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FORTY-SECOND PARLIAMENT
FIRST SESSION—FIRST 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 Hon. Alan Baird Ferguson
Deputy President and Chair of Committees—Senator John Joseph Hogg
Leader of the Government in the Senate—Senator Hon. Christopher Vaughan Evans
Deputy Leader of the Government in the Senate—Senator Hon. Stephen Michael Conroy
Leader of the Opposition in the Senate—Senator Hon. Nicholas Hugh Minchin
Deputy Leader of the Opposition in the Senate—Senator Hon. Eric Abetz
Manager of Government Business in the Senate—Senator Hon. Joseph William Ludwig
Manager of Opposition Business in the Senate—Senator Hon. Christopher Martin Ellison

Senate Party Leaders and Whips

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Deputy Leader of the Australian Labor Party—Senator Hon. Stephen Michael Conroy
Leader of the Liberal Party of Australia—Senator Hon. Nicholas Hugh Minchin
Deputy Leader of the Liberal Party of Australia—Senator Hon. Eric Abetz
Leader of the Nationals—Senator Hon. Nigel Gregory Scullion
Deputy Leader of the Nationals—Senator Hon. Ronald Leslie Doyle Boswell
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

Government Whips—Senators Kerry O’Brien, Ruth Stephanie Webber and Dana Wortley
Liberal Party of Australia Whips—Senators Stephen Parry and Judith Adams
The Nationals Whip—Senator Fiona Joy Nash
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 Liberal 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—D Kenny (Acting)
RUDD MINISTRY

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Deputy Prime Minister, Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion Hon. Julia Gillard MP
Treasurer Hon. Wayne Swan MP
Minister for Immigration and Citizenship and Leader of the Government in the Senate Senator Hon. Chris Evans
Special Minister of State, Cabinet Secretary and Vice President of the Executive Council Senator Hon. John Faulkner
Minister for Trade Hon. Simon Crean MP
Minister for Foreign Affairs Hon. Stephen Smith MP
Minister for Defence Hon. Joel Fitzgibbon MP
Minister for Health and Ageing Hon. Nicola Roxon MP
Minister for Families, Housing, Community Services and Indigenous Affairs Hon. Jenny Macklin MP
Minister for Finance and Deregulation Hon. Lindsay Tanner MP
Minister for Infrastructure, Transport, Regional Development and Local Government and Leader of the House Hon. Anthony Albanese MP
Minister for Broadband, Communications and the Digital Economy and Deputy Leader of the Government in the Senate Senator Hon. Stephen Conroy
Minister for Innovation, Industry, Science and Research Senator Hon. Kim Carr
Minister for Climate Change and Water Senator Hon. Penny Wong
Minister for the Environment, Heritage and the Arts Hon. Peter Garrett MP
Attorney-General Hon. Robert McClelland MP
Minister for Human Services and Manager of Government Business in the Senate Senator Hon. Joe Ludwig
Minister for Agriculture, Fisheries and Forestry Hon. Tony Burke MP
Minister for Resources and Energy and
Minister for Tourism Hon. Martin Ferguson MP
Minister for Home Affairs Hon. Bob Debus MP
Assistant Treasurer and
Minister for Competition Policy and Consumer Affairs Hon. Chris Bowen MP
Minister for Veterans’ Affairs Hon. Alan Griffin MP
Minister for Housing and
Minister for the Status of Women Hon. Tanya Plibersek MP
Minister for Employment Participation Hon. Brendan O’Connor MP
Minister for Defence Science and Personnel Hon. Warren Snowdon MP
Minister for Small Business, Independent Contractors and the Service Economy and
Minister Assisting the Finance Minister on Deregulation Hon. Craig Emerson MP
Minister for Superannuation and Corporate Law Senator Hon. Nick Sherry
Minister for Ageing Hon. Justine Elliot MP
Minister for Youth and
Minister for Sport Hon. Kate Ellis MP
Parliamentary Secretary for Early Childhood Education and Childcare Hon. Maxine McKew MP
Parliamentary Secretary for Defence Procurement Hon. Greg Combet MP
Parliamentary Secretary for Defence Support Hon. Mike Kelly MP
Parliamentary Secretary for Regional Development and Northern Australia Hon. Gary Gray MP
Parliamentary Secretary for Disabilities and Children’s Services Hon. Bill Shorten MP
Parliamentary Secretary for International Development Assistance Hon. Bob McMullan MP
Parliamentary Secretary for Pacific Island Affairs Hon. Duncan Kerr MP
Parliamentary Secretary to the Prime Minister Hon. Anthony Byrne MP
Parliamentary Secretary for Social Inclusion and the Voluntary Sector and
Parliamentary Secretary Assisting the Prime Minister for Social Inclusion Senator Hon. Ursula Stephens
Parliamentary Secretary to the Minister for Trade Hon. John Murphy MP
Parliamentary Secretary to the Minister for Health and Ageing Senator Hon. Jan McLucas
Parliamentary Secretary for Multicultural Affairs and Settlement Services Hon. Laurie Ferguson MP
SHADOW MINISTRY

Leader of the Opposition
Hon. Brendan Nelson MP

Deputy Leader of the Opposition and
Shadow Minister for Employment, Business and
Workplace Relations
Hon. Julie Bishop MP

Leader of the Nationals and
Shadow Minister for Infrastructure and Transport and
Local Government
Hon. Warren Truss MP

Leader of the Opposition in the Senate and
Shadow Minister for Defence
Senator Hon. Nick Minchin

Deputy Leader of the Opposition in the Senate and
Shadow Minister for Innovation, Industry, Science and
Research
Senator Hon. Eric Abetz

Shadow Treasurer
Hon. Malcolm Turnbull MP

Shadow Minister for Health and Ageing and
Leader of Opposition Business in the House
Hon. Joe Hockey MP

Shadow Minister for Foreign Affairs
Hon. Andrew Robb MP

Shadow Minister for Trade
Hon. Ian MacFarlane MP

Shadow Minister for Families, Community Services,
Indigenous Affairs and the Voluntary Sector
Hon. Tony Abbott MP

Shadow Minister for Agriculture, Fisheries and Forestry
Senator Hon. Nigel Scullion

Shadow Minister for Human Services
Senator Hon. Helen Coonan

Shadow Minister for Education, Apprenticeships and
Training
Hon. Tony Smith MP

Shadow Minister for Climate Change, Environment and
Urban Water
Hon. Greg Hunt MP

Shadow Minister for Finance, Competition Policy and
Deregulation
Hon. Peter Dutton MP

Shadow Minister for Immigration and Citizenship and
Manager of Opposition Business in the Senate
Senator Hon. Chris Ellison

Shadow Minister for Broadband, Communications and
the Digital Economy
Hon. Bruce Billson MP

Shadow Attorney-General
Senator Hon. George Brandis

Shadow Minister for Resources and Energy and
Shadow Minister for Tourism
Senator Hon. David Johnston

Shadow Minister for Regional Development and
Shadow Minister for Water Security
Hon. John Cobb MP

Shadow Minister for Justice

Shadow Minister for Border Protection and
Assisting Shadow Minister for Immigration and Citizenship
Hon. Chris Pyne MP

Shadow Special Minister of State
Senator Hon. Michael Ronaldson

Shadow Minister for Small Business, the Service Economy
and Tourism
Steven Ciobo MP

Shadow Minister for Environment, Heritage, the Arts and
Indigenous Affairs
Hon. Sharman Stone MP

Shadow Assistant Treasurer and
Shadow Minister for Superannuation and Corporate Governance
Michael Keenan MP

Shadow Minister for Ageing
Margaret May MP
SHADOW MINISTRY—continued

Shadow Minister for Defence Science and Personnel and Assisting Shadow Minister for Defence
Shadow Minister for Business Development, Independent Contractors and Consumer Affairs and Deputy Leader of Opposition Business in the House
Shadow Minister for Veterans’ Affairs
Shadow Minister for Employment Participation and Apprenticeships and Training
Shadow Minister for Housing and
Shadow Minister for the Status of Women
Shadow Minister for Youth and
Shadow Minister for Sport
Shadow Parliamentary Secretary Assisting the Leader of the Opposition and
Shadow Cabinet Secretary
Shadow Parliamentary Secretary Assisting the Leader of the Opposition and
Shadow Parliamentary Secretary for Northern Australia
Shadow Parliamentary Secretary for Health
Shadow Parliamentary Secretary for Education
Shadow Parliamentary Secretary for Defence
Shadow Parliamentary Secretary for Infrastructure, Roads and Transport
Shadow Parliamentary Secretary for Trade
Shadow Parliamentary Secretary for Immigration and Citizenship
Shadow Parliamentary Secretary for Local Government
Shadow Parliamentary Secretary for Tourism
Shadow Parliamentary Secretary for Ageing and the Voluntary Sector
Shadow Parliamentary Secretary for Foreign Affairs
Shadow Parliamentary Secretary for Families and Community Services

Hon. Bob Baldwin MP
Luke Hartsuyker MP
Hon. Bronwyn Bishop MP
Andrew Southcott MP
Hon. Sussan Ley MP
Hon. Pat Farmer MP
Don Randall MP
Senator Hon. Ian Macdonald
Senator Hon. Richard Colbeck
Senator Hon. Brett Mason
Hon. Peter Lindsay MP
Barry Haase MP
John Forrest MP
Louise Markus MP
Sophie Mirabella MP
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Senator Cory Bernardi
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The PRESIDENT (Senator the Hon. Alan Ferguson) took the chair at 9.30 am and read prayers.

NOTICES

Presentation

Senator Allison to move on the next day of sitting:

That the Senate—

(a) notes the study published in the Australian and New Zealand Journal of Public Health (Vol. 31, Issue 6, pp 551-7, December 2007) by Yazahmeidi and Holman, School of Population Health, University of Western Australia, ‘A survey of suppression of public health information by Australian governments’ which found that:

(i) just under one-third of academics had witnessed the suppression of health information by Australian governments in the past 5.5 years,

(ii) more than one-fifth had experienced such events personally,

(iii) no state or territory in which the survey took place was immune,

(iv) governments most commonly hindered research by sanitising, delaying or prohibiting the publication of findings but ‘there was no part of the research process beyond their reach’,

(v) most of the affected researchers believed that their work had been targeted because it drew attention to failings in health service delivery, uncovered bad news about the health of a vulnerable group, or pointed to a harmful exposure in the environment, and

(vi) in most instances the government agency seeking to suppress the health information succeeded and, consequently the public was left uninformed or given a false impression; and

(b) calls on the Government to take up the recommendations of the study with state and territory governments, including:

(i) adopting policies that match or exceed the Organisation for Economic Co-operation and Development’s ‘Guidelines for managing conflict of interest in the public service’,

(ii) adopting a charter by government health agencies and research and academic institutions that supports the independent role of health researchers in evaluating the health system,

(iii) establishing parliamentary ombudsmen or ombudswomen in mediating the resolution of complaints by researchers concerning suppression,

(iv) promoting a culture that avoids blame and values constructive criticism,

(v) promoting the role of institutional ethics committees in scrutinising the ethical behaviour of government agencies and researchers who work together, and

(vi) establishing a surveillance system to monitor the occurrence of suppression events and report on their trends.

Senator Allison to move on the next day of sitting:

That the Senate—

(a) notes that:

(i) the South Australian Government has agreed to host the Asia Pacific Defence and Security exhibition and conference in Adelaide from 11 to 13 November 2008, and

(ii) the stated object of the exhibition and conference is to provide an international forum for arms manufacturers wishing to expand their business in the Asia Pacific region; and

(b) calls on the South Australian Government to renege on its agreement to host the exhibition and conference.
Senator Allison to move on the next day of sitting:

That the Senate—

(a) notes that:

(i) Crown Casino in Melbourne continues to burn large quantities of gas, and therefore contribute significantly to global warming, for the purpose of holding fireball shows at the front of the complex, and

(ii) the fireball shows take place approximately 3,000 times a year, and each show consists of hundreds of fireballs with diameters of between 3 and 7 metres; and

(b) calls on the Victorian Government to introduce legislation that would prevent Crown Casino from continuing to hold the fireball shows.

BUSINESS

Rearrangement

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (9.31 am)—by leave—I move:

That—

(1) On Monday, 17 March 2008:

(a) the hours of meeting shall be 12.30 pm to 6.30 pm and 7.30 pm to 11.40 pm;

(b) the routine of business from 7.30 pm shall be government business only; and

(c) the question for the adjournment of the Senate shall be proposed at 11 pm.

(2) On Tuesday, 18 March 2008:

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

(b) the routine of business from 7.30 pm shall be government business only; and

(c) the question for the adjournment of the Senate shall be proposed at 11 pm.

Senator BARTLETT (Queensland) (9.31 am)—I will be brief. The Democrats will not oppose this. It would not greatly surprise Senator Ludwig that I want to take the opportunity to repeat my view that there should be a greater number of sitting days in general for the Senate this year, as there should have been in a number of years in the past. Extending the hours in the evenings is the inevitable consequence of not having enough time to properly consider legislation. I would also note with regard to this, and maybe even with regard to the usual arrangements for Thursday afternoons, the number of impassioned comments made in the House of Representatives about how terrible it is to have sittings without any sort of expectation that quorums would be called. I am sure there will be a full quorum of Liberal Party senators here throughout both of these evenings, given their new-found desire to have quorate chambers at all times.

I think the broader point needs to be made that, whilst there is a valid case being put, obviously it will be up to the discipline of the major parties and probably, as usual, opposition senators as to whether or not this will be sufficient time to get through the legislation that is desired to get through next week. None of us can know that, other than the opposition, basically. But I do think it needs to be re-emphasised that there is not a sufficient number of sitting days in general for the Senate this year. It is not a particularly good practice, I think, to have this sort of approach as a fall-back arrangement instead.

Question agreed to.

Rearrangement

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (9.33 am)—I move:

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

No. 2 Higher Education Support Amendment (VET FEE-HELP Assistance) Bill 2008.
No. 3 Therapeutic Goods Amendment (Poisons Standard) Bill 2008.
Screen Australia Bill 2008
National Film and Sound Archive Bill 2008
Screen Australia and the National Film and Sound Archive (Consequential and Transitional Provisions) Bill 2008.
Question agreed to.

Rearrangement
Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (9.34 am)—by leave—I move:
That the order of general business for consideration today be as follows:
(a) motion relating to the budget and the economy; and
(b) orders of the day relating to government documents.
May I say, I will not be that kind next time.
Question agreed to.

NOTICES
Postponement
The following item of business was postponed:
General business notice of motion no. 26 standing in the name of Senator Bartlett for today, proposing the introduction of the National Commissioner for Children Bill 2008, postponed till 17 March 2008.

COMMITTEES
Rural and Regional Affairs and Transport Committee
Extension of Time
Senator PARRY (Tasmania) (9.35 am)—I move:
Question agreed to.

SUPERANNUATION LEGISLATION AMENDMENT (TRUSTEE BOARD AND OTHER MEASURES) (CONSEQUENTIAL AMENDMENTS) BILL 2008
First Reading
Senator LUDWIG (Queensland—Minister for Human Services) (9.35 am)—At the request of the Minister for Superannuation and Corporate Law, Senator Sherry, I move:
That the following bill be introduced: A Bill for an Act to amend the law relating to superannuation, and for related purposes.
Question agreed to.

Senator LUDWIG (Queensland—Minister for Human Services) (9.35 am)—I present the bill and 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 LUDWIG (Queensland—Minister for Human Services) (9.35 am)—I table the explanatory memorandum relating to the bill and move:
That this bill be now read a second time.
I seek leave to have the second reading speech incorporated in Hansard.
Leave granted.
The speech read as follows—
The Superannuation Legislation Amendment (Trustee Board and Other Measures) (Consequential Amendments) Bill 2008 proposes amendments which will update a range of legislation largely as a consequence of other legislative changes.
From 1 July 2008 the Superannuation Guarantee requirements will change by requiring employers to use ordinary time earnings (OTE) as the earn-
ings base for an employee when calculating their Superannuation Guarantee obligations in all cases.

The Bill therefore includes amendments to the Superannuation Act 1976, which provides for the Commonwealth Superannuation Scheme, the CSS, and to the Superannuation (Productivity Benefit) Act 1988 to reflect these new Superannuation Guarantee requirements. The amendments are intended to ensure that the benefits provided under those Acts will, from 1 July 2008, continue to be sufficient to satisfy an employer’s Superannuation Guarantee obligations in respect of employees who have entitlements under those Acts.

In relation to the Superannuation Act 1976, the amendments will enable the detailed changes to be made to the CSS by regulation. The CSS regulations will be made once regulations have been made under the Superannuation Guarantee (Administration) Act 1992 to apply the new OTE requirements to defined benefit schemes like the CSS. Enabling changes to the CSS to be made by Regulation will ensure that the changes to the CSS can be in place by 1 July 2008.

The Bill amends 24 Acts as a consequence of the establishment of the Public Sector Superannuation Accumulation Plan, or the PSSAP. The PSSAP replaced the Public Sector Superannuation Scheme, the PSS, as the main superannuation scheme for new Australian Government employees and office holders from 1 July 2005.

Many Commonwealth Acts include references to the CSS and PSS when dealing with specific terms and conditions of employment for persons engaged under those Acts, such as retirement on invalidity grounds. The Bill proposes amendments to those Acts to also include a reference to the PSSAP where appropriate; reflecting the likelihood that many future employees or office holders engaged under those Acts could be PSSAP members.

Amendments are also proposed to 27 Commonwealth Acts to reflect the consolidation of the governance arrangements for the three major superannuation schemes for Australian Government employees – the CSS, the PSS and the PSSAP. Since 1 July 2006, the Australian Reward Investment Alliance or ARIA has been the trustee for the three schemes. The Superannuation Legislation Amendment (Trustee Board and Other Measures) Act 2006 transferred all the functions of the CSS Board to the PSS Board, which was already the trustee for the PSS and the PSSAP. The PSS Board was renamed ARIA and the CSS Board was abolished. The Bill makes a number of technical amendments to reflect these changes.

The remaining changes in the Bill are of a technical nature. For example a number of Acts, which make superannuation arrangements for Australian Government employees and Members of Parliament, are to be amended to clarify that certain instruments made under those Acts are subject to the Legislative Instruments Act 2003. The LI Act introduced a new, comprehensive regime for the making, registration, parliamentary scrutiny and sun-setting of Commonwealth delegated legislation from 1 July 2005.

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

DRINK CONTAINER RECYCLING BILL 2008

First Reading

Senator FIELDING (Victoria—Leader of the Family First Party) (9.37 am)—I move:

That the following bill be introduced: A Bill for an Act to provide for product control and payment and refund of deposits in relation to certain drink containers in order to protect the environment, and for related purposes.

Question agreed to.

Senator FIELDING (Victoria—Leader of the Family First Party) (9.37 am)—I present the bill and 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 FIELDING (Victoria—Leader of the Family First Party) (9.37 am)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

Family First is today introducing the Drink Container Recycling Bill 2008 as an important environmental measure to boost the recycling of drink containers across Australia.

Only South Australia operates a container deposit scheme where there is a five cent container deposit that is redeemed when the container is returned for recycling.

Other state governments have been slow to act on this issue and Family First believes federal intervention is needed.

Ian Kiernan, Chair of Clean Up Australia, said this month that more than a third of the 7,200 tonnes of rubbish collected on Clean Up Australia Day was recyclable drink cans and bottles made from aluminium, glass, plastic and steel.

The volume of material collected on Clean Up Australia Day is also increasing. Last year the number of containers collected from parks, waterways and streets was up 12 per cent.

Obviously what Australia is doing now to recycle drink containers is not working. We need a national system that puts a value on used drink containers so they are recycled.

That’s why Family First has decided to introduce legislation for a national container deposit scheme similar to the one operating in South Australia.

South Australia is leading the way with container recycling at 85 per cent while the other states are bogged down in litter with an appalling recycling rate of 35 per cent. A national container deposit scheme makes sense—it’s a big win for the environment and a big win for the community.

A national container deposit scheme is a big win for the environment because we end up with 25 per cent less litter in our streets and waterways and half a million less tonnes of waste every year as we will see container recycling lifted from 38 per cent to 85 per cent.

A national container deposit scheme is a big win for the community because we have a cleaner looking environment and local community groups and kids can earn some extra cash while keeping Australia beautiful. For example, last year in South Australia the Scouts earned $7 million from container recycling.

It is ridiculous to think that we don’t have a national deposit recycling scheme in place already. Just last month I went for a walk along Melbourne’s Yarra River and in under an hour collected five shopping bags of bottles and other containers from the river bank. With a national deposit scheme in place, this rubbish would be recycled rather than end up as rubbish polluting our waterways.

The cost of litter on our community is largely hidden. The cost of visual pollution, rubbish and loss of enjoyment from using public areas is not easily measured.

In our market-driven society, things that do not have a cash price are often not valued. But these are often the things that have most value to families and communities. A clean environment, the ability to enjoy a barbeque at the park with the family without unsightly rubbish, as well as active community involvement in keeping public areas clean are all important, but not recognised because they do not have an obvious monetary value.

Putting a cash value on rubbish can help to change that. In South Australia the state government has recently announced that the price paid for dropping each drink container off at a recycling depot will increase from five cents to 10 cents a bottle.

More easily measurable are the value of reducing landfill and cutting greenhouse emissions.

Recycling a plastic bottle saves more than 80 per cent of the energy used to make a bottle from scratch. Similarly, recycling aluminium cans uses just five per cent of the energy used making a can from scratch.
A national container deposit recycling scheme would save 300,000 tonnes of greenhouse gases a year.
That is equal to 40,000 homes running on 100 per cent green power.
A national drink container recycling scheme can save the average family $30 every year on kerb-side recycling and create more than 2000 new jobs.
The Drink Container Recycling Bill 2008 provides for a system of drink container stewardship plans, where producers, distributors or industry groups must submit an approved plan to achieve a 75 per cent recycling rate within two years of the commencement of the plan and 80 per cent within five years. Distributors are included because they may be responsible for imported products not produced in Australia. The plans will be subject to public comment and the performance of the final approved plans tracked against performance requirements.
Producers will have to report annually on the performance of their plan and must complete a review of the approved plan within five years of its commencement.
Importantly, the bill uses a pollution prevention hierarchy to encourage producers to improve the environmental performance of their containers. Producers will have to detail in their plans how they will:

- reduce the environmental impact of producing beverage containers by eliminating toxic components and increasing energy and resource efficiency;
- redesign beverage containers to improve reusability or recyclability;
- reuse beverage containers;
- recycle beverage containers;
- recover material from beverage containers.

In January the man responsible for introducing South Australia’s container deposit legislation in 1975, former Labor conservation minister Glen Broomhill, died. His is a lasting legacy that is an example of successful policy we should take up nationally.
A national drink container scheme is practical environmental policy where the effect of the policy can be seen relatively quickly, in cleaner streets, parks and waterways.
Family First is taking this important initiative as the state governments are dragging their feet on litter.
I commend the bill to the Senate.

Senator FIELDING—I seek leave to continue my remarks later.
Leave granted; debate adjourned.

COMMITTEES

Intelligence and Security Committee

Membership

Message received from the House of Representatives informing the Senate of the appointment of Mr Bevis, Mr Downer, Mr Dreyfus, Mr Melham and Mr Ruddock to the Parliamentary Joint Committee on Intelligence and Security.

SCREEN AUSTRALIA BILL 2008
NATIONAL FILM AND SOUND ARCHIVE BILL 2008
SCREEN AUSTRALIA AND THE NATIONAL FILM AND SOUND ARCHIVE (CONSEQUENTIAL AND TRANSITIONAL PROVISIONS) BILL 2008

First Reading

Bills received from the House of Representatives.

Senator LUDWIG (Queensland—Minister for Human Services) (9.39 am)—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 LUDWIG (Queensland—Minister for Human Services) (9.39 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—

SCREEN AUSTRALIA BILL 2008

This Government places a very strong value on a creative and viable Australian film and television industry. Our film and television industry has world class facilities and punches well above its weight with its award winning and highly regarded productions, cast and crew. We can all be proud of the industry’s international reputation for excellence, hard work and dedication. Beyond its contribution to our cultural life, the sector’s input to the Australian economy is also significant, contributing some $1.5 billion annually to GDP and employing more than 50 000 people.

In a global entertainment environment, the challenges facing the industry have been well documented. In particular, the industry has lacked sufficient private investment to provide a strong capital base. Production levels and box office returns continue to fluctuate and filmmakers are unable to build strong creative businesses. The Government recognises its responsibilities to support the industry in meeting these challenges. Without strong Government support, Australian voices on our screens would be considerably muted. The Government is committed to providing a framework within which the industry can grow and prosper and establishing Screen Australia is part of that framework.

This Bill establishes a merged film agency, Screen Australia, as the key direct funding body for the Australian screen production industry. The Bill facilitates the merger of the majority of the functions of the Australian Film Commission, the Film Finance Corporation Australia and Film Australia Limited into a single statutory agency.

