence of merits review of a decision not to approve a new community store licence, for example, or the absence of merits review of a decision to abolish an organisation or a council does have a pretty significant effect on people. The committee is of the view that this argument that merits review would prolong matters could be made in respect of any merits review process is not justification for refusing a review.

Obviously, this was in the law. The Senate can pass whatever law we like, but let us not kid ourselves that what we are doing is a fair process. In particular, let us not come in here and cry crocodile tears about the Queensland Labor government preventing merits review of decisions that require amalgamations of councils and then pass legislation that pre-
cludes merits review of complete takeovers of community councils and community stores on Aboriginal land in the Northern Territory and come back and say, ‘We didn’t have merits review because it would prolong matters if we did that.’ How pathetic. The double standards are disgraceful. But the bigger problem is that these sorts of things are being put in law and we have Senate committees drawing them to the Senate’s attention and nothing is being done. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Environment, Communications, Information Technology and the Arts Committee Report

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

That the Senate take note of the report.

Senator BARTLETT (Queensland) (6.54 pm)—This report by the Senate Standing Committee on the Environment, Communications, Information Technology and the Arts is entitled Conserving Australia: Australia’s national parks, conservation reserves and marine protected areas. The inquiry was initiated while I was still chair of the committee, when it was the references committee. It was chaired by Senator Eggleston for the latter part of the inquiry. Again, I would commend the report as a good example of Senate committees working together constructively across party lines and producing a report which, apart from one recommendation, was unanimous for Labor, Liberal, Democrat and Green senators. It is a good template for significant advances in how to better protect our national parks and expand our National Reserve System, including in marine protected areas.

It should be said that the recommendations and the report, in part, acknowledged some of the successes of the federal government’s approach, particularly with regard to the National Reserve System. The recommendations were based on building on those successes. That included recognising the successful Indigenous Protected Areas program and calling for more support and funding for that. I am pleased to see that, since the report was tabled, more resources have been provided for Indigenous protected areas. That is important for the core purpose of better protecting our National Reserve System and biodiversity and, indeed, the cultural biodiversity that is intertwined with biodiversity in many remote areas where traditional Indigenous knowledge is still prevalent.

The report also recognised the great conservation and environmental benefits as well as the social, economic and cultural benefits of better recognition of the traditional knowledge of Indigenous peoples in land management and, indeed, in sea management. Whilst I commend the government for expanding support for Indigenous protected areas and for the Working on Country program that was contained in the federal budget this year, I do have to say that the action that was subsequently taken, in July this year, of scrapping the CDEP program for Aboriginal workers in the Northern Territory runs quite a serious risk of undermining the effectiveness of some of the measures that are identified as positive actions by this government that are detailed in this report.

The abolition of CDEP in the Northern Territory—without notice by the federal government; it was not something that had been flagged before, contrary to statements by some in the government—is causing significant concern because it is a policy that will lead to shifting people from work onto welfare. There are about 8,000 CDEP places in the Northern Territory, and the government has given a vague promise that around 2,000 of those will be transferred into some
type of properly funded jobs. The rest are likely to shift onto Work for the Dole or training programs which are lower than CDEP. CDEP was not perfect in every area, but when it worked effectively, as it did in many communities in the Northern Territory, it provided significant, genuine employment opportunities. It was not sit-down money when it was applied and operated properly. It was no-work no-pay money: if you do not work, you do not get your pay—like everywhere else.

It also provided significantly to the local economy, including in a number of art establishments. They provide one area of economic opportunity for many Indigenous communities, and that is an issue that is the subject of a separate report by the same committee, the Senate Standing Committee on the Environment, Communications, Information Technology and the Arts. I will not speak to that report, beyond noting that both the report into national parks and protected areas and the report into Indigenous art acknowledged some of the positive things that were happening as a result of government funding. Both areas now run the risk of being harmed because of the federal government’s decision to scrap CDEP in the Northern Territory—only, it seems, so that the income of those people can then be quarantined and managed by the government in the same way as the money of people on welfare payments is quarantined and managed.

This is causing an enormous amount of unease in many parts of the Northern Territory because, while the general promise has been made that 2,000 so-called real jobs will be properly funded and provided, it has not actually been identified which jobs they will be. People in many communities in the Territory are currently doing jobs which may be providing a valuable service to those communities, including in the area of managing natural resources. Indigenous protected areas programs have included a lot of CDEP places, and so have art establishments. A lot of the CDEP places are related to community services and support. People in many cases do not know yet whether their jobs are the ones that will continue to be funded on a proper ongoing basis, whether their jobs are going to disappear and turn into much lower level and inadequate Work for the Dole type arrangements or whether they will have contractors coming in from outside to provide the same work that Aboriginal people were doing under the CDEP situation. It is a mess, frankly.

This had nothing to do with the safety of children, nothing to do with the Little children are sacred report and nothing at all to do with improving protection for Aboriginal children. These are people in CDEP jobs. They are counted in the employment statistics as being employed. They will now shift to being unemployed. I do not care about the statistics. I care about the consequences for people on the ground and—which is relevant to this report—the consequences for land management, natural reserve management, the maintenance of traditional land management knowledge and practices, and the continuing development of a very important part of Aboriginal culture. All of that is put at risk purely so the federal government can take control over the income payments of a greater number of Aboriginal people in the Territory. There has been no thought put into the wider flow-on consequences.

It is not too late, I might say. I urge the federal government to reconsider this issue. They can make a judgement as to whether they want to restore CDEP or whether they want to take another pathway forward that ensures that these presumably unintended consequences do not occur. The simple fact is that one of those pathways has to be pursued and there has to be a shift from the current approach, which is simply going to lead
to greater hardship in many Indigenous communities and a loss of those services. Labour is being provided in natural resource management, art establishments and other social services in those communities. This needs to be acted on. The government cannot just keep blustering in response to every concern that is raised. But that is all we have had to date: bluster. The bluster cannot keep going; it cannot last forever. We have to look at the facts and at the reality on the ground. That is what matters, not the political point scoring. It is the people at community level who will have to bear and live with the consequences.