Whilst in opposition and as shadow minister for the arts, I called early for consideration to be given to creating, through merging, a single screen authority – a body such as this. The Government committed to establishing Screen Australia in its 2007 Election policy, New Directions for the Arts. And as further evidence of its commitment to the Australian film and television industry, the government has identified the development of a globally innovative and competitive film industry for consideration at the Australia 2020 Summit to be held in Parliament House on 19 and 20 April.

The new agency will have a strong focus on cultural objectives while also pursuing the growth of a more competitive screen production industry. The synergies created by combining the resources of the three agencies will enhance coordination, facilitate strong national leadership for the screen production industry, and enable a fast response to changing national and international opportunities and challenges, such as technological innovations and changing audience preferences. It will free up resources which can be directed towards new industry priorities.

The Bill outlines the proposed functions and powers of the new body, together with the proposed governance and accountability arrangements. The functions largely reflect the combined functions of the existing agencies, with the principal exception being due to the establishment of the National Film and Sound Archive as a separate statutory authority, the legislation for which is also being introduced today.

The new agency will have a strong emphasis on cultural objectives and artistic merit. Its functions also emphasise the importance of improved commercial sustainability for the industry which will continue to face significant challenges due to its small size, relative isolation and difficulties in competing with imported product, notably of course from the United States. Screen Australia is to be an agency with a strong cultural mandate and one which also understands the importance of filmmakers relating to their audiences and developing their businesses.

The Bill provides Screen Australia with the following functions:

- Support and promote the development of a highly creative, innovative and commercially sustainable Australia screen production industry; and

- Support or engage in the development, production, promotion and distribution of Australian programs and the provision of access
to Australian programs and other programs;

- Support and promote the development of screen culture in Australia.

In performing its functions, Screen Australia will have a continuing responsibility for the development of areas of particular public interest and cultural merit, such as documentaries and children’s programs. The Government’s expectation is that the agency will continue to emphasise programs of real national significance in all fields. In particular it is expected that the National Interest Program undertaken by Film Australia will continue, and even be broadened beyond documentaries where appropriate. I expect that the agency will have an important role in promoting the work of emerging filmmakers. As well, our indigenous filmmakers have carved out a special place in Australia’s cultural life and it is critical that indigenous voices, and indigenous stories, are seen and heard on Australian screens, and brought to Australian audiences.

The Government is keen for the screen production industry to move beyond a cottage industry and for it to provide ongoing work for the many highly talented Australians who currently either have to work overseas for long periods or have to find employment in other industries to supplement their incomes. It should also seek to provide opportunities for world renowned Australians, eager to come home to work, to be able to do so.

To this end, Screen Australia will be expected to realise its cultural objectives while also being acutely conscious of the need to promote the development of commercially focussed screen businesses. While funding will be available for single projects and individuals, significant funding will also need to be directed to sector capacity building and supporting industry professionals willing to build businesses rather than move from one project to the next. The continuing trend of rapid technological, cultural, social and political change means the Australian industry in coming years is likely to be a different industry to the one we have now.

The recently introduced Producer Offset will provide a significant avenue for funding for many films and television projects and will enable producers to retain equity in their projects while, at the same time, attracting higher levels of private investment. This provides opportunities and challenges for Screen Australia.

Because the Producer Offset can be the primary vehicle of Government support for many productions, Screen Australia will be able to invest more funding in activities not directly associated with production. These include individual and project development activities, and those activities which provide the wider Australian community, including regional Australians, with access to Australian audiovisual product. Many have advocated the need for more Government support during the development phases of projects to ensure that those films which go into production have the best chances of success. The extent to which Screen Australia should support marketing and distribution is also an important issue. I expect the debate on how Screen Australia will evolve from its predecessors will pay a great deal of attention to identifying new priorities.

The degree to which Screen Australia should provide investment funding to projects which also receive the Producer Offset also needs close attention. It is important that the agency respond to this new incentive in a way which ensures better cultural outcomes and does not result in the agency simply replacing funding which should be provided by the marketplace.

With the introduction of the legislation, I call for an active debate to start now, from all interested in this sector, on how Screen Australia should best be positioned to meet these challenges, to ensure that the new organisation has clarity of purpose, a genuine sense of integration, and the ability to respond quickly to industry priorities.

These new directions for the screen production industry have been warmly welcomed by the industry. The establishment of Screen Australia is a key plank in the strategy to revitalise the industry, restore investor confidence and deliver exciting productions to Australian audiences and beyond.
NATIONAL FILM AND SOUND ARCHIVE BILL 2008

In 1935 the Government established a National Historical Film and Speaking Record Library. This was the first recognition of the importance of maintaining a collection of our film and sound heritage. The National Film and Sound Archive was established as a separate collecting institution in 1984 and until 2003 it was administratively part of the relevant Government department responsible for the arts. In 2003, it became part of the Australian Film Commission.

The national collection now contains over 1.4 million items. Recently, the Archive restored what is possibly the world’s first feature-length film, The Story of the Kelly Gang from 1906. This film is now in UNESCO’s Memory of the World register which identifies cultural heritage of international significance. The Archive has launched a Centre for Scholarly and Archival Research which attracts outstanding researchers and practitioners to study and interpret the collection. It has also compiled a superb National Registry of Audiovisual Collections to document many private and public holdings of moving image and recorded sound materials.

In its arts election policy, the Government recognised the significance of the Archive and its work and that for it to operate effectively it deserved full autonomy as a national collecting institution. Accordingly, the Government undertook to establish the National Film and Sound Archive as a separate statutory authority. This Bill delivers on that commitment. For the first time, the NFSA will have independent statutory status in the same way as the other national collecting institutions, with its own governing Board and management. It will have ownership of the national collection of audiovisual and related material, and full responsibility for selection, acquisition, preservation and disposal of items in the collections.

The NFSA’s functions include the development, preservation, maintenance, and promotion of a national collection. The principal duty of a collecting institution such as this is to manage the national collection in its care and ensure that posterity is able to experience and enjoy all the treasures which it holds. The NFSA will also be able to engage with other collections in Australia, for instance through the benefits of its world class technical expertise, and will be able to provide access to the finest programs from around the world.

The NFSA will not simply be an organisation focussed on preservation and maintenance. Instead, the Government will be looking to the new agency to develop a high public profile. It will be expected to develop strong access and outreach programs so that as many Australians as possible can enjoy films and recordings in the national collection, and can develop a greater appreciation and awareness of our finest films, television programs, music and spoken voice recordings.

The NFSA will be expected to emphasise the historical and cultural significance of the material which it holds, and to make the best use it can of the collection in the national interest. It is expected that the NFSA will have a strong research focus in relation to the collection, and to collaborate with institutions in Australia and overseas. A key provision in the Bill is the need for the Archive to, as far as practical, apply the highest curatorial standards to its activities, and thereby assume a national leadership role in relation to best professional practice.

This Bill gives the NFSA a strong statutory mandate, a clear and coherent philosophy reflecting its cultural role and importance in the archiving profession, autonomy in its own affairs consistent with other national collecting institutions, and greater accountability and transparency.

SCREEN AUSTRALIA AND THE NATIONAL FILM AND SOUND ARCHIVE (CONSEQUENTIAL AND TRANSITIONAL PROVISIONS) BILL 2008

This Bill is a companion Bill to the Screen Australia Bill 2008 and the National Film and Sound Archive Bill 2008 which are also being introduced today. The Bill deals with consequential and transitional matters related to the establishment of both bodies. The key elements of the Bill relate to repeal and consequential amendment of other legislation, transfer of assets and liabilities, termination of office holders and transfer of staff and their entitlements.
Once Screen Australia is established, the Australian Film Commission Act 1975 will be repealed and the companies, Film Finance Corporation Australia Limited and Film Australia Limited will be wound up. The assets and liabilities of the three agencies will be transferred to Screen Australia with the exception of those that go to the National Film and Sound Archive or the Australian Film, Television and Radio School.

This Bill also contains provisions dealing with transfer of employees of the existing agencies as appropriate. These transitional provisions are necessary because currently staff are employed under a number of different arrangements including as APS employees, under certified agreements or Australian Workplace Agreements, or under common law contracts. While clearly all mergers encompass a degree of change, the provisions of this Bill ensure that staff will not be disadvantaged as a result of this legislation.

The Bill also contains provisions relating to the appointment of the first CEOs of Screen Australia and the National Film and Sound Archive. While future appointments will be made by the Boards of the respective agencies, the initial appointments will be Ministerial ones in order to ensure they can be made quickly ahead of the commencement of operations of the agencies on 1 July 2008.

Debate (on motion by Senator Ludwig) adjourned.

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

TELECOMMUNICATIONS (INTERCEPTION AND ACCESS) AMENDMENT BILL 2008

First Reading

Bill received from the House of Representatives.

Senator LUDWIG (Queensland—Minister for Human Services) (9.40 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 LUDWIG (Queensland—Minister for Human Services) (9.40 am)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

The main purpose of this bill is to amend the Telecommunications (Interception and Access) Act 1979 to extend by eighteen months the operation of the network protection provisions which are due to sunset on 13 June 2008. It is because of the immediacy of this date that I ask the Parliament to consider this time-critical bill.

The bill also implements a number of minor yet important technical amendments.

I note that this bill contains no new powers for security or law enforcement agencies in relation to telecommunications interception, stored communications or access to data, but ensures that these agencies have the necessary tools to combat crime in this age of rapid technological change.

Extension of Sunset Clause for Network Protection

The Act currently includes network protection clauses that create exemptions to the general prohibition on listening to or copying communications ‘passing over the telecommunications system’.

The exemptions apply to personnel in law enforcement and security agencies who are responsible for protecting and maintaining their agency’s network or enforcing professional standards. The provisions enable these personnel to monitor inbound and outbound communications for security and integrity purposes.

The network protection provisions were inserted by the Telecommunications (Interception) Amendment Act 2006 and initially applied only to the Australian Federal Police. These provisions are subject to two-year sunset clauses that come into effect on 13 June this year. The provisions
were subsequently extended to additional law enforcement and security agencies by the Telecommunications (Interception and Access) Amendment Act 2007, but the original sunset clauses were retained, and they also expire on 13 June 2008.

The emergence of highly invasive and difficult-to-detect means of infiltrating telecommunications networks has required the development of equally sophisticated methods of maintaining the integrity of those networks.

The need for effective protection of corporate networks was recognised in the ‘Report of the Review of the Regulation of Access to Communications’ conducted by Mr Anthony Blunn AO, which was tabled in Parliament in September 2005. The Blunn Report recommended that access be allowed to the content of communications, outside of the warrant regime, for the protection of corporate telecommunication systems. Recent media reports highlight the importance of private companies also protecting their networks.

The proposed 18 month extension of the existing network protection provisions will ensure law enforcement and security agencies can continue to protect their networks while a comprehensive long-term solution is developed. My department has already undertaken extensive work on legislative changes that would implement the Blunn Report recommendation. However, these measures will have implications across government, corporate and private networks. They must also address complex issues associated with privacy, and state and territory laws.

It is important that the changes not be rushed, and there must be enough time to consult widely on their impact. An 18 month extension will enable full consultation on a more complete solution across all networks.

Technical Amendments

The bill also includes several technical amendments that will improve the effective operation of the Act by removing duplication and clarifying existing reporting and accountability regimes for both agencies and telecommunications carriers. Again, the amendments do not provide any new powers for law enforcement or security agencies.

The provisions dealing with the notification of additional services being intercepted will be amended to include a new requirement to report additional information to the Attorney-General’s Department.

The process for adding additional devices to a device-based named person warrant will be clarified and aligned with the existing process for service-based named person warrants.

The chief officer of an interception agency will be able to delegate certain reporting and notification requirements to a Senior Executive Service officer of the agency or someone of equivalent rank.

Significant residual duplication of reporting requirements for warrants will be removed. These duplications arose from the transfer of oversight from the Telecommunications Interception Remote Authority Connection to the Attorney-General’s Department.

The technical amendments are minor but important. They will ensure that the Act creates clear and consistent reporting obligations on agencies and telecommunications carriers.

Conclusion

In conclusion, this bill is an important element in ensuring that the legislative framework for accessing telecommunication information for law enforcement and national security purposes remains clear and effective. It contains no new powers for security and law enforcement agencies and it strengthens the reporting and accountability framework.

I commend the Bill.

Debate (on motion by Senator Ludwig) adjourned.

GOVERNOR-GENERAL’S SPEECH

Address-in-Reply

Debate resumed from 12 March, on motion by Senator Wortley:

That the following address-in-reply be agreed to:

To His Excellency the Governor-General

MAY IT PLEASE YOUR EXCELLENCY—

We, the Senate of the Commonwealth of Australia in Parliament assembled, desire to express
our loyalty to our Most Gracious Sovereign and
to thank Your Excellency for the speech which
you have been pleased to address to Parliament.

(Quorum formed)

Senator GEORGE CAMPBELL (New
South Wales) (9.43 am)—It gives me great
pleasure to address the Governor-General’s
speech and the outlining in that speech of the
legislative agenda for the first Rudd govern-
ment. I think the way in which the Rudd
government has approached this term and the
challenges this country will be confronted
with—and is confronted with at the present
time—and the way in which it intends to
deal with those challenges will ensure that
we will see more than one speech by the
Governor-General outlining the program for
a Rudd Labor government.

One of the centrepieces of the address was
the approach to industrial relations. What a
welcome breath of fresh air it is to see a gov-
ernment that is committed to ensuring a
framework is put in place that will restore
fairness as a central point in our industrial
relations system—fair to employers and,
more importantly, fair to employees—and
that will ensure that the old Australian idiom
of the ‘fair go’ will be back as a centrepiece
of our industrial relations system, getting rid
of the pernicious laws that were introduced
by the previous government and that tipped
the scales squarely in favour of employers
and provided the opportunity for unscrupu-
lous employers in this country to attack
workers’ wages and living standards.

Over the period of the operation of Work
Choices we saw a litany of reports in the
newspapers of various companies—Boeing
was one, Tristar was another; there was a
whole history of companies—where workers
were exploited by the use of these laws that
were put in place by the previous govern-
ment. Hopefully, we will see the abolition of
most of those laws by the end of this year
and see in their place a new industrial rela-
tions system operating from 1 January 2010
that has at its heart fairness in the workplace.
We hope that that system will run for some
considerable time into the future before there
is a need to revisit our industrial relations
system for further amendments. The reason
that that was a centre point of the Governor-
General’s address was the way it operated in
practice—the disadvantage it brought to
many workers in many industries, which was
the objective of that legislation all along.

Many other issues were touched upon in
the Governor-General’s address in this
chamber several weeks ago. The govern-
ment’s approach to dealing with the econ-
omy was one. The problem that is besetting
our economy at the moment is that inflation
is gradually getting out of control. The pre-
vious government allowed a situation to de-
velop in this country where the Reserve
Bank is in fact increasing interest rates in
order to try to keep inflation under control,
while in the rest of the world the central
banks in the major developed countries are in
fact cutting interest rates to try to boost their
economic activity.

That obviously is of major concern in
terms of its impact upon living standards, the
cost of living for many workers and the ca-
pacity of ordinary working families to pay
their mortgages, to put sufficient food on the
table and so on. We have known for a very
long time that one of the most negative fea-
tures of any economy, particularly for work-
ning people, is rising inflation, because that
eats into their savings, the value of their
wages and their capacity to look after their
families—to feed them, clothe them and
house them. As has been clearly stated by the
Prime Minister and by the Treasurer, that is
the No. 1 enemy that is the focus of the gov-
ernment at the moment, and a lot of effort is
being put into bringing in a budget in May
which will ensure that we get the inflation genie back under control.

The second issue is an issue that was debated in this chamber yesterday—that is, skill shortages. We saw the previous government virtually ignore over 11 years what was happening in terms of skill shortages in this country. It did nothing other than put in place some quick fixes, some bandaids over the system, by bringing in traineeships and cutting apprenticeships and training times—anything to boost the facade of the numbers of people who were in training but at the same time delivering no real jobs out of the process, no real tradespeople coming out at the end of the line and certainly nowhere near sufficient numbers to meet the skills needs of the economy.

The Rudd government, as spelt out in the Governor-General’s address, has made a commitment to reversing that trend, to dealing with the issue of the supply of skilled labour in our economy—not just in terms of meeting the immediate needs of the economy but also in terms of putting in place a structure which will meet the skill needs into the longer term. In other words, this is about being able to assess the changing role, the changing skills, that will be required in our economy over time and to ensure that the infrastructure and training is put in place to ensure that the people are there with those skills when the economy requires them. That will be the central role played by Skills Australia. It will also be its role to ensure that the infrastructure that exists in this country for training people, for providing skills, is utilised in the most effective way to deliver the outcomes that the economy needs. That will be central, over the short to medium term, to the capacity of this government to deliver economic outcomes that are in the best interests of ordinary working Australians. Unless we can provide those human resources, we will not be able to provide the economic outcomes—the productivity—and generate the activity in the economy that we otherwise would be able to or to provide and build upon the nation’s wealth. The more we create, of course, the more there is to share around. One thing about this government is that it will ensure that there is a better distribution of the wealth it has created in the economy than was the case over the past 11½ years under the Howard government.

The Rudd government has set an ambitious agenda for its three-year term, across a wide range of policy issues, and it certainly has been made very clear on every occasion by the Prime Minister, Kevin Rudd, that he is determined to deliver on the commitments we made in the election campaign. So far, he has done it on every occasion. I do not think there was any prouder moment for a member of the Labor Party, a member of the Rudd government, than to be in this place as a member of that government when the government had the courage to say sorry to our Indigenous community, to try to commence the process of healing the divisions that have existed between our Indigenous community and the migrants in the country over many, many years and to put in place a framework so that we can live as an integrated community where everyone not only is looked upon as an equal but in fact is given equal treatment. We know from bitter experience that many of our Indigenous communities, particularly in remote areas of the country, are not treated as equals or treated equally when it comes to the distribution of resources—health resources, education resources and so forth. I look forward to seeing the improvement that comes out of the process that is now underway in dealing with those circumstances.

I think the next three years are going to be an exciting period in this parliament. I think it will be an exciting period politically for the nation, but, more importantly, it will be
an exciting period for ordinary working Australian families, as they see their lives continuously improved by the policy decisions and approaches taken by the Rudd Labor government in its first term. As I said before, I think the Governor-General will be along here on many more occasions delivering his address on behalf of future Rudd Labor governments.

Senator MURRAY (Western Australia) (9.57 am)—I commence by thanking my Liberal senator colleagues for allowing me to jump the queue as I have a later chamber duty which I cannot avoid. I take this opportunity in making my address-in-reply speech to follow on from the issue of the apology, which was raised by the Governor-General. I want to revisit the issue of apologies and compensation or redress for those referred to as the forgotten Australians. These are most of the 500,000-plus people who experienced institutional and other forms of out-of-home care in 20th century Australia. Now regarded as a conservative estimate, this number is made up of 7,000 to 10,000 child migrants, 30,000 to 50,000 Aboriginal stolen generations children and the 450,000-plus Australian-born non-Indigenous children raised in orphanages, children’s homes and foster care. Sadly, it is the case that, as vulnerable children, these people endured childhoods bereft of the nurturing and stability that family life can provide. It is also the case that many were subjected to ongoing humiliation and systematic abuse that was often criminal in nature. No matter what the race and no matter what the ethnic background of the child, their experiences were all too similar. Whatever the reason and whatever the rationale underlying government policies concerning the removal and so-called protection of children last century, the downfall has undoubtedly been in the execution of those policies.

The contemporary consequences of these past practices have been profound for the survivors of often traumatic childhoods and also for their subsequent generations. There have been three national inquiries that have produced four reports that attest to this reality. These are: the 1997 HREOC stolen generations report, Bringing them home; the 2001 Senate Community Affairs References Committee report on child migrants, Lost innocents: righting the record; and the two Senate community affairs committee reports on children raised in institutional and other forms of out-of-home care, the 2004 Forgotten Australians report and the 2005 Protecting vulnerable children: a national challenge report. All of these reports unanimously recommended that a national apology was required to acknowledge the hurt and distress suffered by many of these children and for the harm and loss of opportunity endured well into their adult lives.

During the last parliamentary sitting, Prime Minister Rudd delivered the long-awaited apology to the Indigenous stolen generations. It was indeed a fine and moving speech, a historic moment that I trust will be the beginning of a new way forward for Indigenous Australians. I am already on the record as welcoming this apology. However, in speaking to Senator Evans’s motion on it, I stressed the need for another national apology to be delivered to former child migrants and to those non-Indigenous Australian-born children raised in care, people who often refer to themselves as the white stolen generations. I also raised the issue of compensation or reparations as the next necessary step.

Just as the Bringing them home report recommended an apology so too did the child migrant and Forgotten Australians reports. Although I recognise the political dimensions to another apology of this nature following on so soon, quite simply it is just the right thing to do. I do acknowledge that
the timing, content and presentation of that apology will matter greatly and consultation is necessary. It is the right thing to do because the race based past policy of removing Aboriginal children from their families has its counterpart in the race based child migrant schemes from Britain, Ireland and Malta last century. This history was also race based, as the policy was motivated by a desire to populate Australia with a potentially healthy and productive white workforce. The phrase ‘good British stock’ was actually used.

The evidence of the Senate Community Affairs References Committee is that most children arrived in Australia under the misguided idea that they were coming here for a holiday or an adventure. Most were not orphans, as commonly believed, and more often than not were shipped here without informed or actual parental permission. Not only did they lose the chance of maintaining family contacts; they also lost their country. Many had their names arbitrarily changed or were referred to by number.

While not race based, the removal of hundreds of thousands of Australian-born non-Indigenous children had its foundations in families doing it tough. Children were made wards of the state after being charged in the courts with being uncontrollable, neglected or in moral danger. Notice what I just said: ‘charged in the courts’. Children were charged as being neglected. It is just unimaginable today. It was not because they had done anything wrong but because they had been born into poverty, born to a single mother who was often a teenager, been born into a home plagued with domestic violence or born to a parent who was unable to cope and the like. Some were indeed orphaned.

So many submissions to the Senate inquiries told of how their family lives had been terrible, but what they experienced in care—unfortunately, for so many of them but not, I should emphasise, for all of them—was far, far worse. There were children who were well cared for by caring people. One only has to read the submissions and Hansard evidence to gain a sense of the almost complete lack of a duty of care for far too many of these children. Not only did the state fail—and by that I mean broad state, federal and state governments—so too did the churches and other receiving agencies charged with providing care for vulnerable kids. The despicable crime of ongoing sexual assault was all too common. Rape, sodomy, oral sex and even bestial acts were all revealed in evidence to the Senate inquiries, as were systemic floggings and beatings with a variety of weapons for the most minor misbehaviours. All these acts amounted to criminal assaults punishable by law at the time. And that is the important point. These things that were done to the children were not lawful at the time and yet there was a conspiracy of silence between churches, health authorities, police and others which mostly kept these incidences under cover.

This appalling treatment of vulnerable kids has its match in prisoner of war camps. Places like Bindoon in Western Australia, Goodwood and The Pines in South Australia, Westbrook in Queensland, Box Hill and Bayswater in Victoria, and Parramatta and Hay in New South Wales were akin to concentration camps that incarcerated and brutalised far too many young people in 20th century Australia. Some beatings even resulted in physical impairments later in life. A former child migrant wrote:

Some of the scars of Keaney’s brutality still remain with me both physically and emotionally... his actions would have warranted criminal charges had he not... exerted influence over the law in Western Australia.

This man Keaney was a Christian Brother who publicly possessed considerable public
relations skills that he put to good work in creating a mythology about himself. He became known as ‘the orphan’s friend’ and in 1953 was awarded an Order of Australia. Despite the best efforts of the committee and of members of the committee, regrettably that order is still standing, and I hope that the new government will make every effort to have it cancelled and removed. Every word read and uttered about Keaney during the child migrant inquiry revealed just what an evil monster he was. The committee report recommended his MBE be cancelled and annulled but the Howard government would not agree to this, nor have my and other people’s efforts since been successful. It is shameful that Keaney’s name continues to sully the list of deserved award recipients. I hope this government—and I direct my remarks to the attention of the Minister for Human Services, at the table—will address this matter.

Another former child migrant vividly recalled a vicious beating she received from a nun at Goodwood Orphanage. She wrote:

I felt the strap come down across my body. It was the most painful thing I had ever experienced. She continued flogging me, ranting and raving, until I could take no more ... She was like a woman gone insane, showing no mercy at all.

That was submission 68. A former state ward who spent time in the infamous Westbrook institution in Queensland wrote:

This man seemed to take great pleasure in humiliating us publicly, flogging us with his heavy leather belt while we knelt naked at his feet. You could receive anything up to 60 lashes and you always ended up bleeding profusely. Sometimes boys lost consciousness. They were the lucky ones.

That was in submission 141. By the way, these are children. A former Parramatta girl wrote in submission 280:

I had my hands held behind my back, hair held and my head bashed into a lot of sinks in the shower block and lost quite a few teeth. I know that particular woman; she is a very fine Australian, but she bears the emotional and mental scars of that experience. I could go on and on because the evidence to the Senate inquiries was very extensive, but these typify the widespread physical assaults inflicted on powerless children. They literally lived in fear and terror. And I will repeat: these assaults were not distinguished by what sex or gender you were, they were not distinguished by what race you were or what your ethnicity was or what country you came from. These assaults were applied across the board: white, black, male, female, Maltese, British, Australian—it did not matter. If you were a kid, these particular kinds of horrors were visited on you. That is why I say to this government that an apology is due in the same form as was rightly given to the stolen generations.

Neglect and brutal treatment occurred in all states, in all institutions and in many foster care situations. Mostly the predators were staff members, including religious and lay workers. I will stress again that of course there were many staff members, many religious people and many lay workers who did care for the children as best as they were able. Not everybody was a monster. The covering up of crimes perpetrated on vulnerable children was widespread among the institutions, as was the lack of belief exhibited by adults and the various health, police and welfare authorities when children reported what was continually happening to them. The Senate inquiries were well exposed to evidence that the inspection and supervision regimes were very poor.

Even if kids in care were lucky enough to escape sexual and physical assaults, they still had to endure general neglect, inadequate clothing—rarely were shoes allowed—
hunger, lack of education and the exploitation of them as slave labour, in either construction work for boys or laundry work for girls. The other day I drove down to Bin-doon—it gives me the horrors; I cannot bear the place—and the stations of the cross are on the hillside. They were built by these children as slave labour. The woman with me at the time happened to be religious and she thought these stations of the cross were marvellous. Then I explained how they were built and what an abomination it was for them to be built by slave labour in the name of Jesus Christ, who, in himself, exhibited the finest characteristics. These were built by monstrous people who pretended that they were doing this in his name. It is just unbearable.

Some children were used for medical and drug experiments, which have been reported in medical journals. Some were unfortunate enough to end up being placed in mental homes or asylums for continual absconding or bad behaviour. Many of them, thousands of them, have since committed suicide. Add to all of this the complete lack of love and nurturing so important to a child’s development and it is no wonder many have been condemned to lifelong scars and troubles. As adults, they have endured lives tarnished by welfare dependency, substance abuse, mental and other health disorders, and relationship and parenting problems.

Moreover, so profound has been the loss of contact with siblings, with family and with place of origin that their sense of self and identity has been irreparably harmed. You are where you come from; you are who you belong to, and they have had that severed—as had the stolen generations. Although some have triumphed over their adversity and found their own healing, they still live with the memories of these tragic childhoods. And there are far too many who have not been so fortunate. I will stress, again and again, that there were many who were fortunate, who were better cared for in these homes than they would have been if they had been left at home. However, one care leaver wrote:

The cumulative effect of this experience is so pervasive that today I’m 52 years old and still a state ward.

That was submission 321. Here is another:

I can’t get some of the terrible things he did to me out of my head, they look in the shadows of my life and haunt me. [He] took my virginity, my innocence, my development, my potential …

That was from submission 239. And a 70-year-old survivor poignantly wrote:

A door opens in the memory bank and the ghosts escape to make us lonely children again.

Committee members and all those involved in these Senate inquiries know only too well that, if you hurt and break the spirit of a child, the result will be a harmed adult. Unfortunately, it is also the case that many survivors of childhood trauma do go on to produce another generation of victims because if you have been harmed as a child your expression of self is often damaged, and that comes out in relationships with your partners and with your children. In submission 267 a daughter of a care leaver wrote:

My Mum … spent years in psychiatric institutions due to the atrocious physical and mental abuse that herself and sister endured for many years at the cruel hands of the ‘so called carers’ at the Salvation Army children’s home.

If the measure of a society is the extent to which it protects and nurtures its children, then, historically, we as a nation have little to be complacent about. If the Prime Minister, if cabinet ministers, if all members of parliament took the time to read the submissions and reports of these three inquiries, I imagine there would be almost total support for the Prime Minister to apologise to all our citizens who suffered as children in care and
who continue to carry these scars. Unfortunately, it is the case—we all lead busy lives—that most people have not read the reports or the submissions.

If they read those reports, I also imagine that there would be little resistance to the need for the Commonwealth to follow up an apology with the establishment of a national redress scheme. There would be widespread recognition that an apology is only the first step to righting the wrongs of the past. If we compensate victims of crime and trauma, so too should we compensate those who experienced childhoods of fear, neglect and criminal acts in the care of the state. The state allowed the harm to occur; the state should correct that harm. We should do so because the restitution of past harm through ex gratia payments is a measure of justice often denied these children through the civil and criminal courts and by resistant churches and agencies.

We should do so because of the utter failure of a duty of care by state welfare authorities, the churches and other receiving agencies charged with caring for these defenceless children. Accordingly, the monetary cost of a national redress scheme would need to be shared proportionally by various governments, churches and receiving agencies and it should be capped. Moneys would most likely be expended over a number of years, taking into account the application and decision-making process. It is an obscenity that one or two people who succeed in court can get millions of dollars when the ordinary people would be much better off with tens of thousands of dollars from a redress scheme.

Churches would certainly need to substantially contribute as far too many of their religious and lay workers were perpetrators of sexual and criminal assaults. Some have already been through the courts, while others have escaped prosecution either because they have died or because the lapse of time has presented evidentiary problems. In the United States a recent newspaper report indicated that the Catholic Church in 2007 alone paid out $665 million for child sexual assault cases, which was a 54 per cent increase on 2006. So this is not just an Australian problem but an international problem.

An apology to all those harmed in care last century is only the first symbolic step. Although powerful, it is not sufficient to provide the long-awaited justice due to these people. It is neither too hard nor unaffordable, as is evidenced by the international redress schemes in Canada and Ireland, and here in Australia in Tasmania, Queensland and Western Australia. I stress it is neither too hard nor unaffordable. New South Wales, Victoria and South Australia need to follow suit, as does the Commonwealth with a reparations fund that tops up the state schemes. Shared out proportionally we can afford these redress schemes.

Although redress was an important and unanimous recommendation of the Forgotten Australians report, the then Howard government would not agree to it, nor would it agree to most of the other 38 recommendations. Its poor response dispelled the widespread belief amongst all the forgotten Australians that justice and targeted services would be forthcoming once their government had been presented with the evidence of systemic failures in the duty of care to vulnerable children.

We can no longer deny the collective social record we now have of a less enlightened period of history and its effect down the generations. It is time to address once and for all these hurt childhoods and ruined adult lives through a national redress scheme.

The nation has been set on a path of healing by the Rudd government. More is yet to be done. The real test for a more empathetic
Rudd government will be in what it does in a more meaningful way to overcome the national shame not only of the stolen generation but of all the shattered lives of all those who experienced harm when they were in state care as children.

Senator RONALDSON (Victoria) (10.17 am)—I welcome the opportunity to speak this morning. I noticed with interest in the Canberra Times yesterday an article by Andrew Fraser, the political correspondent. It was headed ‘Opposition “pinched” review of poll funding’. The article was referring to my motion yesterday in relation to campaign finance reform, political donation reform and a widespread examination by the Joint Standing Committee on Electoral Matters. The article said:

Senator Ronaldson received the endorsement of yesterday’s joint Coalition parties’ meeting for a motion to refer the issue to the Joint Standing Committee on Electoral Matters.

It further quoted me as saying that it would be:

... the most comprehensive nationwide examination of campaign finance since Federation.

Then the article said:

However, the motion appears to almost replicate the wording of a reference given to the committee by Senator Faulkner more than a fortnight ago.

Then the article quotes Senator Faulkner:

“I’ve already done it,” Senator Faulkner said. “He pinched my words.”

So, according to Senator Faulkner in the article, he supported the wording of our motion because they were his words and he would agree with them.

When this matter came before the Senate yesterday, who supported the motion? The Liberal Party and the National Party as a coalition, Family First, the Australian Greens and the Democrats. Who did not support it? Who did not support the words that we had apparently ‘pinched’ from them for a reference to the committee? The Australian Labor Party did not support it. Not only did the Special Minister of State, whose words I had apparently pinched, vote against it, the Australian Labor Party voted against it. But rather than having the intestinal fortitude to call a division, they got their whip to stand up and under his breath say, ‘We just want it noted that we are opposed to this.’ How utterly pathetic.

The reality is that the Australian Labor Party did not support our motion. The motion that I suspect Senator Faulkner was talking about that he referred off to the committee on 27 February was the standard reference that someone in his position would give. I suspect that Senator Abetz has probably used words such as, ‘that an inquiry be conducted by the Joint Standing Committee on Electoral Matters to inquire into and report on all aspects of’—the 2007 election, in this case—‘and related matters.’ What the coalition’s motion did was not just give this committee that reference but demanded of them in a nine-point reference to put it all on the table.

Let us have the most comprehensive reform since Federation. Let us stop reacting to Wollongong. Let us stop reacting via press conferences to another disaster for the Australian Labor Party in New South Wales and the Wollongong City Council and the sex and donation scandal. Stop plucking little bits and pieces out and pretending that you are serious about campaign reform and finance reform. The Australian Labor Party voted against a comprehensive inquiry into this issue. So, despite all the platitudes of the Prime Minister, when push came to shove, when the pressure was put on them to see whether they were serious about it, they failed. This comes on the back of a Prime Minister who on 25 February said:

What I’d like to see ... is a general review of how we go about campaign finance. I am a big devotee of campaign finance reform.
So what did this big devotee do when he got the opportunity to do something about reform? He voted against it. He directed his Labor senators to vote against it. Some devotee!

Just out of interest I will pose a question. In his time in the Australian parliament how many times has this big devotee of reform talked about reform? Ten times? Five times? Once? Zero; not once has this big devotee of campaign finance reform mentioned one word about it. The first time he talked about it was when he was hit at a press conference with allegations in relation to the sex and political donations scandal at Wollongong City Council involving the New South Wales ALP. That was the first time this devotee of reform talked about it.

Let us get serious about this issue. The Prime Minister needs to come out today and say that he is prepared to sign up to that motion. It is good enough for the coalition. It is good enough for the Greens. It is good enough for Family First. It is good enough for the Democrats. What have the Australian Labor Party got to hide? Why don’t they have comprehensive reform? What are the Australian Labor Party frightened of? What are they trying to hide by refusing to take this reference? This was a perfect opportunity for the Australian Labor Party to show their bona fides on this matter.

We had the Special Minister of State misrepresenting the position because he clearly does not support my wording. Rather than me having pinched his words, the Special Minister of State is refusing to endorse my wording, the opposition’s wording, for this reference. He refuses to accept it, having said that I copied it. So what is it? Has he mistakenly said that he does not support it and that has been miscommunicated through to the Senate chamber or did he not mean that? The Canberra Times—and I hold nothing against it—were quoting his words that he did mean it. It is as simple as that.

If you respond on the basis of political crisis, you always get caught out. When you go in, as this Prime Minister has done, to support Premier Iemma in New South Wales in relation to the Australian Labor Party’s active apparent involvement in the Wollongong sex and donations scandal, when you back someone like that, you have to be prepared for the ramifications. And the ramifications are that, if you put little bits and pieces on the table, you have to be prepared to put the whole lot on the table, otherwise you will be accused of political opportunism, and indeed the Prime Minister has been opportunistic in relation to this matter. He has put out little bits when responding to New South Wales ALP problems. And then when asked to endorse comprehensive campaign finance reform, of which he is apparently a big devotee, he failed to do so.

If the Labor Party are not serious about this, as is clearly evident by their activities yesterday, why don’t they just say so? Why don’t they acknowledge that their Prime Minister, in defence of a New South Wales Labor mate, tossed a bit on the plate? Why doesn’t the Prime Minister say in reflection, ‘That’s probably not the right thing to do—we’re actually not serious about campaign finance reform, despite what I have said in the past’? With the ALP’s failure yesterday to support the motion that is exactly what the only situation can be. There are no two or three options in relation to this matter. It is quite clear: either you are a devotee and you do something about it or you pluck little bits and pieces out in response to questions at press conferences and then you vote against a motion that I would have thought any big devotee of campaign finance reform not only would have backed but might have even initiated. Well certainly he did not initiate it, so, having lost that opportunity, you would think
that the second best course of action, the
very least you would do, would be to back it.

Senator Humphries—You’d think.

Senator RONALDSON—You would
think so, Senator Humphries. But rather than
that, there was no initiative and no accep-
tance; there were just hollow, false words
uttered by the Prime Minister. This is, I am
afraid, just one example of the failure of the
so-called openness and transparency that the
Prime Minister took to the Australian people.
I am prepared to accept that they took him at
face value. They clearly did: he won; we lost.
So they have obviously taken him at face
value that he would be a Prime Minister run-
ing an open and transparent government.

Within a tad over 100 days we have seen
no openness and no transparency. We have
seen an attempt to hide and run from a mo-
tion calling on comprehensive reform of
campaign finance and political donations. So
much for the openness and transparency!
Where has the much-lauded lobbyist register
disappeared to? Where has the ministerial
staff code of conduct disappeared to? Before
Christmas there were bells, whistles, bands
and dancing girls—you name it. There was
the whole lot up and down the street with
this example of openness and transparency.
Someone rained on the parade, didn’t they?
That was the Prime Minister, who is happy
to go out and talk about these things at press
conferences when confronted with some dif-
cult questions, but, when push comes to
shove, where is he? He is strangely silent in
relation to all these matters.

Speaking of strangely silent, the Prime
Minister has been strangely silent in relation
to the question of union donations. He is
happy to talk about overseas donations. He is
happy to talk about caps and a couple of
other matters he has pulled out in relation to
campaign finance reform. There has been no
mention of this. He had to be pushed at a
press conference again. He said ‘yes’, but he
could not bring himself to utter the words
that the political donations of the union
movement to the Australian Labor Party
should be part of this reference. It will be
part of this reference, but so will corporate
donations, associated entity donations and
third-party donations, because the coalition
has made it quite clear that it wants a com-
prehensive review of where this issue is—
not little bits and pieces plucked out to de-
fend the Wollongong New South Wales ALP
sex and donation scandal, but comprehensive
reform.

I will finish my speech as I started. In this
chamber yesterday, the coalition, the Democ-
rats, Family First and the Greens voted to
support reform. The government, the Aus-
tralian Labor Party, refused to do so and, for
that, they stand utterly condemned.

I seek leave to incorporate Senator Stott
Despoja’s speech.

Leave granted.

Senator STOTT DESPOJA (South Aus-
tralia) (10.32 am)—The incorporated speech
read as follows—

I wish to speak to a number of matters con-
tained in the Governor-General’s address.

Education Revolution

One of the centre-pieces of this Government’s
election platform was the ‘education revolution’. It
was a good piece of politics because it played
to the electorate’s perceptions that Labor is
stronger on education, it was a catchy phrase, and
it made the Prime Minister and his team look
more future-focused than the Coalition.

The big question that I had during the cam-
paign, and it remains unanswered is — where is
the policy to back up this catchy slogan?

An education revolution suggests something
pretty transformational. It suggests that we are
going to see a fundamental change in direction
from the policy of the previous Government. And
let’s face it, the higher education system in this
country could certainly use that.
Under the Howard Government, Australia was the only country in the OECD to decrease investment in higher education – by 4 percent compared to an average increase of 49 percent.

The previous Government implemented voluntary student unionism legislation which further reduced university funding for campus services to the tune of $160 million per year.

They allowed universities to raise HECS-HELP fees and brought in full-fee degrees for domestic students – which have now reached mortgage-like proportions.

The effect of this shifting of university funding from public to private hands was predictable but not to be underestimated. We have students acquiring significant debt early in life and struggling to balance financial and study commitments.

Universities are facing an estimated $2 billion backlog of deferred maintenance.

Even without these funding pressures, universities face the challenges of an ageing domestic population and an increasingly competitive market for international students.

A genuinely revolutionary education policy would redress the significant funding shortfalls the sector faces, make a university degree less of a financial burden for students, and institute policies that position Australia to have a sustainable and competitive higher education system into the future.

So far, while moves such as the review of voluntary student unionism are welcome, I see no suggestion of anything so revolutionary from this Government.

Overseas Aid

The Governor-General referred to the ‘growing recognition that with coordinated international efforts, major progress can be made on reducing global poverty’ and restated the Government’s commitment to increasing the level of Australia’s overseas development assistance to 0.5 per cent of gross national income by 2015-16.

This increase in aid is welcome, though only relative to our currently parlous level of 0.3 per cent.

The new Government’s policy on overseas aid certainly represents a big step in the right direction. I like the idea of concentrating our aid efforts, and the proposed audit of the needs of our closest neighbours is a good starting point. It will provide a blueprint to allow a more comprehensive and effective aid effort in the future.

Labor’s proposed investment in aid, however, still contrasts with the 0.7 percent level that the UN has asked for in order to achieve the Millennium Development Goals, and to which Australia has previously agreed! Five OECD nations are already contributing at this level.

It is shameful that we have been through one of the longest periods of uninterrupted economic growth in our history and yet are still miserly with our development assistance.

While I welcome the Rudd Government’s commitment to increase that, I note that it is a second term commitment – should that occur – and is still well below the level at which Australia agreed in-principle to invest. Must try harder.

Science and Innovation

I congratulate my long-time Senate colleague, Senator Kim Carr, on being appointed Minister of Innovation, Industry, Science and Research and on his work in that role since the election.

The Minister’s commitment to explain where his decisions on grant funding differ from the recommendations of the various advisory boards is also a welcome one.

I would much prefer to see this requirement stipulated in legislation – and I am somewhat suspicious of the Government’s reluctance to do so.

The National Innovation Review is one of the most significant exercises for innovation policy I have seen in my time in this place.

I share the Minister’s concern about the bewildering array of government programs that exist to support innovation in this country, and for the sake of administrative efficiency and business
user-friendliness, I would like to see amalgamation and simplification.

I do have some concerns about the breadth of this review and hope that it will not become so cumbersome itself that it fails to generate any meaningful conclusions. I wonder whether a number of more specific and separate reviews would produce a better result?

Nevertheless, I will watch this process with interest and will have more to say on the review over the coming months. In the meantime, I wish the Minister and the Government well in this ambitious and useful exercise.

Housing & Homelessness

The Governor-General made reference to the Government’s plan to address ‘challenges relating to housing affordability and homelessness’. After years of inattention from the previous Government, I am pleased to see that these areas have been made a priority.

I congratulate Tanya Plibersek on her appointment as Minister for Housing and welcome the Government’s commitment to a National Housing Strategy, working across all levels of government.

When Australia’s housing market ranks as the least affordable in the world, it is hardly surprising that people are being turned away from homeless shelters. I commend the Government on committing $150 million to address the drastic shortage in crisis accommodation that routinely sees people miss out on a bed in their most desperate time of need.

I will wait with great interest the outcome of the Government’s White Paper on Homelessness and I encourage the Government to make a commitment from the outset to implementing the paper’s recommendations to fix this blight on our prosperous nation. I have no doubt the paper will explore the complexities of homelessness, initiated by events such as unemployment, family and relationship breakdowns and complicated by mental health and addiction issues. Solving the problem will take courage and foresight from the Government.

Of course, one of the biggest contributors to homelessness is the soaring cost of Australian homes, which now rank as some of the least affordable in the western world. This crisis of affordability is having an impact across the socioeconomic spectrum: Gen Y aspirants are struggling to piece together enough for a deposit, others struggle with soaring rent, while hundreds of thousands wait for a place in Australia’s dilapidated public housing stock.

While I am glad that housing has been placed squarely on the COAG roundtable, in a climate of fiscal restraint I fear that it will be an issue that will test the newfound spirit of cooperation between State and Federal Labor. I am also concerned that the Government’s cornerstone affordability measure—a low tax deposit savings scheme—will do nothing to improve affordability in real terms. Creating more tax breaks to arm buyers with extra capital won’t drive market prices down, nor will it create that elusive ‘downwards pressure on inflation’ to keep interest rates low.

If the Government is serious about addressing home affordability, it must examine the two huge elephants in the room – negative gearing and capital gains tax – that reward speculative and inflationary activity. Otherwise, there is a danger that Labor’s housing rhetoric will not become a reality.

National Security and Human Rights

Details of the Government’s agenda in relation to human rights and Australia’s domestic security regime were conspicuously absent from the Governor-General’s speech.

The previous Government enacted more than 40 pieces of security related anti-terror legislation, many of which have curtailed fundamental Human Rights and broadened the unsupervised powers of the AFP and ASIO. Many laws abrogated fundamental legal principles like natural justice, the presumption of innocence and the right to silence.

Labor was complicit in the creation of this rights-abrasive monolith, having voted with the Coalition to pass many of the draconian laws. It also voted down my motion to initiate a Senate inquiry into the nature and extent of the laws in the wake of the Dr Mohamed Haneef affair, a motion that will be re-introduced into the new Parliament.
So far, the new Government has promised a judicial inquiry into the Haneef affair – but we have seen little detail of the inquiry. Meanwhile, simultaneous inquiries are being conducted by the AFP in relation to Haneef, and the Inspector-General of Intelligence and Security into the Ul-Haque debacle.

The inquiries are fragmented and incident specific. They will not consider the laws in their totality, nor how those laws interact with other draconian laws such as Ministerial discretion under the Migration Act. Moreover they will largely be conducted behind closed doors, with little opportunity for public input.

The Government also proposes to conduct a public consultation into the need for a Charter of Human Rights and Responsibilities. Again, detail on this proposal is sketchy – the Government has released no information of the form of the consultation or the resources available to the process, and the Attorney-General has already ruled out a constitutional Bill of Rights and the enforceability of any Charter against individuals and Corporations.

This sounds like a recipe for a toothless tiger to me. It is one thing for the Government to make the right sounds on human rights, but quite another to get the policy right. I am particularly interested in how the Government proposes to reconcile some of the rights offensive policies which it has committed to – such as mandatory detention – in light of its ostensible commitment to human rights.

Work and family

I was encouraged by the Governor-General’s reference to the Government’s commitment to ‘measures that will relieve the pressure on working parents’, including a commitment to flexible parental leave and access to affordable and high quality child care.

These are just some of the many key supports needed for working families around Australia. Raising the Child Care Tax Benefit from 30% to 50% to assist with the out of pocket expense of childcare is essential in ensuring that we have universal and affordable childcare across the board. Labor’s commitment to assist parents with the financial burden of childcare is commendable, and something for which the Democrats have long advocated.

While not explicitly outlined within the Governor-General’s address, I would like to briefly address Labor’s commitment to paid maternity leave.

The Democrats have been at the forefront of calls for the introduction of government-funded paid maternity leave. Last year, I re-introduced legislation that would provide for 14-weeks government funded leave at the minimum wage.

While it is pleasing to see that there will be some movement on this issue, with the Labor Party initiating a Productivity Commission inquiry into the feasibility of paid maternity leave, it is essential that this issue is not delayed any further.

We have already seen the issue of paid maternity leave subject to a comprehensive HREOC inquiry, as well as a Senate inquiry into my first Private Senator’s Bill for paid maternity leave back in 2002.

Considering Australia remains one of only two OECD countries without a scheme of paid maternity leave, and the fact that three quarters of Australians support it, the onus is now on the Labor Party to deliver on this vital area of support for working mothers, sooner rather than later.

I hope to see some real policy action from the Government before the end of my term, and will watch with interest deliberations of the Productivity Commission inquiry into paid maternity leave when they are released in February 2009.

River Murray and Water

The Governor-General referred to the Government’s resolve to tackle the water crisis, including in relation to the Murray-Darling Basin.

Unlike some of the Eastern seaboard States which have received heavy rainfalls of late, my home State of South Australia remains well and truly gripped by one of the worst droughts this nation has seen. While the rain has been a mixed blessing for some, resulting in dangerous floods and extensive property damage, it has also provided a vital top up to many water catchments, particularly in Queensland and NSW.
Thursday, 13 March 2008

In South Australia – the last in a long line of Murray-Darling dependants – the consequences of the drought have never been clearer and there is real concern that the easing of drought conditions upstream will quell the impetus for serious and long term reform of the management of this vital water resource.

The Government’s resolve to tackle the water crisis remains to be tested, and Senator Wong will no doubt face a difficult challenge in balancing the national interest against that of her home State which – at the bottom of the Murray – is losing out.

While climate change is a priority for the federal Government, the water crisis has so far been largely overlooked. Water issues were given cursory attention at the December COAG despite almost a year having elapsed since the $10 billion plan to take over the Murray Darling river system was announced. The Rudd Government is yet to resolve Victoria’s concerns with the plan, which halted the deal last year, although I note that negotiations appear to be progressing.