Question agreed to.

Legal and Constitutional Affairs Committee

Report

Debate resumed from 9 August, on motion of Senator Payne:

That the Senate take note of the report.

Senator BARTLETT (Queensland) (7.03 pm)—I repeat for the benefit of the Senate and the government that the Unfinished business: Indigenous stolen wages report was tabled in December of last year. It contained six unanimous recommendations backed by Labor, Liberal, Democrat and Green senators. The federal government has yet to respond. That is unsatisfactory. The Senate backed up its report with a resolution passed in this chamber in June calling on Minister Brough to respond to the recommendations—not even to adopt them but just to respond to them—by the first sitting week in August. He has yet to respond to that resolution of the Senate. He is yet to even give an explanation as to why he has not responded to the committee’s recommendations. That is completely unsatisfactory.

For people who want to know the detail of the gross injustice of the wages misappropriated and stolen from Indigenous peoples throughout many decades of the last century through many parts of Australia, I commend this report to them. I would also commend, through the ANTaR website, antar.org.au, the report that was released a week or so ago by Dr Ros Kidd, which is called Hard labour, stolen wages. That also details, in stark and very distressing case studies, examples and documentary evidence, the extent of this gross injustice, reinforcing the absolute necessity and urgency for this injustice to be remedied.

The onus predominantly, I might say, is on state governments to act. In passing on my congratulations to her, I would particularly urge the new Queensland Premier, Anna Bligh, to make redressing this key area of unfinished business a priority of her new administration. The report is called Unfinished business: Indigenous stolen wages. One of the recommendations in it goes specifically to the serious failure of the Queensland government to respond adequately to this reality. But the federal government also has a role. Its failure to speak out about this, let alone to respond to this report so far, is completely unsatisfactory. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Consideration

The following orders of the day relating to committee reports and government responses were considered:

Migration—Joint Standing Committee—Report—Temporary visas ... permanent benefits: Ensuring the effectiveness, fairness and integrity of the temporary business visa program. Motion of Senator Polley to take note of report agreed to.


Report 87—Treaties tabled on 13 June 2007


—Motion of Senator Wortley to take note of reports agreed to.

CHAMBER
Citizenship

Senator BOYCE (Queensland) (7.06 pm)—The topic of citizenship was high on the Senate's agenda earlier this week and I would like to highlight a number of anniversaries and observances about to occur that are related to citizenship in Australia. Within the space of 11 days this month Australian citizens will mark an interesting series of events. These events, I believe, say a lot about our country and about our undoubted success as a country primarily of immigrants. They include: the sixth anniversary of the attacks in New York and Washington, which occurred on Tuesday this week; today, which is the beginning of the Muslim month of fasting, Ramadan; next Monday, which marks Australian Citizenship Day; and the following week, which has the Jewish Day of Atonement, Yom Kippur, beginning at sunset on 21 September.

Today we see the start of Ramadan, an important time in the calendar for a great number of Australian citizens. I would like to extend to the Muslims of Australia best wishes for this month of fasting, a ritual that many of the 340,000 Muslims around this country will undertake over the next 30 days. During Ramadan Muslims will not partake of food or drink from sunrise to sunset and they will engage in extra prayers. The month of Ramadan marks the revelation of the Koran, the holy book of Islam, about 1,400 years ago.

The Muslims have been in Australia for more than 200 years, with some historians suggesting they were here before the First Fleet, with Macassan Muslims trading with Indigenous groups across Northern Australia. Since this time, Muslims have come from many different lands to make a contribution across many different areas in the development of Australia. We all know of the Afghan camel drivers who helped open up inland Australia, building the Overland Telegraph Line and the railways. There were Bosnian workers on the Snowy Mountains scheme and, in North Queensland, Muslims were pioneers of the sugarcane and tobacco industries. Their stories are sometimes overlooked but their contributions should never be forgotten.

Today, almost 40 per cent of Australian Muslims were born right here in Australia.
And whether they are ‘new’ or ‘old’ Australians we see Muslim success at the highest level of business and sport, with people like John Ilhan, the owner of Crazy John’s phone company; Ahmed Fahour, the CEO of the National Australia Bank; Hazem El Masri, the great point-scoring rugby league player from the Canterbury Bulldogs; and Bachar Houli, the first Muslim playing in the AFL, for Essendon.

The Muslims are among our professors, surgeons, teachers, bakers and scientists. According to a Family and Community Services and Indigenous Affairs report released just last month, Muslims have an above-average proportion of postgraduate degrees compared with the rest of the Australian population, and one of the most common languages spoken in Australian Muslim homes is English. In Queensland, my home state, English is the most common language spoken in Muslim homes. In business, the halal meat industry contributes $5 billion annually to the Australian economy and employs more than 30,000 people.

All of Australia has had the opportunity to learn a little about Islam over the past six months with the Family and Community Services program Sharing our Achievements. Sharing our Achievements was a whole-of-government initiative that originally came out of the Prime Minister’s Muslim Reference Group established for the purpose of explaining to wider Australia the successes and contributions of Muslim people. Sharing our Achievements has now produced a report that showcases Australian Muslims in each state and their contributions to our country. FaCSIA has reported that the program was a great success with many thousands of non-Muslim Australians learning what their fellow Muslim countrymen and women have contributed over the past 200-plus years.

To the Jewish people of Australia I also offer my good wishes as they observe the holy day of Yom Kippur next week. From sunset on Friday, 21 September, to sunset on Saturday, 22 September, Jews around the world will fast. This day is considered one of the holiest days of the Jewish calendar. As you can see, this country was built by people from many different countries and religions, and next Monday when we celebrate Citizenship Day we should recognise and give thanks not just for the diversity, prosperity and richness these many cultures have brought to this country but also for the vibrancy and the tolerance of our nation.