Commonwealth control of the Murray-Darling river system was long overdue and while those of us who supported such control had concerns about the Howard Government’s proposed Murray takeover, these were outweighed by the need for urgent action to arrest the drought’s impact.

Mighty River Red Gums are dying; salinity has reached dangerously high levels; and irrigators and Riverland towns are struggling.

Action is needed on all fronts, such as reforming unsustainable practices; over-allocations; and consumer incentives to reduce domestic water consumption. Such options should be exhausted before expensive and energy intensive options like desalination are considered.

My constituents in South Australia are bravely doing their bit - installing rainwater tanks, grey water diverters, water-saving showerheads, or dual flush toilets – and in the meantime watching their gardens (and in some cases their livelihoods) wither away before their eyes.

I will be monitoring the new Government’s action on water reforms closely to ensure that their efforts are not in vain.

Conclusion

Already in the short time since this Government was elected, much has been made of ‘new ideas’, its ‘fresh approach to governing’ and the unique, cooperative opportunity presented by concurrent Labor Governments at both a Federal and State level.

While such optimism and plans are welcome, they must be tempered by the reality that this Government will be judged by its achievements rather than its agenda. I, for one, will be watching very closely to ensure that the rhetoric is matched by reality.

Senator HEFFERNAN (New South Wales) (10.33 am)—Mr Acting Deputy President Murray, before I go to what will be a bit of a wander because, as everyone knows, it is not often I get up in this place, I would first like to comment on your speech and the starkness of the reality of what happened to tens of thousands of children who were wards of the state or locked away in all sorts of institutions and boarding schools. I will not dwell on it, but I think that your speech should be circulated to every person in the parliament. I have discovered that, the more you know about human nature and the more you worry about human nature, the worse you feel. The more you know about Mother Nature and the more you worry about Mother Nature, the better you feel. One of the great disappointments in public life for me is that, if you have an inquiring mind, the more you know, the worse you feel about what you know.

I commend you on your speech. There is a lot of hard work that would need to be done. Obviously I have a very strong view, for instance, that priests ought to be able to get married. It is just stupid. They used to be able to get married and then, in the 1200s or so, the church decided they had better protect the estate of the church. I have to say it is so well documented—

Senator Conroy interjecting—
Senator HEFFERNAN—Senator Conroy, as you know, priests wake up the same as we all do.

Senator Conroy—Let’s not do this again!

Senator HEFFERNAN—They are human. The world’s most precious and important vocation, in my view, is parenthood and the world’s most difficult vocation is the priesthood. I agree with what Senator Ronaldson had to say. I have a very simple mission statement in public life that I try to stick to. With all human endeavour, there are some human failings. I accept that. I try to stick to the fact that I do not like crooks—I usually use a much rougher word—and people who prey on kids, and I would like to think that I do not have a price. I have to say that you can solicit donations from people without being corrupted and influenced by the donations. As a former president of the Liberal Party I collected probably millions of dollars. I have to say that no-one really put it on me. If you do not have a price, it will not affect you. But for a lot of institutions—police et cetera—if they cannot pay the tucker bill, it is an easy way out if someone slips them an envelope of money.

The first time that I was offered a million dollar bribe was only two or three years ago. I rang up Alan Ramsey and said, ‘Ramsey, put this in your diary: I’ve just been offered a million dollar bribe.’ It was to do with the redevelopment of the Malabar rifle range. The bloke who came to see me—and this is the way they operate—just said in the conversation, ‘Senator, and there’s a million in this for you.’ I said to him, ‘Well, old mate, I’ve got a surprise for you: I actually do this job for nothing.’ I immediately rang the appropriate people and took out a bit of insurance by ringing Alan Ramsey and getting him to make a diary note. The bloke never came back, because he was obviously looking for someone he could utilise with a bit of money. You do run into these people. I had some people in my office only last year talking about issues surrounding the development of the Tralee subdivision here in Canberra. As a consequence—and without giving anything away—of those meetings, which were with people from all sides of the argument, I called the Australian Federal Police before one party left the office. You do not have to be affected if you do not have a price.

I have decided that it is much easier to move onto the greater concerns for all Australians in my time here. I do not think that you can deal with the human nature stuff appropriately if you are fair dinkum. Senator Murray, as with what you came up against, you can talk yourself blue in the face and nothing seems to happen. It is a bit like reintroducing pornography into Indigenous communities unless the Indigenous community votes that they do not want to have it. It is ridiculous. In 1999, I commissioned a woman who won the University Medal at the University of Sydney for her thesis on domestic violence in rural New South Wales to do a report on Indigenous child abuse in New South Wales. I can still remember that the people who were on the inquiry into the shutting down of ATSIC did not want me to table this report. No-one else had taken any notice of it. It was graphic. It eventually got tabled. But nobody wants to take firsthand possession of the problem because they do not want to own it.

Up in my office, I have a new secretary. I have had some pretty wonderful calls come into my office, but yesterday a male prostitute rang me because he was about to commit suicide. These things get you down, I have to tell you. The reason that his life has become dysfunctional is that he was seriously abused by a well-known serial abuser at Trinity College in Sydney. I noticed the other day that they have locked up another
Marist brother in Sydney and that they are about to lock one up here in Canberra. I get too bloody angry to talk about it.

What I would like to move on to is Mother Nature. All Australians ought to give consideration to the fact that with the way we are headed we have seen the best of the planet. Poor old Mother Earth is taking a hiding if you believe the scientists of the Intergovernmental Panel on Climate Change—the 2,500 eminent scientists. They tell us that in 50 years time 50 per cent of the world’s population will be short of water and there will be about a billion people unable to feed themselves. This is on the assumption that the population increases from 6.5 billion to nine billion in that time. Bear in mind that most of the research and modelling that is going on at the moment is on the energy requirement behind that development rather than on the food task to feed them to get to that point. A lot more work needs to be done on the food as well as the energy.

A billion people will be unable to feed themselves. At the present time on the planet, there are about 800 million people who are short of food and there are a billion people who gorge themselves and are obese for whatever reason. There were no fat prisoners of war, by the way, so you do not have to be obese if you do not stick it down your neck—unless you have a medical condition. The scientists tell us that in 50 years—and we are getting there—30 per cent of the productive land of Asia, where two-thirds of the world’s population lives, will go out of production. They tell us that the food task will double and they tell us—and listen carefully to this—that 1.6 billion people on this planet will be displaced.

When Mick Keelty said a few months ago that the greatest threat to Australia’s sovereignty is climate change, he was right on the money. Fortunately for Australia, we are in a position where we are going to be able to handle this, in my view. But a lot of the planet is not going to be able to. The scientists have estimated that somewhere between 200 million and 300 million people in the central part of Africa will be displaced. Because of the irreversible mining of the great northern aquifer in China, something over 400 million people will be displaced. Places like Bangladesh not only will be subject to the mining of the groundwater which ends up in their rivers—their freshwater is being mined by places like India, who are in full denial—but will also succumb to the rising sea.

China, to its credit, recognises that it has this serious water problem and is undertaking great engineering works to try and overcome it by moving water to where they have depleted their ground reservoirs. One of the things that they have underway in an engineering sense—and they say that you can fix anything with engineering if you have enough money—is the building of a water pipeline that will be 1,200 kilometres of 36 or 37 pipes laid side by side that are each 4½ metres deep. It just goes to show that you can do it if you have enough dough.

I think we all ought recognise that there are lots of problems on the planet. But if the scientists are only 50 per cent right and we have only 800 million people who are displaced or if the scientists are only 10 per cent right and we have only 16 million people displaced, the United Nations will not fix the problem. The United Nations, with great respect Mr Acting Deputy President, or some parts of it, has become a massive lot of immeasurable, unaccountable blubber with all sorts of subcultures. I was pleased to see that they arrested some child predators in Timor-Leste. That is all part of the subculture of that set-up.
Australia, the scientists tell us—we are coming to the good news—is going to lose somewhere between 25 and 50 per cent of run-off in the southern parts of the continent. I am fearful. I declare an interest: I am a farmer. There is a gloomy dry winter forecast for lots of southern Australia at the present time, yet the northern parts and northern New South Wales are having a wonderful season, thank God, so there are some options there. Scientists are saying that somewhere between 3,500 and 11,000 gigalitres might disappear out of the run-off from the Murray-Darling Basin. The Murray-Darling Basin has 6.2 per cent of Australia's run-off, 23,000 gigalitres, and we have about 70 per cent of the productive irrigated water work in that area. I stood up in this place a few years ago and said that any 50-year plan for the Murray-Darling Basin would exclude furrow cotton and paddy rice. Poor old Sharman Stone, Kay Hull and everyone rang me up and abused me and said, 'What are you doing?' It is true—they will be opportunity crops but it will be a question of how often the opportunity is going to come along and whether you can maintain the infrastructure in the meantime. I will not get into too much of the technical side because I do not have enough time.

If that is true, we are going to have to reconfigure not only the way we have settled rural and regional Australia but the way we do our business in rural and regional Australia. I have argued this for many years. In my maiden speech here in 1996 I argued that we should develop the north—that we should commit ourselves to doing the science through a task force on the development of the north. I urge and commend the government to get on with it—I am sure Penny Wong will. Uniquely, if we can maintain our sovereignty, as Mick Keelty said, against the background of the earlier figures of displacement, and occupy and manage the north, Australia will still be a world-leading contributor, punching well above its weight in the export of food and other materials, and maintaining our standard of living.

Bear in mind that in the three main catchments of the north, the Timor Sea catchment has 78,000 gigalitres of run-off, the gulf catchment has 98,000 gigalitres of run-off and the north-east catchment in Queensland has 85,000 gigalitres of run-off, against 23,000 gigalitres in the Murray-Darling Basin, where we all seem to want to do business. If we do not do something about that, in 50 years time Australia will be like the rest of the planet—in serious trouble.

Peter Beattie made a serious error, which the Australian Conservation Foundation agrees with, in the wild rivers legislation where Queensland has locked up the first kilometre from productive land in a great many of the gulf rivers. The gulf has 17 million hectares, which is bigger than Victoria, and very little development. During the last federal election campaign—I thought it was a great exercise of democracy that the government changed without anyone getting too excited and we all went back to work and we are still here today doing business and smiling at each other, unlike a lot of the rest of the world—Mick Keelty set this out. You may recall the 18 fishermen and their families on whose fishing zone we imposed our sovereignty. They decided to come to Australia because we mucked up their business enterprise and we sent them to Christmas Island. I cannot imagine what will happen if the science is right and there are, at the top of the prediction, 1.6 billion people who have to be resettled. I am sure there will be a new set of world orders because people in survival mode will make their own rules.

It is interesting that Australia has the privilege of democracy and our system of government. Bear in mind that, as far as I
can see, in this parliament there is not one person in the government who lives or has made a living in the bush—commercially that is. They might have a holiday shack or something. Gavin O’Connor obviously did. I am pleased to see that Tony Burke has been appointed as the Minister for Agriculture, Fisheries and Forestry, in which I take a deep interest, because he has a good brain and has been a good listener. We have a lot of work to do.

The wool industry is in a hell of a mess at the present time—it is dysfunctional. The thing we need to do on behalf of Australia’s wool growers is let the world know that Australia’s farmers are its greatest environmentalists. Landcare did a wonderful thing for Australian farmers: it taught us what was happening with our land. We are about survival, so we have to look after the land. We are only the custodians. Also, we care for our stock. We are not into animal cruelty, as some of the lunatics you see on the television would have you believe. Most of them would not know where the sun comes up. Most of them plait their armpits and smoke pot. Mulesing is a very necessary thing at the present time because we do not have other technology. As Ian McLachlan and others have said, they are working on it.

In the meantime, Australia could lead the world because we now have technology for pain relief. We could apply pain relief mandatorily for mulesing, castration and tail docking. I think we should move to that as part of an interim measure of genetic fix or technological fix for what is part of the great Australian bush—that is, fly waves and fly-blown sheep. Flyblown sheep is a pretty serious problem. There is a bit of pain inflicted. I have mulesed thousands of sheep. It takes about 15 seconds to knock the top off and, if your teeth are good enough, tear the nuts out, trim around the tail, cut the tail off with the shears and then, if you put on pain relief, away they go.

The alternative to that is a very maggoty, destructive fly wave. So there needs to be some common sense brought to that debate. There needs to be unity in the debate. I think that, because we have been reactive rather than proactive, the wool industry and the government should give consideration to setting up some sort of committee to address the urgency which sits above all the politics and squabbling that is going on.

There are a couple of other issues. I think it is stupid that the Liberal Party and the Nationals have not merged. I was pleased to see Doug Anthony, Ian Sinclair and Peter Nixon in the paper today saying again what they and I said years ago. There are natural constituencies; the Labor Party’s are generally urban and a lot of ours are rural and regional. You cannot compartmentalise constituencies with modern communication and transport. We should recognise that the city needs to understand bush issues and problems as well as the bush needing to understand the city.

(Time expired)

Senator POLLEY (Tasmania) (10.53 am)—I am pleased to rise today to speak in the Senate in response to the Governor-General’s address at the opening of the 42nd Parliament. On 24 November 2007, the Australian people voted for a change of government. They voted out the Howard government and their Work Choices legislation undoubtedly contributed to the election result. There is no denying that the Work Choices legislation was an attack on Australian working families, and that is the view that the Australian community took when they cast their vote. I can certainly testify that that was very evident throughout my home state of Tasmania.
The legislation meant that parents spent less time with their children and that Australian workers and working families had no financial security. Workers were forced to work more hours just to put food on the table and to try to pay their bills. With spiralling petrol, childcare, housing and grocery costs, the cost of living was getting out of control.

Yet our previous Prime Minister, John Howard, insisted, ‘Australian families have never been better off.’ In saying this, he demonstrated just how out of touch and arrogant his government was. Interestingly, his views have not changed in recent speeches he has been giving overseas. I am still unsure as to where the coalition actually now stand—some agree and some do not—but the reality is that they have not listened to the Australian community and their views have ultimately not changed. The previous government were irresponsible and Australians expressed their disappointment in the Liberal Party loud and clear on 24 November 2007.

Under John Howard’s Work Choices laws, workers could be put on AWAs with just five minimum conditions. There was more power for employers to dictate working hours and workers had to negotiate conditions like overtime pay, penalty rates, public holidays and annual leave entitlements. John Howard promised that his industrial relations system would be simple, fair and flexible. It was not. It caused mass confusion for workers and employers alike. John Howard promised in television ads, newspapers and booklets which cost the Australian taxpayers millions of dollars that overtime and penalty rates would be protected by law. Once again, that was not the case.

On the point of Work Choices advertising, Ms Julia Gillard, the Minister for Employment and Workplace Relations—

**Senator Polley**—And Deputy Prime Minister. She is a woman, so she has many jobs! She revealed on 19 February this year that almost 100,000 Work Choices computer mouse pads together with more than 436,000 Work Choices booklets were stashed away by the previous Liberal government prior to the last election. It was good to see they had their priorities right! Australian taxpayers have been forking out $930 per month to store this Liberal government’s Work Choices propaganda. This was part of the propaganda Australian taxpayers had already forked out $121 million for, thanks to the previous Liberal government. And they lecture us about economics and financial management! My constituents in Tasmania were not very pleased to hear that their taxes were being used in this irresponsible way. The Liberal Party’s motto was: spend, spend, spend whatever it takes, as long as we win.

I am pleased to note on this occasion, though, that Ms Julie Bishop, the shadow minister for employment, business and workplace relations, issued a media statement on 7 February this year saying that people should have the right to union representation in their employment negotiations. Unions under Work Choices have in some circumstances been unable to talk directly to their members in the workplace, which is something that I consider important in allowing unions to fulfil their role as representatives of workers. Ultimately, the Howard government exploited Australian workers. I do not think there is any dispute about that. They knew that the Work Choices legislation would have a devastating effect on Australian families, but they pushed the legislation through regardless. I might just add that Senator Barnett, from my home state, who has recently been lecturing us and espousing his views about us needing to be a caring government, was one of those people who

**Senator Conroy**—And Deputy Prime Minister.
sat in this chamber and participated in pushing that legislation through.

The previous government tried to fool Australians by changing the name of their workplace relations reforms. But the Australian people did not fall for this ploy. They knew what John Howard was about and they voted accordingly. The Liberals filled our letterboxes with glossy brochures, trying to convince us that Work Choices was a good thing. But, once again, Australians were not fooled. Never take the Australian workers for granted. Do not believe your own rhetoric is my message to the opposition now. Australians realised that they were not getting a fair deal, and I hope that those on the other side of the chamber now recognise that they must indeed listen to the people they represent. But, to date, the evidence is that they are still not listening and that they are still not prepared to admit that they were wrong.

Despite desperate attacks from the Howard government since the Work Choices legislation was introduced, Labor has always maintained its belief that this country should have a fairer, simpler and more balanced workplace relations system. The Rudd Labor government is committed to restoring balance in the workplace. Labor recognises that Australians are hard workers. Australians have worked hard to ensure the prosperity of our nation and to ensure their children have a better standard of living than they had. All workers ask for is fair treatment—a fair day’s pay for a fair day’s work. But under the Howard government this right was denied. Australians have always held a strong belief in the importance of fairness at work and they know that only a Labor government will stand up for their rights in the workplace. The Rudd government is committed to building a modern workplace relations system that balances flexibility for employers with fairness for employees. A flexible and a fair workplace relations system is critical to building a competitive economy that delivers for Australian workers.

The government’s plan for the future of Australia’s workplace relations system will encourage wages and conditions to be negotiated at the enterprise level. We believe all Australian employees are entitled to a safety net of 10 national employment standards. We believe employees earning less than $100,000 are also entitled to an extra safety net provided by modern, simple awards. The Office of the Employment Advocate, now known as the Workplace Authority, conducted a survey which showed the following results with respect to Work Choices legislation. It was found that leave loadings were removed from 64 per cent of AWAs, penalty rates were removed from 63 per cent of AWAs, shift loadings were removed from 52 per cent, and in 16 per cent of all cases all award conditions were removed. These shocking statistics show just how unfair and unjust the Howard government’s legislation was. I believe Australians do not have to choose between economic prosperity and fair treatment at work. Australians can have both. Australian workers deserve both. Australians deserve to have the best system, the fairest system, that will protect their rights at work and also ensure that their families are able to balance their work and home lives. Labor’s industrial relations policy, Forward with Fairness, ensures that this happens.

In April last year, the ALP published the Forward with Fairness workplace relations policy and confirmed that, if elected, we would abolish Australian workplace agreements. In August last year we released our Forward with Fairness policy implementation plan, which reiterated Labor’s commitment to abolish Australian workplace agreements. It also set out sensible transitional arrangements a Rudd Labor government would adopt for implementing this key commitment. This policy makes it clear that,
when Labor’s workplace relations system is fully operational, there will be no AWAs.

The Workplace Relations Amendment (Transition to Forward with Fairness) Bill 2008 begins the process of phasing out the Howard-Costello government’s extreme and unfair Work Choices law in favour of a fairer, more productive and flexible workplace relations system. It has been developed following extensive consultation with employer organisations, unions and state and territory ministers. The government understands that to create a simple, fair, flexible and productive workplace relations system, we must talk with employers, employees and those who will play a role in our new workplace relations system.

The Rudd Labor government will create a new industrial relations system for a modern Australian economy and modern Australian workplaces. Labor’s system will be a simple one: we will work with the states for a single, uniform national system for the private sector and economic reform the Howard government was never able to achieve. We will reduce the rules and regulations about what can be included in the agreements so that employers and employees will be able to talk and bargain about what suits them. And we will have a new accessible, impartial, independent umpire, Fair Work Australia, which offers a simple, one-stop shop service.

Labor’s system will be a fairer system. Labor is committed to ensuring that the minimum wage is set by Fair Work Australia in an open and transparent process that considers the needs of Australian working families, particularly the low paid, and the needs of the Australian economy. We will also have a clear and decent safety net of legislated conditions and industry awards so that employers and employees can easily understand their rights and obligations at work. The Labor government, unlike the previous government, recognises the needs of both employers and businesses and is committed to striking the right balance. This was something the former Liberal government showed no interest in. The former Liberal government were only concerned about catering for the needs of big business at the expense of Australian workers and their families.

The people opposite me in the chamber supported and voted for John Howard’s unfair legislation. They argued for more than 12 months that Work Choices was fair, even though they knew it was having a devastating effect on Australian workers. I am pleased to say on this occasion that the former industrial relations minister, Joe Hockey, now admits the laws went too deep. In fact, recently on the television program *Four Corners* Mr Hockey confirmed what we all knew on this side, and that is that his own cabinet colleagues were unaware of the actual impact that these conditions were going to have on Australian families. Can you believe that? Members of the cabinet at that time were unaware of one of the most devastating pieces of legislation that has come through this chamber.

Senator Conroy—They weren’t unaware; they didn’t care.

The ACTING DEPUTY PRESIDENT (Senator Murray)—Order! Minister, you are being disruptive.

Senator POLLEY—I take Senator Conroy’s point. The reality is that they did not care, and that is very evident here today with some of the contributions during this debate and the confusion still within the coalition as to whether or not they should keep Work Choices. The distress these laws caused working families will never be forgotten. There is a lesson from history we can learn. The same thing happened in 1929 when that government attacked Australian workers. At that time they voted out the Prime Minister
and his government. On 24 November 2007 the people did the right thing by getting rid of John Howard and his government.

I fully support the comments of Ms Gillard, the Deputy Prime Minister, in her second reading speech on the Forward with Fairness bill in which she stated:

It is now time for members in this place to respect and represent the clear message from the Australian people. No more Work Choices, no more Australian workplace agreements, no more unfairness, complexity and confusion.

She went on to say:

If the opposition uses its numbers in the Senate to unduly delay or reject this bill then that would be a deliberate choice by the Liberal Party to keep Work Choices alive. That would be a deliberate decision by the Liberal Party to treat the Australian people with contempt.

Minister Gillard and the Australian Labor Party understand the needs of working families. We understand that Australians need employment security. During 2008, the government will be consulting with employers, employees, businesses, unions and industry about its plans for a new workplace relations system.

Prime Minister Kevin Rudd’s new workplace relations system will be fully operational by January 2010. It will be underpinned by a modern and fair set of minimum conditions. The new arrangements will foster the creation of a more highly skilled workforce, job growth and a better balance between work and family life. I commend these measures to the Senate and hope we can achieve some positive outcomes out of the mess that was created by the previous government.

I would like to place on record some of the other issues that I would have liked to cover in my address today, including the skill shortages and the economic difficulties we now face with inflation because of the legacy of 12 years of the Howard government. I would also like to say what a turning point it was and how proud I was to stand here as an Australian when the Prime Minister apologised on behalf of the country to the Indigenous members of our community. I, too, would like to join with others in hoping that this will strengthen the relationship and bring us closer together. There are so many other issues I would have liked to cover today, but I will leave it there.

Debate (on motion by Senator Conroy) adjourned.

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

DEFENCE LEGISLATION AMENDMENT BILL 2008
First Reading
Bill received from the House of Representatives.

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (11.10 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 CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (11.10 am)—I table a revised explanatory memorandum relating to the bill and 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 CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (11.10 am)—I table a revised explanatory memorandum relating to the bill and move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

This Bill comes to this House for the second time, having been introduced prior to the last election, but lapsing due to the dissolution of Parliament. It
represents another stage in the reform of military justice in the ADF and one which is long overdue.

For the record, during the term of the previous Government there were no less than six reviews of military justice, including inquiries in 1999 and 2001 by the Joint Standing Committee on Foreign Affairs Defence and Trade of the Parliament.

These were preceded in 1997 with the report of Justice Abadee, which began in 1995 and an Ombudsman’s report in 1998. Following, there were reports by the WA Coroner into the fatal fire on HMAS Westralia, and by Mr Burchett QC.

Finally the catalyst for action came in May 2005, in tabling the Senate Foreign Affairs, Defence and Trade References Committee report on ‘The effectiveness of Australia’s military justice system’. The findings and recommendations of this report identified some serious shortcomings which are now being addressed.

Those recommendations essentially covered two themes. First the replacement of the old system of Court martial and Defence Force magistrate trials with a new Australian Military Court (retaining the existing right to appeal to the Defence Force Discipline Appeal Tribunal), an independent Director of Military Prosecutions and Provost Marshal ADF.

The second theme was that of major reform of the administrative system by which grievances are handled. The majority of these reforms are now in place and on the face of it appear to be operating satisfactorily, as regular 6 monthly reports to the Senate Committee indicate.

This Bill provides for the implementation of one of the final links in this new system, namely, the summary discipline system which is that part of the military justice system where many breaches of military discipline are first dealt with—as well as a number of related matters.

The previous Government’s response to the Senate Committee report was made in October 2005. Although not all recommendations were accepted, there was sufficient in the view of the Labor Party, then in opposition, to give support albeit conditional upon serious change being made and close monitoring of progress being undertaken.

In essence the difference in view was that the Senate Committee recommendations were for the ‘civilisation’ of the military justice system so as to remove any risk of compromise which was seen to be endemic in the existing system. The then Government rejected those recommendations though it is clear that in so doing, the military was placed on notice that the system had to demonstrate dramatic improvement quickly.

The Rudd Government has maintained that attitude, and hence some revision to the provisions of the bill first introduced which reflects our attitude to the principles of military justice which previously we considered had been too readily dispensed with. The issue which best represents this attitudinal difference concerns an attempt by the previous Government to modify the rules of evidence applicable in summary trials.

The Senate Foreign Affairs, Defence and Trade Committee in its report on this bill in September last year expressed reservations about the provisions of the bill governing the application of the rules of evidence in proceedings before a summary authority. The Rudd Government does not believe that the previous government’s response to the Committee’s recommendation on that matter was sufficient and hence in this new Bill the provisions have been strengthened so that the rules of natural justice and basic principles of the rules of evidence (relating to relevance, reliability, weight and probative value) are applied by a summary authority.

Therefore, the Rudd Government has in this new Bill further strengthened the application of the rules of evidence.

The Rudd Labor Government is therefore committed to continuing the reform of the military discipline system to address the concerns of Defence personnel, the Parliament and the community.

The changes are intended to provide for, and balance, the maintenance of effective discipline and the protection of those individuals who are subject to the military discipline system. It introduces another element of military justice which reflects the fairness of civilian processes of justice, but in a way which recognises the realities of applying military discipline fairly and efficiently in the field.
This recognises that ADF operations are to some extent unique, requiring a far greater level of regulation than that encountered in other forms of employment and demands behaviour which is consistent with its role as an armed force. It follows that breaches of service discipline must be dealt with speedily and, sometimes, more severely than would be the case if an individual, who was not subject to military discipline, engaged in such conduct. The military discipline system needs to be one that can operate overseas and in Australia, in war and in peace.

At the same time, however, the Rudd Government in recognising the need for these additional constraints and standards, believes that the military discipline procedures that accompany them must be timely, impartial and fair to ADF members, and that they must be seen to be so by the Australian people.

In 2006, the first stage of significant reforms to the ADF discipline system was implemented through the establishment of a statutorily independent Australian Military Court under the Defence Legislation Amendment Act 2006. The court came into effect on 1 October 2007. The second stage of these reforms makes further significant improvements to the military justice system, in particular through the modernisation and redesign of the summary discipline system.

Commanders in the ADF carry great responsibility, which may ultimately require them to use lethal force. These Commanders are required to ensure that this lethal force is used lawfully. To do this requires a disciplined force. The cornerstone of ADF discipline is the Defence Force Discipline Act 1982 and, in particular, the summary discipline system subject of this bill.

The summary discipline system enables the timely maintenance of discipline and morale. The balance between discipline and the rights of individuals is the key to achieving the operational effectiveness and success that the nation expects of its armed forces. It is this balance that produces a Defence Force that can wield lethal force while reflecting the values of our nation and complying with our international obligations.

The ADF summary discipline system forms one part of the military justice system which, taken as a whole, must provide the safeguards necessary to protect the interests of ADF members. Commanders use the summary discipline system on a daily basis. It is integral to their ability to lead the people for whom they are responsible in order to ensure their welfare and safety. The summary discipline system must therefore operate quickly, be as simple as possible, and it must be capable of proper, fair and correct application by officers with no formal legal training.

It is upon this premise that the Australian military justice system is based and the amendments proposed in this bill have been drafted.

To ensure fairness and rigour, the bill will introduce a number of enhancements to the summary discipline system, including—

- A right in all cases to appeal a summary authority conviction, order or punishment to a Military Judge of the Australian Military Court. The Bill provides that a statutorily independent Military Judge of the Australian Military Court will have the discretion to deal with an appeal on its merits by way of a fresh trial or a ‘paper review’ of the evidence.
- If the Military Judge upholds an appeal against a conviction, then they may substitute a conviction for an alternative offence or quash the conviction, with the option to order a new trial.
- On an appeal against punishment or order, the Military Judge may confirm, quash or vary the punishment. In varying the punishment, the Military Judge is limited imposing a punishment not greater than the maximum punishment available to the summary authority at the original trial.

The Bill also introduces the right to elect trial by a Military Judge of the Australian Military Court for all but a limited number of disciplinary offences, similar to the scheme available in the Canadian Forces summary system. This means more minor offences have no such right for simple reasons of practicality. They are best dealt with quickly and are of such a nature that trial is inappropriate. The exception to this is for some officers where the right to trial has been long established. Dealing with these offences at the summary level will reinforce the maintenance of service discipline, while preserving the rights of individual members. Additional safeguards have been included for example, where no election is
given, a more limited range of punishments is available. If a summary authority contemplates the imposition of a more severe punishment then, prior to making a finding of guilt, they must offer a right of election for trial by the Australian Military Court. In addition, a convicted person will be further protected by their right to appeal. The limits on the right of election are designed to ensure that the Australian Military Court is not unnecessarily burdened with charges involving minor disciplinary infractions, for example, straightforward cases of absence without leave.

In the case of all summary proceedings and appeals from summary proceedings to the Australian Military Court which are dealt with on the papers, the bill will also introduce a revised evidence framework. However, as mentioned earlier, the Rudd Government has brought a different approach to the rules of evidence. While it is recognised that the rules of evidence and policy guidance currently applicable to summary proceedings are complex and varied, that they can be difficult for persons without formal legal training to apply in the field, their influence must be retained in the interests of fairness. Hence, unlike the provisions of the previous Bill, subparagraph 146A(2)(b)(ii) of this new Bill requires the summary authority to comply with the rules of natural justice and to apply fundamental evidentiary principles.

The Bill also proposes significant reforms to the review process for summary convictions. It provides a right of appeal to the Australian Military Court while retaining internal safeguards requiring more serious punishments (such as detention) to be approved before they take effect. There is a new obligation on reviewing authorities to recommend appeals to the Australian Military Court where substantive errors are identified. There is also a mechanism for correcting technical errors. When coupled with the new right of appeal to the Australian Military Court, the revised review process adds an additional layer of protection for the rights of individuals who are subject to the military discipline system.

A number of other significant improvements to the Military Justice system are included in the bill. Following a review of offences and punishments in the Defence Force Discipline Act 1982, a number of proposed changes will be effected in the bill, including:

Reinforcing ADF anti-drug policies by enabling service tribunals to try offences in respect of a broader range of illegal drugs. Tribunals will have an expanded ability to deal with drug charges for offences committed both in and outside Australia by ADF and defence civilians as defined in the DFDA. The category of drug offences will be broadened, and because of the ADF’s no drug policy, the burden of proof will be strengthened, especially with respect to self administration of a prohibited drug or the administration of a prohibited drug by a person to a defence member, where there is lawful excuse for doing so;

Making it clear that a member is guilty of an offence of prejudicial conduct if he or she ‘omits’ to perform an act which proves likely to be prejudicial to ADF discipline. That is, in terms of modern military responsibilities, failure to act is as reprehensible as the wrongful commission of an act;

Reinforcing the high standard of weapons safety required in an armed force by making the offences of ‘negligent discharge of a weapon’ and ‘unauthorised discharge of a weapon’ alternative offences;

Improving the accuracy and fairness of sentencing by allowing the suspension in whole or part of a greater range of punishments, thus providing more flexibility and fairness commensurate with civilian practice;

Ensuring that Defence Force Discipline (Consequences of Punishment) Rules may apply to certain punishments regardless of whether the punishments are awarded by the Australian Military Court, a summary authority or a discipline officer;

Amending the status of a summary conviction so that it is of relevance for service purposes only. This will reduce the possible adverse and disproportionate impact of minor service offences on the civilian lives of persons convicted by an ADF summary authority; and

Providing better administration of members sentenced to dismissal by allowing the Australian
Military Court to order that the punishment of dismissal is effective on a day no later than 30 days after it has been imposed (rather than immediately as is currently the case).

These changes will make an immediate contribution to the rigour, fairness and transparency of offences and punishments under the Defence Force Discipline Act.

This Bill makes a number of other changes as recommended by earlier reviews, but which have taken almost seven years to this stage. These include:

Expanding the Discipline Officer scheme under Part IXA of the Defence Force Discipline Act 1982 to include non commissioned officers, warrant officers and junior officers up to and including the ranks of lieutenant in the Navy, captain in the Army and flight lieutenant in the Air Force (with limited punishments); and

Removing the separate and more severe scale of punishments for Navy.

Additional proposals include—

Expanding the jurisdiction of superior summary authorities to include ranks up to rear admiral in the Navy, major general in the Army and air vice marshal in the Air Force. This change will allow simple and minor offences committed by more senior officers to be dealt with expeditiously at the summary level, rather than awaiting (the currently mandatory) trial by the Australian Military Court.

Adding the automatic disqualification of a summary authority to try offences where the summary authority has been involved in the investigation of the service offence, the issuing of a warrant, or preferring the charge. The change will help reduce any perceptions about the possible bias of summary authorities and promote confidence in the impartiality and fairness of summary proceedings.

Removing the examining officer scheme from the Defence Force Discipline Act. This change will remove an unnecessary and rarely used procedure.

Introducing a new time limit requiring the trial by a summary authority of a person charged, as soon as practicable within three months of the charge being laid. This will improve the timeliness of summary proceedings and mandate the referral of delayed matters to the Director of Military Prosecutions.

Clarifying the powers of the Director of Military Prosecutions in respect of a charge preferred by the Director of Military Prosecutions to make it clear that he or she has the full range of options that are required by the position.

Requiring a discipline officer to provide a report to his or her commanding officer. The intention of this amendment is to provide a safeguard through legislated oversight of the discipline officer scheme and provide statistical information to commanding officers. This will facilitate the maintenance of discipline and transparency of the discipline officer scheme.

Providing a right for a member to request no personal appearance, subject to approval, in respect of a summary proceeding. The personal appearance of the accused will remain the norm; however, in exceptional circumstances, and only where the accused intends to plead guilty, the member may apply not to be present at a summary proceeding and to have the matter heard in his or her absence, subject to the approval of the summary authority. The member will have the right to be represented at such a hearing.

Statutory recognition of the new Provost Marshal Australian Defence Force. In accordance with the Government response to the 2005 Senate Foreign Affairs, Defence and Trade Committee report, the Provost Marshal was appointed on 14 May 2006 to head the newly established ADF Investigative Service. It is intended to enable the Provost Marshal to refer a serious service offence to the Director of Military Prosecutions, where the Provost Marshal considers it appropriate to do so. Adoption of this provision will improve efficiency by streamlining military discipline procedures and allowing more serious matters to be referred directly to the Director of Military Prosecutions.

Strengthening the rights and duties of legal officers, in particular the exercise of their legal duties independently of command influence, by an amendment to the Defence Act. The purpose of this new section is to ensure that ADF legal officers are not subject to inappropriate command direction in the exercise of their professional ca-
pacity as ADF legal officers while still allowing an ADF legal officer who is superior in rank or appointment to issue technical directions to subordinate ADF legal officers.

To give effect to a recommendation by the Senate Standing Committee on Foreign Affairs, Defence and Trade, in its report of October 2006 (regarding an earlier military justice reform Bill now enacted), the Director of Military Prosecutions will be able to require that a trial of a class 3 offence is to be by a Military Judge alone, accompanied by a reduction in the maximum available punishment to six months imprisonment. This amendment reflects civilian criminal practice and overseas military systems. Similar to the previous system of a Defence Force magistrate trial, these offences do not warrant a jury trial (with the associated administrative issues, expense and possible delays). This will avoid unnecessary jury trials. This will be of significant benefit to the ADF, given their potential to impact adversely upon ADF operations.

Allowing for the Director of Military Prosecutions to be able to seek a determination from the Defence Force Discipline Appeal Tribunal on a point of law that arose in an Australian Military Court trial, at the conclusion of that trial. This will be for precedent purposes and will allow the law to be applied correctly in future cases.

These recommendations and initiatives, when implemented, aim to streamline and improve the ADF discipline system.

Senator PAYNE (New South Wales) (11.10 am)—The opposition, as we have indicated in the House of Representatives, supports the Defence Legislation Amendment Bill 2008. It is a bill which introduces further reforms to the Australian Defence Force discipline system—in this particular case, largely the summary discipline system. It amends the Defence Act 1903, the Defence Force Discipline Act 1982 (DFDA) and the Defence Force Discipline Appeals Act 1955 (DFDAA) to simplify and redesign summary discipline procedure. It represents one of the most wide-ranging reforms to the ADF summary discipline system since the introduction of the DFDA. It also provides for further changes which build on the very solid reforms of the Howard government in the Defence Legislation Amendment Act 2006. In fact, these amendments were first introduced last year by the coalition government, but the 2007 amendment bill lapsed when parliament was prorogued.

At the outset, can I note the work of the Senate Foreign Affairs, Defence and Trade Committee—which I had the honour to chair for some period—which examined the amendments proposed by this bill when they were first introduced last year. In fact, that committee has been involved in the examination of the military justice system since its 2005 report entitled Report on the effectiveness of Australia’s military justice system. The then government’s response to that report is further reflected in the amendments in this bill.

There is, broadly speaking, bipartisan support and strong cooperation on military justice reforms. The coalition remains committed to ensuring these reforms are adopted and that they operate as intended, consistent with our response in government to the recommendations of the Senate committee’s 2005 report. That Senate committee report included 40 recommendations, to which the then Minister for Defence, Minister Hill, responded in October 2005, agreeing to 30 of those recommendations in part or in principle. I want to acknowledge my colleagues Senator Sandy Macdonald, Senator David Johnston and then, progressively, Senator Russell Trood, who were strong contributors to the military justice inquiry process of the Senate committee and have consistently followed the implementation of the recommendations—indeed, as I have myself.

This bill, which is largely consistent with that which was proposed by the former government, endeavours to ensure an appropri-
ate balance between the maintenance of discipline and the protection of rights of Australian Defence Force members. Its key amendments include enhancing the summary procedures by introducing a number of safeguards, including an automatic right of appeal for summary trials to the new Australian Military Court, yet still enabling commanders to maintain effective discipline while recognising the need for timeliness and fairness to protect the rights of individuals.

The Defence Legislation Amendment Act 2006 established the Australian Military Court to replace a system of effectively ad hoc trials by courts martial and Defence Force magistrates. Prior to that reform, an ADF member had no real mechanism to appeal to a court martial or Defence Force magistrate with regard to a conviction or punishment imposed by a summary authority. So this bill enacts one of the recommendations of the 2005 Senate report by introducing that right of appeal from summary authority to a military judge of the Australian Military Court.

It was contended in the 2005 report that service personnel should have this right for charges that would potentially lead to a criminal record or affect them post military service. Another key amendment is the right to elect a trial by a military judge of the AMC for most disciplinary offences. Again, this amendment stems from the 2005 report and is similar in ways to the Canadian Armed Forces summary discipline system, which the committee examined in its consideration of these matters.

There are further amendments which relate to the simplified rules of evidence which are, indeed, quite significant. The evidence regime which is currently applicable to summary trials is regarded by Defence as overly complex and not easily applicable by persons without formal legal training. The bill intends to make it clear that a summary authority will not be subject to the same formal rules of evidence that apply to the Australian Military Court but must not depart from the fundamental principles underpinning the rules of evidence. This new evidentiary framework is based on the system which has been in use for some time by the Canadian armed forces. I will come back to that point. Further amendments include a form of review for technical errors related to the awarding of punishments and orders, simplification of offences and punishments, and altered jurisdictions of superior summary authorities and discipline officers.

I well recall that when the 2007 bill was examined by the Senate Standing Committee on Foreign Affairs, Defence and Trade, it was welcomed and endorsed by the Army, the Navy and the Royal Australian Air Force as well as by the then Acting Chief of the Defence Force. That is not surprising—they brought the bill forward. Notwithstanding that, the coalition does stress the need to ensure that ADF personnel who find themselves within the system of summary discipline within the ADF are not adversely affected by these reforms. As a Senate committee, we rely extensively on evidence provided to us, not just by the proposers of legislation but also by those with special expertise or an interest in the particular area. In that regard, I particularly want to acknowledge and thank Mr Paul Willee QC, the chairman of the Military Justice System Working Group of the Law Council of Australia, for the evidence that he provided to the committee.

In offering our support for the bill, the coalition calls very strongly on the government to monitor and to review the impact of these reforms to ensure that they are working as envisaged and, indeed, have no unintended consequences on ADF personnel, particularly in relation to the operation of this
interpretation of the application of the rules of evidence. In keeping with our previous examination of such issues, the coalition also believes that a review by the Senate Standing Committee on Foreign Affairs, Defence and Trade should be undertaken to ensure that there are no unintended consequences to these reforms. Effectively, that would be part of the ongoing relationship of the committee with the ADF on these matters of military justice. It may at times be considered to be an onerous relationship, but I think it is a very important relationship—and so does the coalition—for ensuring that the changes which are taking place are implemented effectively and constructively and do not, as I said earlier, have adverse unintended consequences.

Last year the then shadow minister, Alan Griffin, expressed a view that Labor believed there were still a number of reforms to the military justice system which they would be pursuing. We would call on them in that process to continue in the same manner as the coalition did in government and ensure that any changes proposed include extensive consultation amongst stakeholders, particularly within the ADF, as well as extensive scrutiny in the parliament.

The question of consultation is a very important one. I see Senator Bishop in the chamber today. He may well recall that on the occasion of the hearing on this particular bill it became quite evident to the Senate committee that what we would regard as effective consultation between some eminent experts in the field of military law and military justice, including Mr Willee QC and other members of the Law Council also experienced in this area, would go a long way to obviate problems coming within the legislation when it is put before the parliament. It would go a long way to extending concepts of goodwill and constructive engagement as well, and it seems to me and it seems to us—and I think we made that reasonably clear in our report in relation to recommendations on consultation—that it is not an onerous requirement to suggest that in fact consultation takes place before the bill is presented to the parliament. These are very narrow areas of law. They are very narrow areas of military law, and military law itself is narrow enough. There is not a nationwide influx of people keen to make submissions on these matters, as I am sure Senator Bishop will attest, but those who do—those who have the expertise, those who have the interest—are by and large people to whom it is worth listening. It was immensely frustrating on occasions to know that individuals and organisations such as the Law Council who were more than willing to give their time and their expertise to make a constructive contribution came at the end of the process, it seemed to us, not where they may have been more useful in the development stages of the process. I place those remarks on record in relation to consultation to emphasise that. It would certainly make relationships between committees and those proposing legislation even healthier than they are now and it would be a very important step in the process.

As I said in my earlier remarks, the bill also introduces a number of significant enhancements to ensure that the right balance is struck between maintaining effective discipline and protecting the rights of individuals. The coalition, as it did in government, does commend the bill to the Senate. I say in closing that it is worth observing some aspects of that 2007 report of the Senate committee—it is not a large report—and the remarks made by Mr Willee, both in his private capacity and as the chairperson of the Military Justice System Working Group of the Law Council, in relation to the operation of the rules of evidence and why he was so concerned about that in the context of military justice. They are remarks worth noting, and as the evalua-
tion and monitoring of the effect of this bill goes forward I think they could be borne in mind.

Senator MARK BISHOP (Western Australia) (11.21 am)—The Defence Legislation Amendment Bill 2008 forms stage 2 of the very important reform of the military justice system in this country. In fact the bill is in large part, as Senator Payne just outlined, the same as that passed by the House of Representatives before the dissolution of parliament prior to the election last year. Several changes, taking advantage of the extra time, have been made, including some recent initiatives by the newly elected Rudd government.

This reform has taken almost a decade, after at least six reviews, including those by Mr Burchett QC, Justice Abadee and several extensive parliamentary inquiries, to name a few. The seminal work, however, was the report of the Senate Foreign Affairs, Defence and Trade References Committee tabled in this place in May 2005, and I pay tribute to my predecessors and colleagues on that committee. Not only did that report hit the mark but the committee’s interest and commitment was such that it has continued to oversee the implementation of the government recommendations. That is a feather in the cap for that Senate committee and, as current chairman, I say that with some pride.

For those who question the role of parliament in securing real accountability of government and that of the bureaucracy, I can think of no better example to cite. I think that the credit must also go to members of that committee, including former government members who proved to be senators of great integrity throughout those years. The issues were at all times treated objectively, in the public interest and without fear or favour to the government of the day. The fact that the committee continues its oversight of the reform process is testament to that continuing commitment.

This bill is effectively the second and final phase of the reform process. In getting rid of the previous court martial system, these reforms have instituted a new model much closer to that enjoyed by civilian society for so many years. We now have an independent military court with provision for trial by jury, an independent director of military prosecutions and an independent provost marshal. We now have in this bill all the processes that will make those systems work properly. We have a system of review, appeals, election to opt for trial, and all the other protections for ADF personnel which, it must be said, we all take for granted. It must be stressed, however, that, unlike the civil system, there are some compromises in this continuing system. Essentially, those compromises reflect the need for military justice to support the system of military discipline. I believe that, having heard the debate argued strenuously before the committee in recent times, we now have that balance pretty well right. We accept that the dispensation of military justice for minor offences must be swift and efficient to be effective. At the same time, though, justice must still be done.

Perhaps the one issue which exemplifies this issue best is the debate had before the committee on the rules of evidence. It was argued by the Defence representatives that the rules of evidence were complex, convoluted and too difficult for officers in the field to understand. In any case, it was argued, there was an automatic system of review where any shortcomings could be quickly corrected. It is true, of course, that the rules of evidence are indeed complex and convoluted. In some jurisdictions, such as the AAT, they do not apply at all. Nevertheless, there is still a discipline about evidence, whereby its veracity has to be tested. Indeed, that is the hallmark of our entire justice system.
Even in the AAT, I understand, despite the lack of provision, the rules of evidence still operate, although perhaps instinctively, in the overall interests of equity and fairness.

The committee heard in evidence the ADF assertion of the impracticability of applying the full rules of evidence. It also heard from a witness—a member of a law council but who was not representing the views of that council—that such removal of the rules was a complete denial of justice. Indeed, members of the committee in the last parliament were persuaded by his view and, in their report of November last year, the committee recommended that in the rules governing the procedures of the system a note be added recommending that the basic principles be adhered to. As the minister’s second reading speech has indicated, the Rudd government has determined to go one step further. I am, therefore, very pleased to see the amendment made to section 146A(2)(b)(ii), whereby a summary authority:

... must comply with the basic principles of those rules relating to relevance, reliability, weight and probative value ...

I suggest that is an excellent change and a very worthwhile development. It does not require the complexity of the full rules of evidence but sets in place a formal recognition of their relevance. As they are statutory rules, we will still have the normal powers of disallowance if we are not satisfied with the extent to which these principles are respected.

There are too many changes in this bill to do them all justice. The minister’s second reading speech is detailed and the explanatory memorandum is, for once, it must be said, extensive and descriptive. However, I want to identify a few changes that are important. The bill includes a number of other significant enhancements to ensure the right balance between maintaining effective discipline and necessarily protecting the rights of individuals. For example, the bill enables service tribunals to deal with offences in respect of a more contemporary range of illegal narcotics up to the trafficable amount in Australia. This brings military law into line with current public policy, within the context of a no-tolerance regime. The bill also allows the suspension in part or whole of a greater range of punishments under the DFDA. For example, it removes the separate and more severe scale of punishments for Navy, hence bringing consistency with the other two services. It provides that the status of a summary conviction is expressed to be for only service purposes so that members of the ADF are not unduly affected by disciplinary infringements long after they leave their service. It provides for a new time limit of as soon as practicable within three months from the time the member is charged to the date of trial by summary authority. This has been added to ensure the timely handling of summary trials. This goes back to the issues of effectiveness and efficiency.

I also want to mention in a bit of detail the amendment made in the House yesterday with respect to the handling of multiple offences where those offences vary across the spectrum of severity or where there is more than one accused for the same offence or a range of offences. I suppose this provision, quite remarkably, must be seen to be a bit of an oversight, but, to be fair, operational experience recently has quietly and quickly identified inefficiencies. No doubt in time there will be more as the system beds down.

The amendments will correct an anomaly in respect of the constitution of the Australian Military Court, the AMC, for the trial of certain classes of offences. They will provide for the AMC to be constituted, where there is a combination of different classes of offences appearing on a charge sheet, according to the more serious class of offence. The amend-
ments will also provide for the situation where there is more than one of the same class of offence on a charge sheet. How a co-accused’s election options are treated where they—that is, the co-accused—appear on the same charge sheet is also provided for.