I was privileged to officiate at my first citizenship ceremony as a senator for Queensland a few weeks back in Brisbane. This ceremony was hosted by the Ethnic Communities Council of Queensland. The Ethnic Communities Council is the peak body of the multicultural community in Queensland and members of the council have contributed a great deal to the harmonious relations between the different cultures in Queensland. Stalwarts of the ECCQ include Nick Xynias, the honorary president, and the chairman, Serge Voleschenko. We are very proud of our community leaders in Queensland, and people like Nick and Serge, along with Eddie Liu, the ‘Father of Chinatown’, the Deen family, including Ray and Sultan, who have helped build most of the mosques in Brisbane, are the types of leaders that any community would be proud of—hard-working, committed and passionate about this country—and all have a background from outside Australia. They are the people that Citizenship Day is designed to remind us about.

At the Citizenship Ceremony in Brisbane I stood and looked at the variety of people that were undertaking their pledge to be loyal citizens and to respect the rights and liberties of this country. They came from 12 different countries and the oldest of them was 78.
They came from Malaysia, Burma, Taiwan, Sri Lanka, Germany and the UK, to name a few. I was deeply impressed by the strength and commitment these people had in pledging allegiance to a totally new country away from the country of their birth, their culture and their heritage.

For those who make a conscious decision to come to this country and then make a conscious decision to become a citizen, it must be a very special feeling—the feeling of deciding to really belong; to see your family prosper in this country; to see future generations take full advantage of what this country offers. It is a reminder for those of us born here not to take the rights and privileges of citizenship for granted. There are around one million eligible people in this country who have yet to take up citizenship and more than half of them come from the UK and New Zealand.

The dictionary meaning of ‘citizenship’ is the status of a citizen with its attendant duties, rights and privileges—and it is a privilege. To gain citizenship of a country means that you have made a conscious decision to be a connected, contributing member of the society, to enjoy the advantages of being a citizen means and to participate in the future direction of the country.

As a citizen of Australia you are entitled to vote—a fundamental principle, and a democratic freedom that is still being fought for today, in the 21st century, by the peoples of a number of countries. This is something that we tend not to remember often enough. Voting gives you the opportunity to have your say in the government you want, on how you want to shape the future of the country, and to fully participate in the political direction of this country. Australia has a strong and favourable reputation in the world, and having a passport is one of the privileges of Australian citizenship. You can also stand for parliament, and I would like to point out that in the Senate right now we have senators from eight different national backgrounds, including the UK, New Zealand, Nigeria, Zimbabwe, Malaysia and Belgium.

My message to those considering becoming Australian citizens is this: do it for the right reasons. Do it because you put Australia’s interests first and you want to see a vibrant, diverse and tolerant nation, with the wonderful strength that this brings us in these times of international divisiveness and sometimes fear.

**National Close the Gap Day**

**Senator McEWEN (South Australia)** (7.17 pm)—Tonight I would like to bring to the attention of the Senate some innovative measures helping to improve the health and wellbeing of young Indigenous Australians. Before I do that I would like to take this opportunity to acknowledge the enormous contribution to the parliament of the member for Fremantle, the Hon. Dr Carmen Lawrence, who today gave a very moving valedictory speech in the other place. She has been a member of this parliament since 1994 and will be retiring at the next election. In her term of office in this parliament and in her previous public service with the parliament of Western Australia she has been a tireless and fearless advocate for Indigenous Australians. It has been a great privilege to serve in the parliament with Dr Lawrence.

Next Tuesday, 18 September, is National Close the Gap Day. That is the day when Australians can recognise the 17- to 20-year difference in life expectancy between Aborigina and Torres Strait Islander Australians and non-Indigenous Australians. It is a day for Australians to show their support and commitment to closing that gap.

Many people in our Indigenous community do not have the luxury of looking for-
ward to a long and healthy life as they do not have access to the adequate health care that everyone in this chamber does. Instead, Indigenous people are faced with many of the same health issues faced by people in Third World countries. According to the ABS, children born to Indigenous parents die at twice the rate of non-Indigenous babies. Aboriginal and Torres Strait Islanders end up in hospitals at twice the rate of other Australians. And Indigenous people are more than three times as likely as non-Indigenous people to report some form of diabetes.

The Close the Gap campaign is supported by more than 40 organisations across Australia, each of which deserves our recognition and appreciation. The fact that our Indigenous Australians face such a lower life expectancy is a terrible situation, but one that we can change if we make the commitment. That has been proven true by the Aboriginal and Torres Strait Islander communities who on their own initiative and with government support have undertaken projects to improve health care and opportunities. For example, in South Australia the Pika Wiya Aboriginal Health Service in Port Augusta and the Spencer Gulf Rural Health School created a chronic disease self-management course called LIFE: Living Improvements for Everyone. That program helps patients to understand their condition as well as how to manage and organise their care. During the course, participants learn about numerous areas, including nutrition, communication and the appropriate use of medications. Participants are able to share their experiences with their peers, and that allows them to learn from each other. Unfortunately, that program has run out of funding, so its future is unclear. But it is the type of program that warrants government funding. We need to invest in those kinds of community based programs if we are ever to end the inequality of health care provided to our Indigenous Australians.

I have mentioned diabetes, but another disease that disproportionately affects our Indigenous community is hepatitis C. That is a virus which causes inflammation of the liver and can be seriously damaging to sufferers. Symptoms of hep C include fatigue, nausea, fever and an enlarged liver. It is possible that hep C, without treatment, can develop into chronic infection which has the potential to cause liver damage, and in a number of cases it causes serious liver damage that can result in cancer, failure of the liver and, of course, death.

In Australia approximately 264,000 people have been exposed to hep C. Aboriginal and Torres Strait Islanders constitute about 8.3 per cent of those 264,000 persons although ATSI people only make up 2.4 per cent of the Australian population. Because two-thirds of hep C notifications are reported without accompanying notification as to whether or not the person is Indigenous, it is quite possible that hep C in Indigenous Australians is at an even higher rate. There is no vaccine currently available for hep C but the virus can be treated effectively. Unfortunately, as I said before, many Indigenous Australians do not have access to the appropriate treatment.

The infection rate of Indigenous Australians is much higher, and escalating, whereas in the non-Indigenous community the infection rate has stabilised and is going down. Action needs to be taken to stop that infection rate. I note that the National Hepatitis C Strategy identified three target populations: Aboriginal and Torres Strait Islander people who engage in risk behaviour, people in custodial settings and people who inject drugs. Not only are Aboriginal and Torres Strait Islander people one of the target groups but they are also disproportionately represented
within the remaining target populations as well.

Hep C is transmitted only by blood-to-blood contact; therefore, it can be transferred through unsterile tattooing or body piercing, sharing razor blades or toothbrushes, certain sexual activities or the sharing of equipment used to inject drugs. The latter of those methods of transfer is arguably the biggest problem in the Indigenous community, where it is estimated that 90 per cent of all new hep C cases are attributed to the sharing of injecting equipment. I am pleased to say that the government of South Australia is currently developing a South Australian hepatitis C action plan. I would like to congratulate the state Labor government for that initiative.

On 27 August I was invited to attend the launch of a play called *Chopped Liver* at Tauondi College, an Indigenous college in Port Adelaide. It was presented by the Ilbijerri Aboriginal and Torres Strait Islander Theatre Co-operative and by the Hepatitis C Council of South Australia. It is a play written by Kamarra Bell-Wykes and directed by Kylie Belling. It was extremely entertaining but also very confronting. It was a performance that helped to demonstrate the harsh reality of hep C in the Indigenous community. The play told the story of a couple, Lynne and Jim. Both of them were infected with hep C, Jim from tattooing in prison and Lynne through injecting drug use. They only realised 10 years after their exposure to the virus that they had indeed been infected, and it was telling on their health.

*Chopped Liver* toured South Australia for three weeks, thanks to the support of the Commonwealth Hepatitis C Education and Prevention Initiative, the Aboriginal Health Division of the South Australian Department of Health and the excellent South Australian Indigenous health organisation Nunkuwarrin Yunti. It moved through regional South Australia, where there were a number of shows performed in prisons. I know it is still touring, so I urge any senator who has the chance to see it to go and see a performance of that play.

Another excellent initiative that I was fortunate enough to enjoy recently was the Croc Festival held in Port Augusta last week. This event, which also tours regional Australia, provides both Indigenous and non-Indigenous primary and secondary school students with the opportunity to participate in sports, health, education, careers and reconciliation activities. There were people there from the remotest corners of my state. The Croc Festivals are supported by the federal, state and local governments. In 2007 it is expected that some 20,000 students from 500 schools will attend these festivals in different areas of Australia. The organisers of the festivals provide an action-packed program which culminates in some spectacular performances from young students. Those performances are put on for the entertainment of the local communities where the festivals are held. There was a huge audience at Port Augusta for that.

I would like to acknowledge the support of the very many government departments who get that together, but, in particular, the festival organisers, especially Helen Sjoquist, who took the time to show me around the festival and involve me in the program. I would also like to acknowledge the work done at Croc Festivals by another wonderful Indigenous Australian woman, Evonne Goolagong Cawley. In Port Augusta she was teaching Indigenous young people how to play tennis. She is a woman who, I suppose, could have ended her career teaching rich white kids in somewhere like Florida but instead has chosen to tour the country with Croc Festivals, assisting young Australians to hone their tennis skills.
Television Captioning

Senator BARTLETT (Queensland) (7.27 pm)—The government, through the Minister for Communications, Information Technology and the Arts, Senator Helen Coonan, announced this week that it will be establishing an inquiry to investigate developments in captioning for the deaf and hearing impaired. That is something that the Democrats welcome very strongly. My colleague Senator Stott Despoja, in particular, has campaigned on this issue for a long time. The Democrats more broadly have sought to get greater attention for it—I certainly have done so—through meetings at the community level and through statements from time to time supporting greater action in this area.

I would like to reinforce my support for this inquiry and emphasise how significant this issue is. It is in many ways a hidden or unacknowledged issue just how many Australians are affected by hearing loss or deafness, whether it is something they have from birth or whether it happens at a young age or later in life through some sort of disease or accident. It affects a huge number of Australians. Obviously, that impacts on their ability to communicate with their fellow human beings.

Captioning is one simple way to bridge that communication gap. The government inquiry will be investigating captioning options, including whether or not we can have 100 per cent captioning for television, movies, DVDs, public service announcements and the like. It is something that is often forgotten. It includes something as simple as people wanting to follow what happens in parliament—and there are actually people who do try to follow what happens in parliament. We are being broadcast at the moment. People can follow these proceedings online by watching them on the internet or they can listen to them through the ABC parliamentary broadcast service. I understand that many thousands of people do that. It might not feel like it at the moment, in an empty chamber late on a Thursday night, but there are actually thousands of people who follow these sorts of proceedings.

But the simple fact is that if you have got hearing loss you cannot follow them. There is no mechanism. The broadcast through the online service is not captioned. If you watch question time, which is broadcast on ABC free-to-air, it is not always necessarily captioned adequately. Certainly, there is the option for people to read Hansard, but that is not available until the next day. For people who want to follow the details of any public service announcements or speeches, having an automatic requirement for captioning on television and other areas should be very important. There is currently an exemption for captioning requirements on digital television multichannels, for example, even though the technology is certainly there.