The amendments will also amend a provision relating to the powers of the Director of Military Prosecutions, DMP, in respect of his or her decision to require a trial by military judge alone for a class 3 offence. They will ensure that the DMP may exercise some, all or any of his or her powers under section 103A to reflect the proposed election regime. The amendments will also make it clear that the summary authority which deals with a charge following an accused person’s decision under these provisions will not be obliged to try the charge. The existing provisions in the DFDA will apply to the relevant summary authority in respect of what must be done with the charge. Given that these amendments are new and have not been addressed in debate so far, I think it is important that that explanation be on the record. They are practical changes which provide efficiency but are also in the interests of the accused. Instead of having numerous trials by different authorities, including those by a single judge, they can have all charges considered together without impacting upon their rights.

There are two other elements from the 2005 report which have been overlooked these days as we concentrate on a new system of justice in an institutional sense. Indeed, most of the discussion that has occurred over the last 12 or 18 months has reflected changes to the various institutions or the creation of new institutions to give effect to changes sought by government. But they are reform of the system of grievance management whereby grievances are submitted and dealt with and reform of the military police.

With respect to grievance handling, the biggest single issue was that they were simply not dealt with under the old regime. The committee received numerous complaints about dismissive behaviour, poor investigation, bias, compromise and overall mismanagement. The system was simply not working. Appeals were from Caesar unto Caesar and grievances more often than not were ignored or, in a range of instances, resulted in persecution. Records were improperly amended or simply went missing. These were the common refrains time and time again. The committee records are full of these exact submissions.

It seems to me now, however, that this has been by and large resolved; it has been fixed. If it has not, then maybe the committee simply has not heard in more recent times. No doubt there is a legacy of unhappy cases, many perhaps unresolved, but for the present I do not see any evidence of great ongoing concern. Let us hope I am right and, if I am, we should be well pleased with those manifest improvements to the system of grievance management in more recent years.

The second matter concerning the capacity of the military police is not so well known. We know there is a new and independent provost marshal, and we know there is a new, single structure combining the former service police. At least that is one good example of the insular views of each of the services being broken down for the common good. Perhaps we might see the same model spread to mental health care and many other insular functions with greater common potential for improvement to serving personnel.

The bungled Kovco investigation is a classic of how much the military police forces had been allowed to decline in more recent years. You just have to read the transcript from the board of inquiry and read it again in the reporting of the current coronial
inquiry in New South Wales on the same matter. It is an essay in incompetence, with no support from the chain of command whatsoever, with the inevitable result. We certainly hope that, with the introduction of the new training regime for military police, all of that is history. We trust resources are being provided, particularly, as I say, for the training. Perhaps this is one aspect the committee might like reported on when it does its public hearings into the third and fourth reports provided by the Department of Defence.

We can only hope that the debate on the relative merits of the service police versus the civilian police forces with respect to investigative skill and independence was not in vain. That is going to be the real test for the Provost Marshal, simply because the next time the civilian police are called in to investigate a matter where the military failed it will be proof that nothing has changed. With those comments, I commend the bill to the chamber.

**Senator Faulkner** (New South Wales—Special Minister of State and Cabinet Secretary) (11.35 am)—I would like to thank speakers for their contribution to the debate on the Defence Legislation Amendment Bill 2008, a subject that I know has become something of a long-running saga in this place. Indeed, I want specifically to thank members of the Senate Standing Committee on Foreign Affairs, Defence and Trade, who have been very, very persistent in getting this reform underway. It speaks volumes for the committee, because it has been a long and drawn-out process. But not only that, I think it is fair to say that this committee has continued to demand accountability from the government of the day and be a serious watchdog in the public interest. I would also like to thank the committee for its objectivity in pursuing what is good public policy over the crude political pressure which so often defeats good reform like this.

Senator Payne, in her speech in the second reading debate, urged an early review of the reforms. I am advised that this is already underway, with Mr Justice Street having been engaged from June to December this year to undertake that role. I also accept that continuing review and oversight by the foreign affairs and defence committee would be sensible and I am quite sure that under Senator Bishop, as the new chair of that committee, it will give consideration to an appropriate role for the committee in that regard. Another issue that Senator Payne raised, in relation to consultation, is also a critically important one. I believe that consultation is one of those things that can probably always be done better. I take the point that is made about the Law Council’s views and I particularly note the controversy on rules of evidence. Again, I think points about consultation are well made.

I could say, and I think all senators in the chamber would agree, that at last we do have long overdue reform after as many as six independent reviews. We hope that the continuing public controversy over the years, which has seriously tarnished the reputation of our military, might now become a thing of the past. I would like to congratulate the Chief of the Defence Force, who has made this reform a personal goal. I think that should be said in this chamber as we finalise this legislation. That leadership has been absolutely critical and fundamental, and we sincerely hope that the current commitment to change continues both in behaviour and in attitude.

I thank those senators who have contributed to the debate on this bill. I thank all of those senators who have been intimately involved in the work of the foreign affairs and defence standing committee. 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.

GOVERNOR-GENERAL’S SPEECH

Address-in-Reply

Debate resumed.

Senator JOYCE (Queensland) (11.41 am)—I rise today to give my address-in-reply to the speech by Governor-General Michael Jeffery AC, CVO, MC and to bring up a couple of issues that I think we can go further with. I think health issues in Australia, especially in regional areas, can be addressed in a more dynamic manner than how we are currently dealing with them. We still have cases in Australia where towns such as Cunnamulla, Thargaminda and even Pittsworth, near Toowoomba, are without a doctor. It is not a case of having the right standard of medical care; there is no doctor in the town. We should have the capacity to be more dynamic in our thinking about how we can fill these gaps. We have obviously had some major problems in Queensland with the Dr Patel issue. This is a case of not doing our homework prior to Dr Patel turning up and it is also a cover-up by the people who vouched for his credentials. Those credentials were not apparent. In fact, he had an extremely chequered history.

Be that as it may, we should make sure that those problems are dealt with—and I implore the state Labor government in Queensland to be more effective in its role of government and to cover those issues. However, we must not close our eyes to the fact that a lot of our problems, especially in regional areas, can be fixed with doctors from overseas. We should be more streamlined and more proactive in how we source these doctors.

I have been lucky enough to have delegations come to me from Brazil, where there are approximately 350,000 doctors—they say an oversupply. A lot of them are from extremely competent universities recognised internationally, recognised by the Royal College of Physicians, and they would quite happily take the opportunity to move to Australia but, unfortunately, this process is stymied. We must have the capacity to attract workers from countries such as Brazil—there is a good experience with Brazilian workers coming in on 457 visas, especially for such things as meatworks; they fit into the community and work well and everybody is happy—and to use those countries as a source of other professions, especially doctors and dentists. There should be a proactive move to encourage those who wish to move to Australia, to fix our problems when they have an abundance and we are lacking. If they are willing to come and to try to effect that process then this is something that could become a constructive policy of a government. It could bring a result in areas where currently communities, especially some of the Indigenous communities in the west of my state and also communities in general, are lacking dentists and doctors.

If we cannot fill positions with doctors, if we have an inability or if people are unwilling, we are going to have to look at the role extension of nurses. There will have to be a recognition that it is no good to say, ‘A nurse is not as good as a doctor,’ if you cannot get a doctor to turn up at all. This area of policy has to be addressed by the government in the coming term. They cannot just discuss the problem; they must come up with concrete solutions and I have laid one on the table.

With respect to the Governor-General’s reference to economics, I have serious concerns about the capacity of the current government to ardently deal with the issue of a US recession. I have been scrolling through
the results produced by a search engine to find any statements by the current Treasurer as to how he intends to deal with the fact that the US, from Mr Greenspan on, has fore- shadowed a recession and is now moving into a recession. We in Australia, whether or not we like it, cannot believe in the myth of decoupling. We will be, unfortunately, part of that process.

It is a cyclical thing and the previous government, especially with Peter Costello, did an exceptional job of riding the wave of prosperity in its best possible form to leave our nation in the strongest possible position. To suggest otherwise is a myth. But now the world is turning and we will need the current Treasurer to be competent in his management of what will be a precarious position. It is no good for him to continually point his finger over his shoulder and say, ‘This is nothing to do with me.’ He is now the Treasurer; therefore he has to deal with it.

One of the most dire things that we are looking at at the moment is that oil has now gone through the $110 a barrel mark with an exchange rate of 90c. If we have a recession and a loss of desire by the Americans to purchase Chinese products and therefore a loss of the Chinese desire, to the extent that it is currently there, to consume Australian re- sources and we have the devaluation of the Australian dollar, we are going to have an absolute economic catastrophe in the suburbs of our major capitals. The price of fuel will go through the roof. Rather than being a Jo- nah or a harbinger of dire times I have spoken about this a number of times. We have to come up with an alternative policy to deal with the issues that have come about because of our total reliance on an oil based fuel for the internal combustion engine.

Families will not be able to afford fuel at $3 a litre and that is where it will be heading. It will not be possible to get a 60-litre tank filled for $180 and just take it out of the budget every week. That effect will go right to the sense, style and quality of life of so many working families, especially in our suburbs. It will make the economics of transport and the economics of people in regional areas immensely difficult. This cost overlay will filter into every section of our economy. On this issue, which is coming to our horizon, we have not seen one policy by the Treasurer or the current government as to how they are going to manage it. How high do we need the price of fuel to go before it becomes a requirement of the government to start dealing with the issue? It is the No. 1 consumer item of concern today. The Australian people rightly have an inherent fear of how they are going to manage this increase in fuel prices.

I do not know whether it is a panacea but we have always put on the table biofuel, not because of any particular reason but at least as a move towards a solution. I do not for one moment say it is a solution to every- thing, but at least it is a step in a suite of pos- sibilities that we need to take on board if we are going to maintain the quality of life as expected now by people who see a motor vehicle as part of the expression of their eco- nomic freedom.

Climate change is another issue. I refer also to one of the issues that Senator Heffer- nan brought up. We have to be more proac- tive in how we develop new areas of this nation to produce food for the nation if you truly believe climate change is what is occur- ring. You cannot have it both ways. You cannot say: ‘You’re a sceptic; you don’t believe in climate change. However, we’re not going to propose any concrete and definitive plan for how to deal with it, especially in how we feed ourselves.’ If climate change is happen- ing—and I believe that climate changes all the time; it is obviously changing—then where is our plan for the development of the
north? Why does this get compartmentalised as an issue that is not of concern? We cannot go on with a total reliance on the Murray-Darling Basin scheme if the capacity for it to produce food is diminished. We must find the next step. It must be in the development of the north and it is going to require changes to federal policy and to state government policy, especially tree-clearing guidelines, wild rivers legislation and these things that really we have to have another look at if we are serious about this problem.

A final issue that I want to briefly touch on is the concern I have when people start talking about reforming the federation. For me, reforming the federation is a key to centralisation. I have a concern that what we are seeing now with the current government is that it will be operated out of one office and that is Mr Rudd’s. It will be a government which will be completely centralist and socialist in its application of how it deals with the Australian people. It will be a government that does not espouse any adherence to the belief, to the idea, that people in certain parts of the nation have a different outlook on life. We are starting to see it already. There is a move towards the centralising of the bureaucracy, the centralising of control. It is manifestly growing and it will grow in the same form as the way Mr Rudd operated when he was in Queensland. It is about to be levelled at us here.

That is especially pertinent in this chamber because as senators it is incumbent upon us to make sure that we keep the aspect of decentralisation—that protection of a second chamber and that protection of the review and amendment of decisions. We need to make sure that the parliamentary process, which is always the best mechanism of democracy and freedom for a nation, remains sacrosanct. I implore all senators to remember that when they came to this chamber they swore an oath of office that they would uphold the Constitution. To my Labor colleagues I say that that will mean that at times you have to have the capacity and the desire to challenge even your own government.

**Senator BIRMINGHAM** (South Australia) (11.52 am)—It is my pleasure to rise to speak on the address-in-reply to the Governor-General and to do so at this first occasion for many years on which we have seen a change in government in Australia. With that I think it is important to look at the type of country the new government has inherited, the type of country the previous government left and indeed the changes that the previous government made over that time as well as the challenges that we face into the future. I believe quite strongly that the previous government, led by John Howard and Peter Costello for the last 11½ years, left a much better country than the one which it inherited back in 1996. It left a country where people enjoy the aspirations of life and confidence in the future and where, I believe, young people look forward to having jobs and opportunity both here in Australia and around the world in a far more outward-looking sense than was the case in 1996 when the Howard government came to office fresh on the back of economic recession and troubled times.

One need only look at the statistics and influences over that time to see the strength of the Australian nation that the new government has been fortunate enough to inherit. We can look at the economic growth of the nation over the last 11½ years, averaging some 3.6 per cent per annum. There was extremely strong growth throughout that period of time—extremely strong growth for an already developed country—averaging some one per cent above the OECD average during that period. It is a record of which the former government should be proud. Economic growth in and of itself is not the end you desire; what it drives though are factors such as
employment. We see the government enjoying the fact that when it came to office there were 10½ million Australians enjoying jobs and the opportunities of employment in Australia. There was growth of some 2.2 million jobs over the preceding 11½ years, which is an outstanding record, ensuring that Australians of all ages and backgrounds have the opportunity of those jobs, some 60 per cent of which were full-time employment opportunities.

Commensurate with the growth in employment comes the fall in unemployment. The government is indeed very fortunate to have inherited an unemployment rate of some 4½ per cent. That is nearly half of the rate that the Labor Party left the previous government in 1996. We saw a near halving of unemployment during those 11½ years. Nothing is more important to Australians and Australian working families, as the government is fond of recalling, than the opportunity to have a job and an income to put food on the table. We have, of course, declining unemployment. This is not declining for the wrong reasons; it is declining for the right reasons, because the labour market during this time was also growing. In November last year the participation rate stood at 65.3 per cent. It was nearly two per cent up over the life of the previous government and at a near record high for the participation rate in Australia. So we have more Australians in the labour market and more of those people in the market in jobs than ever before.

With a very strong track record of strong real wages growth, people are also earning more money than ever before. There was a 2½ per cent growth in real wages over the 11½ years of the Howard-Costello government compared with a 1.8 per cent reduction in real wages under the previous Hawke-Keating government. On top of all this economic growth, jobs and opportunity, the government has been fortunate to inherit a debt-free government. The Howard-Costello years saw the elimination of some $96 billion in government debt, saving on average $8.6 billion in interest payments, and investment in the Future Fund and the Communications Fund, which the new government has already set about raiding and destroying. Investments from those savings in debt repayments and interest repayments were made in hospitals and schools, with more than $20 billion extra going to our hospitals and schools in real terms than at the election of the Howard-Costello government. We saw very strong tax cuts—the reductions in rates, reductions in thresholds and reductions in company tax, as well as income tax cuts. The largest ever were delivered in 2000 and there were further cuts in 2003, 2004, 2005, 2006 and 2007; and, of course, cuts are forecast again for 2008. There is the promise of more tax cuts to come, built on the strong fiscal budget management of the previous government.

These are a great set of circumstances for any new incoming government. We have long called Australia the lucky country; well, the Rudd government are far and away the lucky government, because they have inherited a growing economy, Australians in jobs and a debt-free government. They have inherited a wealth of opportunity to be able to build an even better country off the back of the work done in the Howard-Costello years. Economic management always has its challenges. Peter Costello as Treasurer used to speak of us having good problems and bad problems. Paul Keating had a lot of bad problems to deal with. His bad problems were high unemployment, low economic growth, a recession and staggeringly high interest rates. Those are bad problems. This government has been left with good problems, the good problems caused by a strongly growing economy. Yes, that means there are some capacity constraints in the
economy. Yes, it means there are some mild inflationary pressures. But remember that those inflationary pressures are nothing compared with those of the past. Again, the Howard-Costello years saw inflation averaging just 2½ per cent, well less than the 5.6 per cent it had averaged under the Hawke-Keating years. Interest rates, similarly, were 7.26 per cent on average, compared with 12.75 per cent previously. These are good problems to have when the sole economic challenge you have is the fact that the economy is running so strongly that you need to slightly manage issues of inflation.

So it is with this great set of circumstances that the very lucky Rudd government has its work cut out for it in living up to and improving upon the economic conditions that Australians enjoyed and that were left to it. They need to improve on those to demonstrate to Australians that they are worthy of sitting on the government benches. They need to continue to grow jobs, push down unemployment and ensure that Australians enjoy the types of economic growth and opportunities that they have come to expect. But the government has many other challenges as well to live up to the many, many promises that it made during the election campaign to ensure that it won the treasury bench. There were many promises about making working families better off. Senator Joyce was just speaking about the pressures on families from higher petrol prices. Mr Rudd lulled Australians into believing that petrol prices—

Senator Patterson interjecting—

Senator BIRMINGHAM—Senator Patterson is right. Fixing petrol prices is an enormous problem. But Mr Rudd lulled Australians into believing that they would be better off on petrol prices and grocery prices under him than they would have been under a Liberal-National Party government. We wait to see the dividend of that. Australians, in particular, await the dividend of lower petrol prices and lower grocery prices. They await the substantial and sustained increase in the quantity of our investment in education that Mr Rudd promised. We will be looking for a substantial and sustained increase from this government in terms of education spending. That is what was promised. That is what we will expect to see. We await the elimination of duplication and overlap within the nation’s health system because again, that is what was promised. That is what we expect to hold this government to account for. Of course, we look to see budget surpluses. If Mr Rudd and his team are so committed to budget surpluses and to fiscal restraint, not only do we await them delivering budget surpluses off the revenue that the Howard-Costello government left them but we particularly look forward to them seeing that their Labor colleagues in state and territory governments deliver some budget surpluses as well and bring their spiralling debt under control.

I look forward to seeing the end of blatant political advertising, wherever it occurs. I look forward to driving down the road in Adelaide and not hearing Premier Mike Rann on the radio in taxpayer funded commercials that he reads himself. I look forward to putting the television on and not seeing Premier Mike Rann appearing in taxpayer funded commercials. For all that you might have attacked government funded advertising in the past, I do not recall hearing John Howard on the radio or on television.

Senator Patterson—Or in a helicopter.

Senator BIRMINGHAM—Or in a helicopter like Steve Bracks, flying over Melbourne. These Labor governments have taken taxpayer funded advertising to new heights of political opportunism. I look forward to seeing Mr Rudd bring an end to that.
He needs to hurry up, because it was only a few weeks ago that I heard Mr Rann on radio yet again. Perhaps next time Mr Rudd is sitting down with the Labor Party’s national president, he could suggest that he follow the lead he is trying to set on blatant political advertising. Of course, we also look forward to fixing issues like broadband and communications—issues that the government again made great noise about.

In particular, as a South Australian, I look forward to the government successfully tackling the challenges we face on water management, issues which Senators Joyce and Heffernan before me have both spoken of. As a South Australian, I am well aware of the challenges faced by the Murray-Darling Basin system. 2007 was the driest ever year for inflows into the system. Prior to that, 2006 was the driest ever year for inflows into the system. It is pretty clear that that track record of driest ever inflows into the system is creating a very dire situation. It is causing pain for a lot of communities around the Murray-Darling system. Irrigators, as we are well aware, are suffering the pain of lost income, lost livelihood and diminishing property values. These are people whose family properties are often under threat now and whose future looks very grim indeed.

I spent some time recently with houseboat and tourism operators along the river system. They are, perhaps, the forgotten victims of the system and are people who are really caught on a double-edged sword on this issue. In most parts, the river, from a tourism perspective, is still quite accessible. Houseboats can still sail. Indeed, in some ways, the drop in river levels and the drought have created a unique opportunity. There are now sandy banks along the edges of the river. For the uneducated in terms of the river management, it looks quite attractive in places. There are things there that you would never have expected to see before. But the constant negative press about the river—necessary, perhaps, to get the attention required to see long-term solutions—has the ill effect of driving tourists away in droves. Our tourism operators are suffering, as they wish to see those long-term solutions but also wish to encourage tourists to continue to travel to and enjoy the river.

The cities of Adelaide, Whyalla, Port Augusta, Port Pirie, Broken Hill and many other towns in my home state are suffering and stressed over the availability of urban water supplies going into the future. State governments have for too long failed to secure alternative means of obtaining those water supplies. We are now seeing the stresses that this places on those communities. Then there is the environment. The environment is particularly stressed in this situation. The river Murray mouth, which has been dredged for many years now to keep it open, is truly suffering as a result of this prolonged drought. The Coorong, a Ramsar listed site of particular environmental importance, is struggling from the lack of freshwater inflows and is at serious risk. Many other lakes and reserves, such as Lake Alexandrina, are equally suffering under the driest ever conditions in the Murray-Darling Basin. This is the gravest of situations. While we have seen some drought-breaking rains in the north-east of Australia that are extremely welcome, they are doing little for additional flows into the Murray. This grave situation is going to continue.

Labor came to office with some big promises on water, especially on the future of the river Murray. They promised the restoration of some 500 billion litres of water flows as a matter of urgency, and 1,500 billion litres of environmental flows over the next decade. They also promised to bring forward some of the expenditure on the National Plan for Water Security that John Howard announced.
just prior to Australia Day last year. This was greeted with much fanfare at the time and there was also much criticism from the then Labor opposition of the slow pace of expenditure on the National Plan for Water Security. They promised to bring forward $100 million of expenditure into this year, the 2007-08 financial year. This was an election commitment to encourage Australians to believe that Labor were serious about addressing water.

What did we discover during Senate estimates in talking with the water minister? Not that $100 million was going to be brought forward. Apparently, that was unachievable. The minister had not thought to see whether that was achievable at the time of making the promise. Only $15 million will be brought forward into this financial year—only $15 million out of $100 million. But, as they say in those classic commercials, wait, there is more, because, while $15 million is being brought forward, $50 million worth of programs under the National Plan for Water Security have fallen to the government’s razor gang. So the government promised to bring $100 million forward, is only bringing $15 million forward and has actually cut $50 million out. If my maths is correct, that is a $35 million cut in expenditure in the National Plan for Water Security in this financial year. This is the government’s first great delivery on the Murray-Darling Basin and on trying to ensure the water security for all of Australia. South Australians, sitting at the end of the system, have every right to be extremely disappointed that the government cannot live up to that promise and that the Minister for Climate Change and Water, a South Australian senator, cannot deliver for her home state on this first basic promise that Labor made to support the environment and particularly water.

We have negotiations for agreement on the National Plan for Water Security going along at a snail’s pace. We have the Prime Minister dodging any responsibility for it. He refused to place water on the COAG agenda for the first meeting of Labor premiers and leaders after the election in December. After refusing to place it on the agenda, he gave the then acting South Australian Premier, Kevin Foley, the assurance that he was committed to taking Premier Rann and Premier Brumby aside and dealing with the impasse in the new year as soon as he was able to. We are a long way into the new year and Prime Minister Rudd has not met with Premier Rann and Premier Brumby. He has not taken them aside, as he promised, to deal with this. Indeed, what he said on his last visit to Adelaide was: ‘Discussions with Victoria will be conducted at her—Senator Wong’s—level and in due course at my level once we have narrowed the gap in terms of the negotiating position.’ Talk about buck passing. He has handballed it off to Senator Wong and only wants to step in and take the credit when it has all been negotiated. We will be looking to hold the government to account on its many promises. But I in particular will be looking to hold it to account on the delivery of more water flows for the river Murray and water security for all South Australians, particularly those in Adelaide.

Senator HUMPHRIES (Australian Capital Territory) (12.12 pm)—The debate on the Governor-General’s speech has centred, quite appropriately, on measures that the new government is taking to manage the economy. It has also touched on the question of how it intends to fight inflation. Putting to one side the scepticism which many in this chamber and elsewhere would no doubt feel about the Labor Party’s ability to follow through on a policy such as this, it is important for us to focus on one omission from those plans that were outlined to this chamber. What we did not hear about was the government’s two per cent increase in the effi-
ciency dividend. When we consider the way in which that efficiency dividend is impacting on programs all over Australia and all across the spending programs of the Commonwealth government, it is not surprising to find a lack of transparency evident about that particular issue.

The two per cent efficiency dividend is applied to almost all Commonwealth government departments. It will strip away Public Service jobs, gut public programs and research at our valuable national institutions and bin dozens of major projects already approved and funded—I emphasise that they are already funded—by the former coalition government. What the government’s program did not tell us about was how the government’s ‘slash first and ask questions later’ approach would damage communities around Australia, and nowhere more so, may I say, than here in the Australian Capital Territory. They were light on detail, I suspect, because they were unclear themselves as to how these initiatives would impact on individual programs and services delivered to the Australian people.

We saw some evidence of that in the fiasco last week and earlier this week surrounding the mooted cancellation of carer payments and seniors bonuses, one way of saving money which turned out to be a bit of a disaster. So back to the drawing board they go. Let us see what else they can find to meet these very impressive savings targets and think subsequently about how they will impact on the Australian people.

I want to put on the record some of the effects of the government’s scorched earth approach to savings. Let us start with Australia’s national institutions—the great collecting and research facilities which protect, preserve and promote Australian culture and history. The work of these institutions is absolutely invaluable, for without them we would have no collective record of our past achievements, no way of furthering our understanding of Australia’s past and present, and no way of encouraging culture, arts and learning in the future. Despite this, it was revealed in recent budget estimates hearings that every major institution in Australia will see its budget cut back by this government’s razor gang—no regard for their capacity to sustain such cuts and no allowance made for their needs to see through the important programs that each operates.