Another issue to add to that mix, and one that the inquiry could consider, is the availability, accessibility and affordability of technology that enables people with hearing loss to follow speeches, for example. I know that, when I have given speeches at various events from time to time, it is possible for people to have this technology. It is a bit like a laptop. A person will transcribe the speech pretty much in real-time, and people can follow it. It will come up in the same way as any sort of captioning that can occur live and in real-time on the television—but there is an expense attached to it. For public interest and public access purposes, there should be an examination of the access to and the use of that sort of technology to see whether there are ways to reduce the cost barriers.

The inquiry, as I understand it, is due to be completed by April of next year, and the report will be tabled in the parliament at its
conclusion. A discussion paper will be released for public comment in coming weeks. For the many people who have been calling for action in this area—the Democrats have been pushing for it—I think it is a real opportunity, and I encourage them to participate in it. Many, many Australians are affected by hearing loss, and this is one way of addressing its impact.

I would like also to emphasise some other barriers. There is a real shortage of Auslan sign language translators, and it is very difficult even to be able to get training to become a translator in this area. I know that in my home city of Brisbane the number of courses that are run to skill people in sign language and translation is very limited, and it is expensive to undertake that training as well. Getting more support to train translators and looking at ways, perhaps, to reduce the cost of hiring such translators are other ways to reduce the barriers. It is not just a charitable public service to do these things so that people with hearing loss are aware of what is going on and can communicate back. We are missing out. The community as a whole misses out because of the difficulty for people with hearing loss to be able to contribute and participate effectively in the wider community. We as a nation miss out on the talents and contributions that those people make, and it is in the interests of all of us to maximise the opportunity for people to be able to participate in all sorts of ways, whether economically, socially or culturally, at community level. The more we can reduce these barriers, the more all of us will benefit.

On a related topic, I would like to mention as well how significant the number of people with hearing loss in Australia is. Apart from people who are subject to deafness from birth or to severe hearing loss and impairment because of congenital conditions, disability, disease or accident, an enormous number of people are developing acquired hearing loss through industrial noise or, in many cases, through music. Speaking as someone who has spent a lot of time listening to a lot of music—some of it much louder than is good for me—I can say that that point needs to be made more often. Not just hard-rock headbangers are affected by hearing loss; a number of people in the classical music field are also affected. A very high proportion of classical musicians and people who listen to classical music suffer from hearing loss. It is not a genre-specific consequence; it is simply a matter of decibels and frequencies, frankly. Damage to ears and loss of hearing capacity are not reversible. Once you have hearing loss, it is not recoverable. Obviously, you can use hearing aids and other technology to assist you, but your natural hearing ability is one of those capacities that decline. It does not develop as you get older through childhood, like many other abilities—it actually declines right from birth, as I understand it, and continues to decline. Once you have done the damage you cannot reverse it.

I say that as someone who has mild hearing loss. Our Prime Minister, whatever positive or negative things you might want to say about him, is a very good example of how somebody with significant hearing impairment can make an extraordinarily significant contribution to public life. That is another point that needs to be made: the fact that people suffer from hearing loss should not be a barrier to them fully and effectively participating and contributing to the wider community. Whether you think Mr Howard’s contribution has been a plus or a negative is obviously a partisan debate. It is not my purpose to debate that here tonight, but the fact is that he has contributed, and many, many thousands—tens of thousands, hundreds of thousands—of hearing impaired Australians contribute as well.
It is obviously better to try to reduce the number of people who have hearing loss, particularly when it is acquired unnecessarily through exposure to noise. In all seriousness, I would be interested in a test being conducted in this chamber and, particularly, in the House of Representatives in the middle of question time. I have absolutely no doubt that, on some of the noisier days, the level of noise and exposure to noise for people sitting in the chambers is unsafe. I mean that quite genuinely. Exposure to loud noise, even for short periods of time, on a prolonged basis can cause significant hearing loss. But a bigger area that needs to be watched is the growing use of earphones, particularly the type that are used on iPods—the modern bud earphones that go right inside the ear rather than the muffler earphones that were used back when I was somewhat younger. They have a risk of exacerbating hearing loss and, whilst there is some recognition of that in the latest devices that are being put out, I do not think there is enough awareness amongst people across the board of just how real that risk is. I am certainly not calling for a ban or anything like that. I am talking about the need for greater public awareness of how easy it is to experience hearing loss through exposure to noise. Some simple preventative mechanisms much reduce your risk.

Queensland Labor Party

Senator IAN MACDONALD (Queensland) (7.37 pm)—It is late in the day, late in the week, late in this session of parliament and, indeed, late in the term of this parliament of Australia. There have been a lot of important issues discussed by the Senate and by the parliament this week. But I want to again highlight an issue about which I have spoken already twice this week, and that is the action of the Labor Party in Queensland in attempting to ban free speech in that state. I raise the issue again because the Labor Party in Queensland consists of people like the would-be Prime Minister of Australia, Mr Kevin Rudd, and the would-be Treasurer of Australia, Mr Wayne Swan. It consists of people like Peter Beattie and Anna Bligh. The actions of the Queensland Labor Party contained in their legislation are a grim forewarning of what might happen if every government in Australia were controlled by the Australian Labor Party.

Mr President, you and senators would recall that, in Queensland, there was a process called Size, Shape and Sustainability for local governments to look at their structure and to amalgamate where appropriate. It was a five-year process. After two years of that process, where councils had worked very well and very closely with each other in looking at ways to save money, Mr Beattie, for some reason, lost patience with the councils and decided that he would implement amalgamations and force them on councils even if councils and people did not want them. The legislation in the Queensland parliament provided that there would be no appeal of the decision of the Labor Party in Queensland and no right to contest any of these determinations by the Queensland government.

As a result, the Howard government indicated that, if local communities wanted to have a say in what Mr Beattie was proposing, then the Australian Electoral Commission would be made available—in fact, it was available under the existing provisions of the Electoral Act. Mr Howard advised that the Commonwealth would fund the AEC to conduct plebiscites into amalgamation for any council that wanted to do that. It was not compulsory but, if any council in Queensland wanted to let their residents have a say in the future of their council, the Commonwealth would fund the bill. As a result of that, Mr Beattie amended his legislation to make it a criminal offence for any council, any councillor or any official in a council to
seek to have a poll or to attempt in any way to understand the views of their residents. It became a criminal offence with a fine and, if a fine were not paid there would be a jail sentence for any person whose council had had the temerity to ask its citizens what they thought of proposed amalgamations being thrust upon them by the Queensland government.

This Labor government in Queensland included Mr Beattie; the new Premier, Ms Bligh; and the new Treasurer, who was at the time the minister for local government. The Labor Party in Queensland made this deliberative decision to abolish councils and then to throw into jail anyone who had the temerity to seek a democratic view on the amalgamation of councils. As a result of that, the Howard government determined to override that Queensland legislation, using the foreign affairs power, or the international treaties power, under the Commonwealth Constitution, to say, 'If you want a say, then you can have it.' That bill fortuitously passed through federal parliament this week and now becomes law.

Subsequently, the Queensland Labor government decided that, since the Commonwealth was going to overturn the bill anyway, they would announce to the public that they would amend their legislation. Why they would bring it in one week and amend it the next week, one can only guess. But it was the same people involved. Whilst Ms Bligh is trying to distance herself from Mr Beattie’s action, she was one of the people who rammed it through the Queensland parliament, allowing no discussion, no committee reports and no investigation. She was one of those who rammed it through.

That is the greatest affront to democracy in Australia that this country has ever seen. No other government at any time in Australia’s history has attempted to prevent the people of Australia from having a say on a particular issue—and one as important as the governance at local level of particular Australians in the state of Queensland. So I raise this matter yet again, because it is difficult to imagine in a country like Australia, which cherishes its democratic ideals, that a government—it is a government that spawned Mr Rudd, Mr Swan, Mr Beattie and Ms Bligh—would deliberately legislate to make it a criminal offence to have a say on an issue. I think that is an issue that has not been well enough understood by Australians. My fear is: if that has happened under a Labor government in Queensland, what would happen under a Labor government of Australia, when every government in Australia is controlled by the Australian Labor Party, that is led by Queenslanders—Mr Rudd and Mr Swan—whose colleagues were the very people who introduced that legislation?

There are other unnerving aspects to this whole incident. The Labor Party in Queensland determined that the way these forced amalgamations, where councils are being forced together, would operate—the transition rules—would be determined by a transitional committee of the council. That is fair enough—councils are elected, they are being forced together, but you pick a couple of people from each council and get them together and say, ‘Right, how are we going to implement this?’ That would be fair enough, if that is where it went, because they would be elected councillors from each council. I use the example of Tambo, Blackall, Cairns, Port Douglas, Townsville and Thuringowa. It would be fair enough to have two from each council. But that was not good enough for the union dominated Labor Party government in Queensland, the same union dominated Labor Party that spawned Mr Rudd and Mr Swan. They determined that, in addition to those elected councillors, they would throw on three unionists—three unionists,
not elected by anybody, to come in and determine the future of councils in Queensland. In the cases I mentioned you have four elected councillors and three non-elected unionists who are going to determine the future of these amalgamated councils in Queensland.

Of the 20 candidates being sponsored by the ALP in the Senate election coming up within a couple of months, 15 are former union officials, union hacks, and four of the other five were actually staffers of Labor party politicians. When you see the impact and the influence that the unions have on the Labor Party demonstrated in this chamber you can clearly understand why the Labor government in Queensland has put in, to determine the future of councils in Queensland, three unelected Labor unionists in that state. To make matters worse, these unionists, in most cases, are not even unionists from where the councils are being forced to amalgamate—they are unionists from Brisbane or from some town well down the road. It is a disgrace and it is something that I wanted to raise in this late session. (Time expired)

Senate adjourned at 7.47 pm

DOCUMENTS

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 January to 30 June 2007—Statement of compliance—Attorney-General’s portfolio agencies.

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 344/07—Direction – number of cabin attendants [F2007L03640]*.

Civil Aviation Safety Regulations—Airworthiness Directives—Part 107—AD/PHZL/89—Propeller Mounting Flanges [F2007L03635]*.

Commonwealth Electoral Act and Referendum (Machinery Provisions) Act—Select Legislative Instruments 2007 Nos—

270—Electoral and Referendum Amendment Regulations 2007 (No. 3) [F2007L03545]*.

271—Electoral and Referendum Amendment Regulations 2007 (No. 4) [F2007L03546]*.

Extradition Act—Select Legislative Instrument 2007 No. 269—Extradition (Physical Protection of Nuclear Material) Amendment Regulations 2007 (No. 1) [F2007L03552]*.


Health Insurance Act—Health Insurance (Accredited Pathology Laboratories — Approval) Amendment Principles 2007 (No. 2) [F2007L03584]*.

National Health Act—

Instruments Nos—

PB 69 of 2007—Amendment determination – pharmaceutical benefits [F2007L03612]*.
PB 72 of 2007—Amendment—pharmaceutical benefits supplied by medical practitioners [F2007L03623]*.
PB 73 of 2007—Amendment Special Arrangements—Highly Specialised Drugs Program [F2007L03624]*.
PB 74 of 2007—Amendment Special Arrangements—Chemotherapy Pharmaceuticals Access Program [F2007L03625]*.

National Health (Immunisation Program—Designated Vaccines) Determination 2007 (No. 2) [F2007L03652]*.

Primary Industries (Customs) Charges Act—Select Legislative Instrument 2007 No. 261—Primary Industries (Customs) Charges Amendment Regulations 2007 (No. 8) [F2007L03526]*.