The National Gallery of Australia, which is responsible for preserving and promoting the largest art collection in Australia, not to mention the largest and most comprehensive collection of Aboriginal art anywhere in the world, will see over $2.8 million hacked from its budget over the next four years. The National Library of Australia, that great treasure trove of Australian literature, research and knowledge, will suffer a cut of over $3.8 million. The National Museum of Australia, the brainchild of Paul Keating and something of a cause celebre for Labor over the past 15 years, will see its budget slashed by over $2.6 million. Isn’t it funny? They talked at length about how we needed a national museum but failed to deliver it when in government. It was the coalition government that delivered the National Museum, yet when the Labor Party returned to office one of their first acts is to cut its budget—disgraceful.

Despite what the government seems to think, these institutions already run a very tight ship in terms of their funding. None would say, privately or publicly, that they have money sloshing around, unused, in their budgets. I doubt that there would be a single inch of ‘bureaucratic fat’ to be found among them. This means that the government’s budget cuts will actually be carving into the flesh and blood of these institutions—their public programs, research and collecting ca-
pabilities, and their touring programs. Never mind that cutting these programs and capabilities will affect Australia’s cultural life well into the future. Never mind that this decision will probably cost the government more in the long run when eventually it realises that these institutions are worthy of support and has to spend a fortune bringing them back up to scratch. Apparently making a big show of fiscal restraint is far more important than the long-term wellbeing of Australia’s cultural institutions.

It would be bad enough if these were the only damaging cuts the government planned to make, but they have not stopped there. Let us look also at what is in store for the Australian National Botanic Gardens—our living, breathing museum of Australian flora. As any member who has visited this oasis of green in the middle of Canberra would know, the gardens are home to hundreds of plant species which do not exist outside of Australia, as well as some which do not now exist anywhere outside of the gardens themselves. This facility is one of the key resources used to further our understanding of how climate change will affect Australia’s native plant species, as well as ensuring that threatened and protected species are preserved for the future.

During the election campaign last year, Labor lambasted the former Howard government for supposedly neglecting the gardens. Apparently we had not done enough to preserve their future. Indeed, Labor promised an additional $1.5 million to install urgently needed new pumping and recycling systems to secure its water supply—a very important asset for any gardens, I would have thought.

The reality is that we had not neglected the gardens. We increased their budget year in, year out. The nature of the problem facing the gardens was rising water costs and other expenses, some of them imposed by the ACT government. The gardens saw their utilities bill rise to over $600,000 per year. Nonetheless, it was our responsibility that the gardens were in trouble and we had to fix it. Labor promised $1½ million.

Next we see the phenomenon which Senator Birmingham has already described with respect to, ironically, the national water plan. As was revealed in February’s budget estimates, there was to be a savings measure imposed on the gardens—$2.6 million imposed on the national parks agency, which is responsible for the gardens, and an indeterminate amount to be sustained by the gardens themselves over the next four years—to satisfy the government’s increased efficiency dividend, which, incidentally, they severely criticised at 1¼ per cent in the hands of the Howard government but which now becomes acceptable at 3¼ per cent under the Rudd government. So $1½ million was promised but $2.6 million is taken out the back door. Worse, the $1½ million which we were expecting to be delivered almost immediately we have now been told will not be delivered until at least next year. This is, frankly, despicable.

During the election Labor would have had us believe that the gardens were under imminent threat of extinction without new water infrastructure. Now it seems that not only can the gardens wait indefinitely for that new infrastructure to be delivered but they can also wear big budget cuts when it suits the government’s agenda. In executing this sleight of hand, the Labor Party also went out to a large proportion of the Canberra community, which is very concerned about institutions like the gardens, and no doubt reaped the votes of the people who believed that the representative was going to secure the garden’s future but, instead, has delivered a net reduction in funding to the gardens. I wonder what those people think about that today.
The efficiency dividend is one type of cut this government will be making. In their so-called ‘war on inflation’, they have also deemed it necessary to slash over $643 million in spending for projects already approved and funded by the former coalition government using its budget surplus. We are not talking about election promises here; we are talking about funding which was allocated in the 2007-08 budget or earlier budgets that provide a range of important infrastructure, community and welfare programs, which the community deserves and I think supports.

The prime example of this is some $70 million allocated in May last year for the next stage of capital works to complete Walter Burley Griffin’s vision for our national capital. This money was handed to the National Capital Authority for major works on the Russell roundabout joining Kings Avenue and Parkes Way—a road most members of this house would be familiar with as it ferries them directly to the Canberra airport. This money was also intended to complete major works on Constitution Avenue, in keeping with Griffin’s plan to make it the third arm of the Parliamentary Triangle. Griffin envisioned Constitution Avenue as a wide, European style boulevard where people would live, work and meet and which would finally link the Parliamentary Zone to Canberra’s civic heart. But this will not happen now for at least some time because on 8 February the Minister for Finance and Deregulation, Lindsay Tanner, announced that $46,500,000 would be slashed from the Griffin Legacy works. Just enough funding will be left to complete the works on the Russell roundabout, no doubt making Mr Tanner’s trip to and from the Canberra airport quicker and more comfortable. But the plans for Constitution Avenue’s grand development will be shelved completely.

If Labor had opposed those plans and thought they were a bad idea or a waste of money, I could understand these cuts. But, of course, they did not. They supported the plans when they were announced. Now, apparently, they are dispensable. This is one case where the razor gang has not just pruned back spending a bit; it has cut this project right off at the root and ensured that it will not come to fruition at any time in the foreseeable future.

In a sense, the government has also scattered lime on the remains of the Constitution Avenue project by significantly reducing funding for the agency which was supposed to carry it out—the National Capital Authority. I do not want to bore the house with item after item from the government’s hit list, but the NCA really has been cut off at the knees by this government. Almost immediately upon taking office, the government announced that the NCA would have to shed 33 of its staff and $1.6 million from its budget in this financial year alone. You might think, ‘This is just another government agency; what does it matter if it has to shed a few staff and cut a few dollars?’ Anybody who lives in or visits this city and walks around the Parliamentary Triangle sees the product of the work of the National Capital Authority. That is what is at risk today by virtue of this cut of a third of the entire agency’s staff. It is impossible for cuts of that kind to be sustained without ordinary Australians seeing the legacy of that in the nature, shape and future planning of the Parliamentary Triangle. I dread to think what that will mean for the shape and appearance of our national capital into the future. The ACT Labor government and their federal Labor colleagues have long had a very serious antipathy for the National Capital Authority and this has no doubt precipitated the decision to cut back its budget. But the long-term sustainability of such cuts needs to be understood.
Nor should the cuts already made at the Department of Foreign Affairs and Trade, the Australian Bureau of Statistics and Centrelink in Canberra go unremarked, or those at any other agency which is getting the chop in the May budget. It has been indicated to me that some of those opposite think it is a bit hypocritical for my party to criticise Public Service cuts given the cutting that was engaged in after the coalition took office in 1996. But those who try to make that argument tend to overlook the fact that there was a very different environment in 1996 to the one that operates today. In 1996 we faced almost $100 billion in national debt, a budget that was $10 billion in deficit and an economy staggering from a recent major recession. We had to find savings in the budget simply to put ourselves back into economic control. After 12 years in government, we have left Labor with exactly the reverse situation. They have inherited a multibillion dollar budget surplus and an economy which has been stimulated by more than a decade of strong economic management. There is just no need for this government to make cuts on the scale being talked about in the media and foreshadowed for the May budget.

I suspect that the government are attempting to show what a strong, fiscally conservative government they are and that the things they will spend money on into the future will be their own work and not the legacy of the former government. A bit of insulation from the budget surpluses of the Howard government is what they are after. It is very clever politics, but it is not clever policy. It is not clever to cut back spending on our national institutions at a time when we have budget surpluses just begging to be reinvested in ways that will benefit the nation. It is not clever to slash Public Service jobs when, according to this government, they have a range of new reforms they want to carry out which will need an experienced, well-resourced Public Service. Cutting of the kind they are talking about now will be counter-productive in that regard. It is certainly not clever to curtail the long-term planning and development of our unique national capital, which just about every previous Australian government has seen fit to invest in, all for the sake of short-term political gain on the part of this government.

This is a government which, despite the legacy it has received from its predecessor, feels the need to slash and burn its way through the federal budget. Balancing budgets is a perfectly honourable thing to do and a perfectly acceptable exercise to engage in, but to do so in a way which damages the fabric of the Australian Public Service and the great national institutions, most of which reside here in the national capital, is a serious mistake. It is particularly dangerous to do so in a way which is indiscriminate. I recall very well the words used by the Labor opposition to describe the 1¼ per cent efficiency dividend that was used by the Howard government. It said the dividend was indiscriminate, unfocused and took out good programs and bad. Now we discover that apparently our mistake was not in having an efficiency dividend but in not having one that was large enough.

I would remind those opposite when they talk about how fiscally conservative they now are that every time we announced a new spending program, every time we put money into new areas in health, education, national institutions, bonuses for seniors or carers et cetera, they welcomed that spending. They said it was a good thing. Often they said it came too late or, in fact, it was not enough. That was the general criticism that was made. But we are now told, almost in the same breath, that we were spending too much. Well, that is an issue and a challenge for the government to face. It can face it any way it wants. But I say to the government: if
you want to make cuts which impact on the fabric of the Australian Public Service and the integrity of Australia’s national institutions, you will have this senator to deal with and this issue will not be let rest until those cuts and that damage are made good.

Senator EGGLESTON (Western Australia) (12.30 pm)—I, too, would like to contribute to the address-in-reply to the Governor-General’s policy speech. Today there is a great deal of interest in matters to do with Indigenous affairs, especially since the apology to our Indigenous people was made by this parliament last month. As I said in my speech to the Senate on the apology, it is a disgrace that in modern Australia there is a segment of our population whose living standards and circumstances are below what we would regard as acceptable for Australians at large. As I also said at the time, I believe we in the federal parliament should pledge ourselves to overcoming those pockets of Indigenous disadvantage and poverty which exist in our society and to ensuring that our Indigenous citizens are able to enjoy the benefits which living in modern Australia should bring them.

While the apology was an important symbolic gesture, I am concerned that the impression has been created to some degree that the previous government, under the coalition, was less concerned than it might have been about dealing with Aboriginal disadvantage and responding to the needs of our Indigenous people. The facts of the matter show how wrong such an impression is. Today I would like to remind the Senate of some of the important and very practical measures which were provided for the benefit of our Indigenous citizens in the last budget of the Howard government, for 2007-08. It is quite apparent that, far from being indifferent to the needs of our Indigenous people, the Howard government showed a great deal of concern about the general conditions of Indigenous people and a strong commitment to overcoming inequity and ensuring social justice for the Aboriginal people of Australia, who represent about 2.4 per cent of our population.

It is important to understand, in considering issues to do with Indigenous people, that around 70 per cent of our Indigenous people are urbanised and live in large cities such as Perth, Sydney and Brisbane and in the country towns and regional centres of our states. In most cases they are living as ordinary families in the community, doing the things that ordinary families do and accessing the services provided to all members of our society, including health, education, housing and social security. Less than 30 per cent of Indigenous Australians live in the so-called outback—in the Northern Territory, the Central and Western deserts of the Northern Territory and Western Australia, the Kimberley or the north-west of Queensland. That is quite a small percentage of the total Aboriginal population. But while that percentage is small, the problems that Aborigines living in remote areas face are, I do accept, generally more serious. That is why the Howard government initiated the Northern Territory intervention—to deal with some of the more urgent problems which were found to exist in the Northern Territory, as documented in the Little children are sacred report.

Today I would like to remind the Senate of some of the more practical measures the Howard government included in its last budget to improve conditions for Indigenous people in areas of social justice, education, health, housing, economic independence and culture. Firstly, I would like to deal with social justice, which is really an umbrella concept because social justice is about making sure that every Australian—Indigenous and non-Indigenous—has choices about how they live and that they have the means to make those choices in their lives. Social jus-
tice covers many areas, such as education, health and housing, and it is the wish of any government that all of its people should have access to these things. The Howard government was in fact very aware of the disadvantage faced by Indigenous Australians and was working very hard towards the general goals, as outlined above, of social justice for Indigenous people. During the term of the Howard government, real spending on Indigenous specific programs increased by 42 per cent and reached a record of $3.5 billion in the last financial year of that government, which of course runs into this year. Total expenditure in last year’s budget for A Better Future for Indigenous Australians—a program of great importance—was $1,349.5 million and covered some 42 individual programs. This included $187.3 million spent on education, $135.4 million spent on health, $293.6 million spent on housing, $234.2 million spent on economic independence and $104.8 million spent on cultural programs.

As I said, the most looked at of the government actions to assist Indigenous Australians in the previous year was probably the Northern Territory intervention. Contrary to claims that it was rushed through parliament without much scrutiny, the bill for the Northern Territory intervention was one of the longest-debated bills in Senate history, with over 27 hours of time devoted in the Senate to considering this particular piece of legislation. Everyone regards it as pivotal in having defined the federal government’s interest in addressing some of the very real problems which existed in the Northern Territory, and which it seems exist also in other parts of the north of Australia, such as the north of Western Australia in Halls Creek, Fitzroy Crossing and Kununurra. Now the government of Western Australia, together with those of other jurisdictions such as Queensland, are seeking to address similar problems.

I will turn to some of the specific headings, such as education. Education is very important to Indigenous people because it is the key to the door of the world for them. Very important is not just education in terms of reading and writing but job skill education. Today, Indigenous students represent about 3.5 per cent of the overall student population of Australia. Something like 3.5 per cent of the Aboriginal population are attending university or other tertiary education compared to about 6.3 per cent of non-Indigenous Australians, so there is certainly a deficit there. But in the last budget the Howard government had programs totalling $187.3 million devoted specifically to assisting Indigenous people in facilitating their education.

The first program was a funding boost which saw an allocation of some $218 million to provide young Indigenous people from remote communities with a new start in life by assisting them with boarding school places and scholarships. These funds were aimed at Indigenous education and training mobility programs, such as the Indigenous Youth Mobility Program, which assisted young people to access quality training in major centres. It was designed to increase the number of places available by 860 to a total of 1,500. Places in the Indigenous Youth Leadership Program were increased to 750. Indigenous Access Scholarships, which assist Indigenous students enrolled in undergraduate courses at university level to meet the costs associated with relocating from remote and rural areas, saw funding increases for an additional 100 scholarships provided to Indigenous students from remote areas to attend tertiary education institutions.

Boarding hostel subsidies were provided to the extent of $43 million to help establish boarding hostels in regional towns that have quality secondary schools. For example, the construction of a new boarding hostel at
Kununurra is expected to be completed around the middle of this year. There was $65 million injected into upgrading facilities to provide additional places in a number of existing boarding schools with strong track records of providing secondary school education for young Indigenous people. These were very practical measures to ensure that more Indigenous people participated in the education services provided to Australians in general.

Health is a very important area, of course, in terms of social justice for Indigenous people because generally they have a much poorer health record, with high incidence of kidney disease and diabetes and a lower life expectancy. In the last budget, again in a very practical way, the Howard government allocated $134.5 million to several programs, including the establishment of quality health standards. This saw $36.9 million invested into Indigenous health services for upgrading buildings and clinics, patient information and management systems, staff training and management to enable them to meet Australian healthcare standards.

The Indigenous Community Initiative of the National Illicit Drug Strategy was provided with $14.6 million to fund a variety of programs to provide evidence based Indigenous specific treatment guidelines, together with alcohol awareness products and other resources to enable Indigenous communities to address the misuse of alcohol and drugs. There was a family centred primary healthcare program with $38.2 million provided to existing Aboriginal medical services and primary healthcare service delivery centres. This funded up to 45 additional professionals providing primary health care.

Most importantly perhaps was an enhancement of Telehealth in Western Australia, with $3.1 million of funding coming into a project to enable improved health service delivery for up to 454,000 residents in regional, rural and remote communities across the state of Western Australia. This includes more than 44,900 Indigenous Western Australians. That is very important because it provides the latest technology as a means of delivering health services.

It is interesting to look at a summary of what the Howard government achieved in terms of Indigenous health programs since it came into office in 1996. Under the 10 years of the Howard government, spending on Indigenous health programs increased by a factor of 3.5. So, in other words, 3 1/2 times as much money was spent on Indigenous health programs at the end of the Howard government’s 10-year period in office than was spent at the beginning. Indigenous utilisation of Medicare and the Pharmaceutical Benefits Scheme increased by 80 per cent, and there were 50 per cent more Indigenous doctors and 30 per cent more Indigenous nurses in practice at the end of the Howard government’s period of office than at the beginning.

Debate interrupted.

The ACTING DEPUTY PRESIDENT (Senator Watson)—Order! It being 12.45 pm, the Senate will now proceed to non-controversial legislation.

HIGHER EDUCATION SUPPORT AMENDMENT (VET FEE-HELP ASSISTANCE) BILL 2008

Second Reading

Debate resumed from 11 March, on motion by Senator Faulkner:

That this bill be now read a second time.

Senator MASON (Queensland) (12.45 pm)—I will be very brief. I am going to say a few words on the Higher Education Support Amendment (VET FEE-HELP Assistance) Bill 2008 only because of the debate regarding the Skills Australia Bill yesterday. In a sense, I feel provoked to say a few
There was much discussion yesterday about what the coalition did in office to help with the skill shortage and to train people in vocational and educational training. As you will know, Mr Acting Deputy President Watson, what the substantive act originally did was extend FEE-HELP to students in vocational and educational training. So when the government yesterday were talking on the Skills Australia Bill about the fact that the coalition government was asleep at the wheel, how wrong they were, because the act extended substantively FEE-HELP to students in vocational and educational training. This is non-controversial legislation and this is a technical amendment, in a sense, to bring rigour back to the act. I know there are some amendments that have to be made to streamline the process. I understand that. I just wanted to make the point about how much the Howard government did to reskill Australia and that the substantive act, by extending FEE-HELP to students in vocational and educational training, is a very good example of that.

Senator STEPHENS (New South Wales—Parliamentary Secretary for Social Inclusion and the Voluntary Sector and Parliamentary Secretary Assisting the Prime Minister for Social Inclusion) (12.47 pm)—In summing up the debate on the Higher Education Support Amendment (VET FEE-HELP Assistance) Bill 2008 I thank Senator Mason for his contribution and reiterate that this amendment was necessary to change the legislative guidelines which sit under the VET FEE-HELP legislation. These guidelines allow for the extension of the higher education FEE-HELP arrangements to the vocational education sector. Specifically, and importantly, the amendment ensures that the VET FEE-HELP is restricted to full-fee-paying students in diploma, advanced diploma, graduate certificate and graduate diploma courses. It also ensures that VET providers will have credit transfer arrangements with a higher education provider for each diploma and advanced diploma qualification.

VET FEE-HELP is expected to assist more than 6,000 students over the next four years to obtain high-level vocational qualifications. It is critical to Australia’s long-term prosperity that we lift the skills base of Australian workers so that Australian business can compete in international markets. By improving movement of students between vocational education and higher education sectors we will be increasing skill levels and assisting in increasing productivity. Of course, VET FEE-HELP is consistent with our social inclusion policy. It allows students who may otherwise not have pursued training at these levels because of financial pressures to gain access to training for the first time or to upgrade lower level qualifications. Higher level VET qualifications are a centrepiece of the Skilling Australia for the Future policy. This amendment will allow VET FEE-HELP to be introduced during 2008. 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.

THERAPEUTIC GOODS AMENDMENT (POISONS STANDARD) BILL 2008

Second Reading

Debate resumed from 12 March, on motion by Senator Ludwig:

That this bill be now read a second time.

Senator COLBECK (Tasmania) (12.49 pm)—I rise to make a few short comments to contribute to the debate on the Therapeutic Goods Amendment (Poisons Standard) Bill 2008. The opposition supports this bill. As the Minister for Health and Ageing said in her second reading speech, this bill was
made necessary because of consequences which flowed from the Federal Court decision in Roche Products Pty Ltd v National Drugs and Poisons Schedule Committee, handed down on 30 August 2007. The court held that decisions taken by the committee are legislative in character. This means that the Poisons Standard and its amendments are legislative instruments. It has been policy for many years that the Poisons Standard is not treated as a disallowable legislative instrument for the sensible public policy reason that the standard operates through a joint arrangement with state and territory jurisdictions, and disallowance in one legislature would potentially disrupt that arrangement. The regulation of poisons is rightly a matter which all governments take seriously. This bill includes retrospective provisions to preserve the status quo of the Poisons Standard up to the Roche decision and, while the coalition has long held as a principle that retrospective legislation is generally to be avoided, it is necessary in cases such as these where protection of the public should be paramount. The opposition supports this bill.

Senator STEPHENS (New South Wales—Parliamentary Secretary for Social Inclusion and the Voluntary Sector and Parliamentary Secretary Assisting the Prime Minister for Social Inclusion) (12.51 pm)—I thank Senator Colbeck for his contribution this afternoon and for reminding the Senate of the purpose of the Therapeutic Goods Amendment (Poisons Standard) Bill 2008. As he said, it does make a number of amendments to the Therapeutic Goods Act 1989 and addresses the legal consequences of that recent Federal Court decision. It does have some retrospectivity to it which, of course, is not necessarily always a good thing but in this case is a very important factor. I thank those who contributed to the debate and commend the bill to the Senate.

Question agreed to.

Third Reading

Bill read a second time.

TRADE PRACTICES AMENDMENT (ACCESS DECLARATIONS) BILL 2008

Second Reading

Debate resumed from 12 March, on motion by Senator Ludwig:

That this bill be now read a second time.

Senator COONAN (New South Wales) (12.52 pm)—I rise to make a few comments about the Trade Practices Amendment (Access Declarations) Bill 2008. The opposition are supporting the bill; it is a very effective and important bill which will clarify that access declarations and extension notices which extend the period of access declarations are not legislative instruments for the purposes of the Legislative Instruments Act 2003. It is a very technical amendment with some very practical implications for the industry. I have to say—seeing as it is an amendment to the Trade Practices Act—that enabling a competitive market structure has of course been a key focus of the coalition over the years. As part of that, of course, we introduced telecommunications specific sections into the Trade Practices Act and underpinned the introduction of the open access regime by opening up exchanges and the customer access network to full competition. I note that a couple of days ago the High Court in fact said that it was a legal and effective regime.

Consumers have been the real beneficiaries of competition through falling prices, with fixed line prices falling by almost 19 per cent and mobile service prices falling by a whopping 36 per cent. I do not think anyone would seriously argue how important competition is. It is a market, however, of continuous evolution, and services innovate
at an exponential rate. With technology evolving so quickly there are always new challenges being faced by government. As I have said before, communications policy is never a ‘set and forget’ exercise. That is why we introduced a comprehensive broadband plan that would provide fast internet to 100 per cent of the population using a mix of technologies to be available by mid-2009.

This is in contrast to the Labor government’s muddled approach to broadband, with the extraordinary displays of incompetence by the current Minister for Broadband, Communications and the Digital Economy, Senator Conroy. Having made much of Labor’s so-called broadband revolution, the rollout of the new fibre network was supposed to be a new direction for the industry and for the country. Senator Conroy had grandly promised voters that within just six months of gaining office work would begin on the hook-up of 98 per cent of Australians to high-speed broadband. It is diverting, to say the least, that commentators have not failed to notice that this commitment has slipped and it is already a broken election promise. As Malcolm Farr observed in the Sunday Telegraph recently:

... this race to the digital future has had a sluggish start more suited to the steam age.

It is obvious for all to see that steam age Senator Conroy—steam age Steve—is hopelessly out of his depth in understanding the myriad complex issues that he must face in this new network build. To begin with, Labor’s plan is mired in uncertainty as to what type of rollout it will be—fibre to the node or fibre to the home—who will build it, how access will be provided, how the access price will be determined, how long the build will take and how far it will reach. Added to these uncomprehended questions by the minister, the important point is that no-one yet knows how the government will use the $4.7 billion of taxpayers’ money slated for investment. It is true that $4.7 billion might get Senator Conroy’s network to Wollongong but not much past 75 per cent of the population. How regional Australia is to get some share of any benefit of this vast taxpayer spend is a quandary, and Senator Conroy seems unable to address it.