Primary Industries (Excise) Levies Act—Select Legislative Instrument 2007 No. 262—Primary Industries (Excise) Levies Amendment Regulations 2007 (No. 9) [F2007L03524]*.

Primary Industries Levies and Charges Collection Act—Select Legislative Instrument 2007 No. 263—Primary Industries Levies and Charges Collection Amendment Regulations 2007 (No. 6) [F2007L03527]*.

* Explanatory statement tabled with legislative instrument.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

**Disability Services**

(Question No. 3211)

Senator Allison asked the Minister representing the Minister for Families, Community Services and Indigenous Affairs, upon notice, on 22 May 2007:

1. How many, or what proportion of, Australians with a severe or profound disability need no government-funded disability services.

2. (a) Given the limited resources that the Government has available to provide disability services, how does the Government ensure that it provides essential services for the people who need them the most; and (b) is this outcome achieved through the Government’s policy of setting priority for service provision based on the ‘relative need’ of people with a disability.

3. What measures ensure the Government’s ‘relative need’ policy is effective.

4. Given that the inquiry by the Community Affairs Committee into the Commonwealth State/Territory Disability Agreement (CSTDA) found that substantial numbers of people with disabilities do not receive essential services, will the Government increase CSTDA funding significantly in the 2008-09 Budget; if so, how much of the unmet need will the funding increase eliminate.

Senator Scullion—The Minister for Families, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question.

1. Data on the number of people with disability who do not need government-funded disability services is not collected.

   The Australian Institute of Health and Welfare (AIHW) has, as part of its Disability Series, published a number of reports on the demand for services provided under the Commonwealth State Territory Disability Agreement (CSTDA). In June 2007, the AIHW released its fourth study on the topic of ‘Current and future demand for specialist disability services’.

   A copy of this publication is available on the Institute’s website at www.aihw.gov.au.

2. (a) (b), (3) and (4) There is an acknowledged level of unmet need for accommodation support for people with disability. While this is an area of state and territory responsibility, the Australian Government has injected an additional $704 million over the last two CSTDA Agreements to address this issue. Unfortunately, there is no evidence that this additional funding has had any impact on improving outcomes for people with disability by reducing unmet demand.

   The recent announcement by the Australian Government of a $1.8 billion Disability Assistance Package over five years will provide a significant response to the key recommendations of the Senate Inquiry in the area of unmet need for disability accommodation, assistance for older carers and early intervention.

   As part of the Disability Assistance Package, the Australia Government has allocated $1.5million to conduct a high level enquiry to identify the barriers to private sector involvement in the delivery of disability supported accommodation.

   Further information on the Disability Assistance Package can be found at www.facsia.gov.au or alternatively the Disability Assistance Inquiry Line on 1800 101 888 or TTY 1800 260 402.
Ms Vivian Solon  
(Question No. 3220)

Senator Nettle asked the Minister representing the Minister for Families, Community Services and Indigenous Affairs, upon notice, on 12 June 2007:

(a) Can an itemised breakdown of the cost of care provided to Ms Vivian Solon, in the Philippines and in Australia, including costs for accommodation, medical care, food, clothing and other items, airfares and transport; and

(b) if any of the costs referred to in (a) are ongoing, can the costs to date be provided.

Senator Scullion—The Minister for Families, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question:

Due to privacy concerns it would be inappropriate to highlight the details of individual assistance that has been provided.

Child Care Quality Assurance System  
(Question No. 3392)

Senator Allison asked the Minister representing the Minister for Families, Community Services and Indigenous Affairs, upon notice, on 21 June 2007:

(1) What was the justification for the removal of the tiered rating system for the Child Care Quality Assurance System and its replacement with a pass-or-fail system.

(2) How will this change contribute to continuous improvement of child care services.

(3) What is the timeline for finalising the Integrated Child Care Assurance Standards.

(4) (a) Can a list be provided of any groups that have provided responses or feedback to the ‘Integrated Child Care Quality Assurance (CCQA) Draft Standards for Discussion’ paper; and (b) are these responses publicly available; if not, why not.

(5) What is the process for responding to groups that have provided feedback on the paper.

Senator Scullion—The Minister for Families, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question:

(1) The Government wants to ensure that all childcare services approved for Child Care Benefit (CCB) purposes meet agreed quality standards. The development of an integrated Child Care Accreditation System (CCAS) has included setting standards of quality that all services must meet in order to be accredited.

A single system will apply which is simpler and less administratively onerous, less prescriptive with a greater focus on achieving desired outcomes than on meeting a number of detailed processes. It will provide families with confidence that children receive quality childcare when they attend an accredited service and it does not matter if it is in a Long Day Care, Family Day Care or Outside of School Hours Care setting.

(2) Continuous improvement is currently listed as a principle in the revised draft standards for the integrated Child Care Accreditation System and services must demonstrate continuous improvement.

(3) The standards for the integrated Child Care Quality Assurance system will be finalised and the date for implementation determined after field testing which is scheduled for September 2007.

(4) Respondents have not provided consent to release their details or the submissions provided to the Department of Families, Community Services and Indigenous Affairs (FaCSIA) during the public consultation process. In line with privacy laws permission would need to be sought to make these responses publicly available.
However, the National Advisory Group (NAG) comprising representatives from across the sector has provided input and advice throughout the development process.

The National Advisory Group consists of representatives from the following child care peak bodies:

- Early Childhood Australia (ECA);
- Childcare Associations Australia (CAA);
- National Association of Community Based Children’s Services (NACBCS);
- National Alliance of Disability Resource and Training Agencies (NADRATA);
- Family Day Care Australia (FDC);
- National Out of School Hours Services Association (NOSHSA);
- Occasional Child Care Association (OCCA-NA);
- Secretariat of National & Islander Child Care (SNAICC);
- National Association of Multicultural Early Childhood Services (NAMECS);
- National Association of Mobile Services for Rural and Remote Families and Children Inc (NAMS);
- ABC Learning Centre; and
- In-Home Care Association (IHC).

Several of the NAG members provided submissions during the initial round of consultation on the draft standards and some of them circulated their submissions.

(5) Individuals and groups who provided comments or feedback on the draft Standards for the integrated Child Care Quality Assurance System received acknowledgement on receipt of their submission via their email address. FaCSIA has continued to provide this group with updates on the development of the system. Comments on the draft standards are due by 3 September 2007.

In addition, a series of public discussion forums were held in every capital city in July and August 2007 and were attended by approximately 1,200 people. They provided an opportunity for the sector and families to be informed about the development of the CCAS and how the standards are being shaped.

Carer Payments
(Question No. 3411)

Senator McLucas asked the Minister representing the Minister for Families, Community Services and Indigenous Affairs, upon notice, on 24 July 2007:

For each of the financial years from 2000-01 to 2006-07, how many people were in receipt of the: (a) Carer Payment; (b) Carer Payment (Child); and (c) Carer Allowance.

Senator Scullion—The Minister for Families, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question.

The table below lists the number of people in receipt of Carer Payment and Carer Allowance in the financial years 2000-01 to 2005-06. Final figures for 2006-07 are not yet available.
Carer Payment (child) data is not separately available.
Source: Annual Reports 2000-01 to 2005-06.

<table>
<thead>
<tr>
<th>Year</th>
<th>Carer Payment</th>
<th>Carer Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000/01</td>
<td>57,190</td>
<td>235,041</td>
</tr>
<tr>
<td>2001/02</td>
<td>67,260</td>
<td>272,045</td>
</tr>
<tr>
<td>2002/03</td>
<td>75,937</td>
<td>299,609</td>
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<tr>
<td>2003/04</td>
<td>84,082</td>
<td>297,607</td>
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<tr>
<td>2004/05</td>
<td>95,446</td>
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<tr>
<td>2005/06</td>
<td>105,058</td>
<td>366,960</td>
</tr>
<tr>
<td>2006/07</td>
<td>Not available</td>
<td>Not available</td>
</tr>
</tbody>
</table>

Respite for Older Carers of Children with Disability Program
(Question No. 3436)

Senator McLucas asked the Minister for Community Services, upon notice, on 13 August 2007:
With reference to the Respite for Older Carers of Children with Disability Program: (a) how many applications to provide services for the program were received on or before 3 August 2007; and (b) for each of these applications: (i) from which state or territory was it received, and (ii) was the application for in-home respite, out of home respite or short-term residential programs.

Senator Scullion—The Minister for Families, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question.
352 applications were received as post marked no later than 5.00pm, 3 August 2007. For probity reasons, details of whether applications received have been for in-home respite, out of home respite or short-term residential programs are not able to be disclosed. Disclosure of this information prior to the assessment process being finalised may pose a significant risk to the integrity of the process.

Applications received by State and Territory

<table>
<thead>
<tr>
<th>State</th>
<th>Number of applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT</td>
<td>4</td>
</tr>
<tr>
<td>NSW</td>
<td>138</td>
</tr>
<tr>
<td>NT</td>
<td>4</td>
</tr>
<tr>
<td>QLD</td>
<td>29</td>
</tr>
<tr>
<td>SA</td>
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<tr>
<td>TAS</td>
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</tr>
<tr>
<td>VIC</td>
<td>93</td>
</tr>
<tr>
<td>WA</td>
<td>42</td>
</tr>
</tbody>
</table>
Commonwealth State Territory Disability Agreement (Question No. 3441)

Senator Murray asked the Minister representing the Minister for Families, Community Services and Indigenous Affairs, upon notice, on 17 August 2007:

With reference to the Commonwealth–State/Territory Disability Agreement (CSTDA) between the Commonwealth and Victoria:

(1) Does the Minister recall questions on notice nos 410 (Senate Hansard, 19 August 2002, p. 3289), 1459 (Senate Hansard, 30 March 2006, p. 247) and 1678 (Senate Hansard, 14 June 2006, p. 179) which form the background to this question.

(2) Is the Minister aware that St John of God Services Victoria continues the tradition of the Hospitaller Order of St John of God (the Order) as a registered service provider for people with disabilities under the current CSTDA.

(3) Is the Minister aware that: (a) since the early 1990s, members of the Order have been alleged to, or been found to, be responsible for the physical, sexual and emotional abuse of people with disabilities under its care in New South Wales and Victoria; (b) one of the Order’s brothers has been sentenced on three occasions, most recently to 5 years gaol in New Zealand, and (c) another brother and a priest are currently awaiting trial in New Zealand, after contesting their extradition all the way to the High Court of Australia.

(4) Is the Minister aware that Dr Michelle Mulvihill, a former member of the Order’s professional standards committee stated, in an ABC Radio National interview on 27 June 2007, that this organisation suffers from a culture of paedophilia, collusion and denial.

(5) In light of these circumstances, and in light of the Minister’s concern to stamp out abuse of a similar kind in Northern Territory Indigenous communities, how is the Minister ensuring that any organisation using Commonwealth funds under the CSTDA has supervision and processes to ensure that, as far as humanly possible, it is free of the possibility that clients or patients in its care could be subject to abuse or assault.

Senator Scullion—The Minister for Families, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question.

Responses to the issues surrounding the Hospitaller Order of John of God (the Order) have already been provided in QON 410, 1459 and 1678.

Under the Commonwealth State Territory Disability Agreement (CSTDA), the Victorian State Government has complete responsibility for the policy setting and management of this service.

The Australian Government regards the protection of vulnerable people as a high priority and the current Commonwealth State and Territory Disability Agreement requires compliance with Disability Service Standards. One of the Australian Government’s requirements for a fourth Commonwealth State Territory Disability Agreement is that state and territory governments commit to implementing an independent third party accreditation system based on continuous improvement for the specialist disability services they are responsible for under the CSTDA.