Typically, Labor has reached out to an expert task force to provide some answers. When it comes to a new network build I do not criticise the place of an expert task force to examine all the barriers to the build and to provide recommendations to government. Indeed, I did it myself. What I do criticise, however, is that Labor inherited a perfectly well formed expert task force that had been set up under the Howard government to oversee a new fibre network build. In his bumbling, stumbling way Senator Conroy disbanded this expert task force but retained a similar membership with essentially the same task, wasting months in the process. This is clearly a minister who is dithering and wasting time while the rest of the world is moving on to a digital future. It is not an auspicious beginning to the handling of a complex portfolio, and we can only hope in the interests of our own digital futures that someone in the Rudd government, perhaps Mr Lindsay Tanner, who, it seems, is taking some supervisory role over Senator Conroy, will come to the rescue of this increasingly desperate looking and nervous sounding minister.
telecommunications access. It does not affect part IIIA and access regimes, such as those which impact on rail access.

The objective of the bill is stated as being ‘to provide certainty to the telecommunications sector’ by providing that access declarations and extensions of periods of access are not legislative instruments. Necessarily, the bill has retrospective effect—it provides that declarations and extensions of periods of access dating from before the commencement of the bill should also be deemed not to have been legislative instruments. Although the Australian Democrats as a rule do not support retrospectivity in the application of legislation, in this case the Trade Practices Amendment (Access Declarations) Bill 2008 restores and clarifies the law to reflect its original intention. This bill is necessary to give certainty to the large and volatile telecommunications sector, particularly given the importance of telecommunications to the Australian economy, productivity and infrastructure.

The necessity for this legislation has arisen from a decision of the Federal Court in relation to a weight loss drug called Xenical. Roche Products Pty Ltd, the manufacturer of the drug, challenged a decision of the National Drugs and Poisons Schedule Committee withdrawing the committee’s consent for direct advertising to consumers of the drug. As a preliminary matter the Federal Court considered whether the decision of the National Drugs and Poisons Schedule Committee was legislative or administrative in character. The decision of the court impacts only on part XIC of the Trade Practices Act and that part of the Trade Practices Act sets out an access regime for the telecommunications industry. The regime provides for the declaration of carriage services and related services by the Australian Competition and Consumer Commission after a public inquiry in accordance with section 505 of the Telecommunications Act 1997.

There are a number of access declarations in force at the moment including the high-frequency unconditioned local loop service and the domestic digital mobile terminating access service. The ACCC has declared these services on the basis that they are not legislative instruments and therefore are not required to be registered.

Following the Roche Products case, there was concern that access declarations which were made by the ACCC under part XIC of the Trade Practices Act were legislative in character and so fell within the definition of a legislative instrument in the Legislative Instruments Act. If that was so, then the failure to record access declarations on the register may have had the unintended consequence that they would be or are unenforceable. Thus any legal action to, say, impose access obligations on carriers or providers on the basis of an existing part XIC declaration could potentially be blocked or overturned by a court. If that were to occur the existing telecommunications access regime would be rendered inoperative.

As soon as the Roche court case ruling came through, Telstra was apparently setting up to challenge all the ACCC access declarations. This bill does not prevent Telstra challenging ACCC access decisions; it just prevents Telstra from challenging access rulings on these particular technical grounds. Without this bill, Telstra could challenge each of those access service declarations and say that they are invalid because they are not on the
register, so causing significant delays and uncertainty while the matter was concluded in the courts. In my view that would have an anticompetitive effect.

A decision in Telstra’s favour would have the impact of effectively dismantling the current competitive telecommunications industry structure in Australia. It would also ensure that Australia then would continue to trail the world in high-speed broadband while the mess was sorted out. As the Australian Democrats made clear at the last election, a failure to invest in broadband and to advance the broadband policy of the government will put Australia’s social capacity, economic growth, e-commerce growth and future competitiveness at risk.

We think this bill makes a small contribution to advancing the cause of a better broadband and telecommunications network, and therefore the Australian Democrats support the bill.

Senator STEPHENS (New South Wales—Parliamentary Secretary for Social Inclusion and the Voluntary Sector and Parliamentary Secretary Assisting the Prime Minister for Social Inclusion) (1.02 pm)—In summing up the debate today, I appreciate Senator Murray’s very concise summation of the intent of the Trade Practices Amendment (Access Declarations) Bill 2008, because from Senator Coonan’s contribution we were not too sure just what it was all about.

Two points that are important in Senator Murray’s contribution were the issue about retrospectivity, restoring the original intent of the legislation, and that we are debating this trade practices amendment bill after having just finished with the Therapeutic Goods Amendment (Poisons Standard) Bill 2008 which was also affected by the same Federal Court decision of Roche Products Pty Ltd v the National Drugs and Poisons Schedule Committee, and indicates the broader impact on a range of competitive markets that a Federal Court decision can make. On the basis of the generous support for this non-controversial legislation 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.

SCREEN AUSTRALIA BILL 2008
NATIONAL FILM AND SOUND ARCHIVE BILL 2008
SCREEN AUSTRALIA AND THE NATIONAL FILM AND SOUND ARCHIVE (CONSEQUENTIAL AND TRANSITIONAL PROVISIONS) BILL 2008

Second Reading

Debate resumed.

Senator KEMP (Victoria) (1.04 pm)—I rise to speak on the Screen Australia Bill 2008, the National Film and Sound Archive Bill 2008 and the Screen Australia and the National Film and Sound Archive (Consequential and Transitional Provisions) Bill 2008. The coalition will be supporting these bills because the legislation is effectively a mirror image of the bill that Senator Brandis put before the Australian public last September. The government, very wisely in my view, has adopted the approach that was set out in that bill and we therefore commend the government for its wisdom in this one area, and one area alone; there are a couple of areas where I will not be praising the government.

It is important that these bills proceed quickly and it is worth while paying tribute to those that have carried out work to bring about major reforms in the film sector. I examined the second reading speech and de-
bates in the other place and I came to the conclusion that some of the speakers may not have been fully aware of the history in getting to this position and were not aware of the amount of work that was done so that these major reforms could be carried out. I particularly pay tribute to my colleagues, the former Treasurer, the former Minister for Finance and Administration and, of course, the former Prime Minister, who allowed me as the arts minister to initiate a major review into the film sector that was announced in the 2006 budget.

Opposition senator—You were a great arts minister.

Senator KEMP—Thank you. I acknowledge that comment from the senator. As a result of that budget announcement in 2006 a major review was conducted—led by a senior officer of the then department, DCITA, James Cameron—to review the sector and consult widely along the terms that the government had specified, which James Cameron and I did. The review produced a report that resulted in a very substantial package for the film industry totalling some $300 million over four years, which was widely welcomed. Part of this package was the merger of three film agencies, and that is what this bill gives effect to.

I would also like to acknowledge the great work done by a number of other people in the department: Peter Young, who is with us in the chamber, for the advice that he gave, and Rhonda Thorpe. It is remarkable that you can carry out a merger like this with so little public discontent—I hope I am not speaking out of school here. But these mergers are always difficult—they always involve personalities—and I think the leadership that Brian Rosen, Chris Fitchett and Daryl Karp have given in this area has been extremely important. I have no doubt that the bringing together of these bodies will be done in a very successful and cooperative fashion. That of course will mean that the new body, Screen Australia, will start off on a very sound footing indeed. I praise the new minister for the arts, Mr Garrett, for making sure that this comes before the parliament early. It will enjoy the support of the Liberal Party and the National Party.

Having said that, I have to say that, as a former minister for the arts, I have been concerned about the announcements the government has made. If you had told the arts community before November that within two or three months close to $50 million was going to be chopped off the arts budget, this would have been a matter of great controversy. I am worried that, as a result of some actions by the government, good programs have been cut. I refer particularly to the program Australia on the World Stage—which many will know I had a strong interest in for a number of years—which was to provide funding for Australian performing arts companies, the visual arts and Australian artists to tour overseas. The announcement was made in the 2007 budget that this program would commence. The program had just commenced and was very widely welcomed in the arts community. Unfortunately, the $20 million that was in the forward estimates for this program was brutally chopped by the government in one of its first announcements of savings.

I suspect Mr Garrett was not properly informed about the importance of this program. I suspect that the Minister for Finance and Deregulation was flexing his muscles, and I suspect that DFAT, probably not surprisingly, were concerned about protecting some of their own positions and were prepared to sacrifice this program. I must confess to the Senate that I thought it was a mistake to locate this program solely in the Department of Foreign Affairs and Trade and to not have the administration of it shared with
the arts portfolio. Anyway, it has been sacrificed as a result of the government’s announcements, much to the annoyance of many in the arts community. I have no doubt that ultimately the program will be restored under some other name at some future time.

For colleagues like Senator Stephens, it would be well worth your looking closely at what the government has done in this particular area. It is a mistake. It saves about $5 million a year. It puts our cultural diplomacy back a great deal. It is a program which I think should be restored, and I have no doubt will be in the future because the demand is there for it.

Like many other senators I have also been concerned about the significant cuts that have been made to the major collecting institutions as a result of the efficiency dividend. I think that that again is a mistake. It is one of those things that the Department of Finance and Deregulation brought forward. It means, I think, that bodies like the National Library of Australia, the museum and the art gallery are going to be forced in the end to cut some programs in order to meet those savings targets.

It does stick in one’s throat to read that not all arts programs have been cut and that there are some new arts programs. One that the Labor Party has announced is $2.5 million to protect a dead tree in Queensland, which is apparently writ large in Australian Labor Party history. Governments do these things from time to time, though I think that the Labor Party would expect that, in the context where you are cutting our major collecting institutions and our cultural training institutions, people will recall that not everything has been cut and there is new money available—but it is available for those things which are particularly close and dear to Labor mates. I think that that is unfortunate, particularly in the context of what the government has done to date.

There is another issue that is in the sights of the Department of Finance and Deregulation. It was mentioned at Senate estimates that there are discussions about changing the depreciation provisions, particularly as they relate to the major collecting institutions. This matter had not been resolved at the time of Senate estimates. But, if it is resolved in the way the Department of Finance and Deregulation want it to be, it will result in major reductions in funding to bodies like the National Library of Australia. This is what will happen. When I was the arts minister, the department of finance tried this stunt on me and on my department. I have to say that the portfolio was very ably defended, if I may give myself some flowers! It was because money could be taken off it. Of course they will say, ‘Well, this money is being used to add to the collection.’ That is true. But if you remove one source of funding for adding to the collection you will probably have to find another. This is really a bit of a test of the new arts minister to see whether he is able to defend his portfolio against the Department of Finance and Deregulation. The Department of Finance and Deregulation has made a complete goose of itself in the last fortnight over the carers allowance.

People like Senator Stephens, sensitive people, will wonder how on earth the Labor Party got itself into this mess. It got itself into this mess because the department of finance and the finance minister picked up this brief and ran hard with it. Of course, it did not result in any savings in the end: it added to significant costs to the budget. I would urge those who believe that our collecting institutions should receive more money, not less money, to look very closely at this area. I hope that Mr Garrett is looking closely to ensure that in this area the department of
finance’s efforts to cut funding are effectively rejected.

Having said that, I commend the bills. I think they are good. They are bills that were brought forward by Senator Brandis. He can take some pride in the work that he was able to do to continue to advance the review package, and I take some pleasure because, as a former minister for the arts, I was there at the start of the process which has resulted in such an important package for the film industry.

Senator STEPHENS (New South Wales—Parliamentary Secretary for Social Inclusion and the Voluntary Sector and Parliamentary Secretary Assisting the Prime Minister for Social Inclusion) (1.16 pm)—I thank the Senate for its support of this legislation and I thank Senator Kemp for his contribution. I know how much he enjoyed being minister for the arts and we heard some of the reasons why this afternoon.

The bills before us, the Screen Australia Bill 2008, the National Film and Sound Archive Bill 2008 and the Screen Australia and the National Film and Sound Archive (Consequential and Transitional Provisions) Bill 2008, result in the creation of a single, direct funding body, Screen Australia, to bring key film and television support agencies under one roof. This will provide a one-stop shop for obtaining funding for all aspects of filmmaking, together with simpler processes and guidelines and greater flexibility to respond quickly to new or emerging priorities.

As evidenced by the recent public consultation process on the draft legislation, there is widespread support for the merged agency. These changes to direct funding mechanisms, which will come about as a result of the creation of Screen Australia, together with the introduction of the producer offset, provide a solid framework within which the Australian film and television industry can move forward. They are clear evidence of this government’s strong commitment to the industry. It is the government’s hope that this package will lead to an increase in the number of stories that can engage Australian and international audiences and enable the development of a more prosperous and sustainable film industry in Australia.

The bill to establish the National Film and Sound Archive as a new statutory authority will afford it an opportunity to take its place as an independent national collecting institution responsible for preserving, maintaining and providing access to some of our most treasured screen and sound icons. The new archive will expect to provide strong leadership to the archival community in Australia and engage internationally on significant archival issues. It will have a high public profile and build community awareness and appreciation of our cultural heritage, preserved through moving images and sound recordings. The government is very pleased to be able to implement this election commitment for which the archival community has long lobbied and looks forward to working with the archive to build on its already formidable reputation for excellence. 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.

Sitting suspended from 1.20 pm to 2.00 pm

QUESTIONS WITHOUT NOTICE

Indigenous Communities

Senator SCULLION (2.00 pm)—My question is to Senator Evans, the Minister representing the Prime Minister. Yesterday the minister refused to repudiate the disgraceful comments made by Labor Senator
Crossin in relation to the number of children saved from sexual abuse by the coalition’s Northern Territory intervention on the grounds that he had not seen the senator’s comments. Has the minister now reviewed Senator Crossin’s disgraceful comments including her latest and more extreme contribution where she now asserts that the disturbing Little children are sacred report never had anything to do with the intervention in the Northern Territory? Will the minister now do the decent thing and repudiate the claims made by Senator Crossin?

**Senator CHRIS EVANS**—I think it is disappointing that Senator Scullion has again pursued this issue in this way. As I said to him yesterday, there has been bipartisan support for the Northern Territory intervention. Despite some misgivings we had about some of the detail at the time, the now Prime Minister immediately supported the then Prime Minister, Mr Howard, in the intervention and provided bipartisan support.

We have also seen in recent times the apology to the stolen generation which, again, engendered bipartisan support. My view was that there was an emerging consensus in politics in this country of the need to have a bipartisan approach to Indigenous affairs. Successive governments on both sides have failed to properly support Indigenous people so that we have these terrible issues that blight Indigenous communities and the terrible figures on health and life expectancy.

In terms of the debate the other night, I have looked at what Senator Crossin said and I think you have to put all her comments in context. I also understand that Senator Crossin issued a statement yesterday clarifying her position. She apologised if anyone construed her remarks to suggest that all instances of child sex abuse and neglect are not matters of the greatest significance. She restated her view that child sexual assault is completely unacceptable and must not be tolerated.

As I said through you, Mr President, to Senator Scullion yesterday, I think that is the view of all senators around this chamber and I think it does not help anyone to have people accuse others of, in some way, supporting child sex abuse. It is an area where there has been unanimous support around the parliament in a range of committees and inquiries to try and better protect children in our community. Senator Crossin has been at the forefront of those efforts, advocating for Aboriginal people in the Northern Territory and for Aboriginal children. I reject some of the accusations made in the senator’s question—

**Senator Abetz**—Only some of them, not all of them.

**Senator CHRIS EVANS**—I am trying to be generous, Senator Abetz. I think it is a politically motivated attack rather than a serious debate about the needs of the Indigenous children. I restate that the Rudd Labor government has committed to the implementation of the Northern Territory intervention. It has continued the initiative of the former government. It has sought to continue to have bipartisan support for that approach.

I actually think we can make progress in Indigenous affairs but only if we have bipartisan support. I do not think any government of either persuasion can attack these issues unless it has the support of all political parties, the support of the community and I think, as importantly, the support of business because what we have learned over the years is that government on its own is not going to address these issues however well intentioned.

It is more than appropriate that senators can debate the evidence of the Northern Territory intervention. As I understand it the
Minister for Families, Housing, Community Services and Indigenous Affairs, Ms Macklin, will be doing a 12-month review of the intervention. We will get a much better handle on the progress, the impact and the results. We had some of those presented to us at the Senate estimates hearings. I am not sure whether you were there, Senator Scullion; I was there at the time and Senator Crossin, I think, was also there. There was some evidence about what was working and what was not working in terms of the intervention, but the 12-month review will provide us with better evidence as to how we take forward the intervention. I think Senator Crossin has apologised for her remarks appropriately. (Time expired)

Senator SCULLION—Mr President, I ask a supplementary question. I am sure the remainder of the chamber including this side is very disappointed that the Leader of the Government in the Senate when given the opportunity to repudiate those remarks, to make absolutely clear the government’s support of the intervention, has let that pass. Perhaps I should ask again. After the senator made these inappropriate remarks, she then went on to take note of answers and in fact made even more outrageous remarks in the same area. In the context of any apology that has simply been offered, we want an explanation from the Leader of the Government in the Senate as to exactly why he will not repudiate the remarks of the senator.

Senator CHRIS EVANS—I thank the senator for the supplementary question. What I have said is that I think Senator Scullion seeks to misconstrue what Senator Crossin said. If he looks to the statement which she issued last night, she sought to clarify those remarks and as part of that she apologised if her remarks had been construed to suggest that all incidences of child sexual abuse and neglect are not matters of the greatest significance. That is the government’s view; I think it is the view of every senator in this place. I do not think playing Northern Territory politics with these issues is helpful. The Rudd Labor government continues to support the intervention financially and with all the political effort we can bring to it. I hope that it will deliver results for Indigenous children and the broader Aboriginal community in the Northern Territory.

Senator Scullion—Mr President, I rise on a point of order. I gave this senator another opportunity to ensure—

The PRESIDENT—Senator Scullion, that is not a point of order.

Dr Mohamed Haneef

Senator KIRK (2.06 pm)—My question is to Senator Ludwig, the Minister representing the Attorney-General. Can the minister inform the Senate what the government is doing to ensure public confidence in Australia’s counterterrorism arrangements following the case of Dr Haneef?

Senator LUDWIG—I thank Senator Kirk. I know she continues to have a strong interest in this matter. Before the election the government committed to holding an independent judicial inquiry into the case of Dr Haneef. The Attorney-General announced this morning that we are honouring that commitment by establishing such an inquiry. I am pleased that the government has announced that the independent inquiry will be conducted by former New South Wales Supreme Court judge the Hon. John Clarke QC. The government is committed to establishing the facts and ensuring public confidence in Australia’s counterterrorism arrangements and an independent inquiry is required. Australia’s security agencies operate at a high standard, but Australians are entitled to be reassured that their security agencies individually and collectively function as effectively as they possibly can. Australians de-
serve to be confident that our antiterrorism laws are being appropriately enforced.

The Clarke inquiry will provide an opportunity to obtain a factual account of the matter from an experienced and independent former judicial officer. Mr Clarke will conduct a rigorous and independent inquiry that will enable us to assess the lessons to be learnt from the Haneef case and to consider any potential improvements to how our security and law enforcement agencies work and cooperate in terrorism matters. In addition, Mr Clarke has indicated that he will ensure there are opportunities for public input into the inquiry, including by advertising for submissions and conducting public forums on the operation of our counterterrorism laws and arrangements.

Unlike the opposition, the Rudd government believes that playing politics with national security is irresponsible and completely counterproductive. Quite simply, Australians are entitled to know what really happened in the Haneef case. I see that the opposition have taken the position that the inquiry into the Haneef case should be conducted by the Australian Commission for Law Enforcement Integrity. The problem, of course, with that proposal is that the commission is only able to investigate corruption; it cannot investigate non-corruption issues. It is also unable to look at all of the agencies involved in the Haneef case. That is the way the opposition have taken the position that the inquiry into the Haneef case should be conducted by the Australian Commission for Law Enforcement Integrity. The problem, of course, with that proposal is that the commission is only able to investigate corruption; it cannot investigate non-corruption issues. It is also unable to look at all of the agencies involved in the Haneef case. That is the way the opposition set up the commission under statute when they were in government. It is surprising then that the opposition do not seem to understand the nature of the body that they in fact set up.

The government has asked for the Clarke inquiry to report by 30 September 2008. Mr Clarke has been asked to present a report that can be made public, which, if necessary, may be supplemented by a confidential report. The establishment of the Clarke inquiry will enable all the information about the Haneef case to be properly assessed in an independent manner and for considered recommendations to be made. It delivers on a further election commitment of the Rudd government. I am also advised today that the AFP welcomes the Dr Haneef inquiry. Its press release of Thursday, 13 March 2008 indicates:

Australian Federal Police (AFP) Commissioner Mick Keelty today welcomed the announcement by the Attorney-General Robert McClelland of a judicial inquiry into the investigation of Dr Mohamed Haneef.

\textbf{Dr Mohamed Haneef}

\textbf{Senator BRANDIS (2.11 pm)—}My question is directed to Senator Ludwig, the Minister representing the Attorney-General. I refer the honourable senator to the answer he has just given. Can he confirm that Mr McClelland, in his press conference this morning announcing the inquiry, has said that the inquiry would not examine the flow of intelligence from overseas security agencies? If, as the minister has just told the Senate, Australians are entitled to know ‘what really happened’ and if the purpose of the inquiry is, as the minister has just said, to enable all of the information to be properly assessed, why has the government specifically withheld from the inquiry a potentially important evidentiary source?

\textbf{Senator LUDWIG—}I can take the Liberals to the press release that was issued today which sets out, firstly, that former New South Wales Supreme Court judge the Hon. John Clarke QC will head a judicial inquiry into the case of Dr Mohamed Haneef—something that the opposition did not do. The establishment of the Clarke inquiry is, as the press release says, an important step in ensuring public confidence in Australia’s counterterrorism measures—something again which the opposition when they were in government could not do and did not do. The
Clarke inquiry will enable interested parties who want to make submissions to the inquiry to have their say, establish the facts of the matter and the case, and make appropriate recommendations—something again which the Liberals did not do. They did not establish an inquiry. They did not want to establish the facts of the matter. They did not want to have a judicial inquiry where you have someone of the standard of Mr Clarke looking into this matter. That is something that the Liberals did not do.

The Clarke inquiry will examine and report on—(a) the arrest, detention, charging, prosecution and release of Dr Haneef, the cancellation of his Australian visa and the issuing of a criminal justice stay certificate; (b) the administrative and operational procedures and arrangements of the Commonwealth and its agencies relevant to these matters—

Senator Abetz—Mr President, I rise on a point of order in relation to relevance. The minister was asked a very specific question by Senator Brandis and it was in relation to evidence from overseas intelligence sources. We do not need the minister to read out the press release verbatim. It was a specific question.

Senator Conroy interjecting—

The PRESIDENT—Order! Previous presidents—in having set the precedent—have allowed ministers a fair amount of latitude in answering questions. Senator Ludwig was talking in general terms about the question that was asked, but I would remind him of the question.

Senator Conroy interjecting—

The PRESIDENT—Senator Conroy, I do not need any help. I remind Senator Ludwig of the question.

Senator LUDWIG—I can take the opposition to the terms of reference, but, first of all, I can indicate that I was not at the press conference. I did not hear what transpired at the press conference. If there was anything that came out of the conference, I can go back to the Attorney-General and ask him whether there was anything more in it in respect of this specific question that the opposition have raised. What I think they do need to understand—with all respect—is that there is a balance between ensuring that we protect the national security interests and ensuring that we get to the bottom of these matters. The terms of reference, which I have been referring to, directly assist in that matter. Of course, it does answer more broadly the issue that the opposition have raised in relation to the specific matter. As I have said, I am happy to inquire further and see what the Attorney-General can assist with in respect of that matter.

It is worth understanding—at least from the opposition’s perspective—that in relation to effectiveness of cooperation, coordination and interoperability between the Commonwealth agencies and with state law enforcement agencies relating to these matters, and having regard to (a), (b) and (c), any deficiencies in the relevant laws or administrative and operational procedures and ar-
rangements of the Commonwealth and its agencies, including agencies and inter-agency communication protocols and guidelines, they are the terms of reference that have been provided for this inquiry by the former New South Wales Supreme Court judge and would assist in providing the answer to the opposition in respect of that matter.

Senator BRANDIS—Mr President, I ask a supplementary question. Minister, if this inquiry is a serious inquiry and not a political stunt, why has the government chosen to withdraw from the inquiry the full powers of a royal commission?

Senator LUDWIG—What I can say is that the opposition should take the advice of Senator Birmingham, who was reported this morning as saying:
If an inquiry is required to ensure that faith is maintained in the community, then that is important.
It is important to have an inquiry into this matter—something that the opposition did not undertake to do. We are delivering the election commitment of having a judicial inquiry into this matter, having gone out many times and requested that that be undertaken. The opposition—when they were in government—did not provide an answer, and refused to have an inquiry into this matter, full stop. What we are now doing is delivering on our election commitment to ensure that there is a judicial inquiry. It will be handled very well by the former New South Wales Supreme Court judge. It will be able to look into these matters; it will be able to ensure—(Time expired)

Economy

Senator WEBBER (2.18 pm)—My question is to Senator Conroy, the Minister representing the Treasurer. Can the minister outline for the Senate the challenges confronting the domestic economy? Can the minister advise the Senate of what action the government is taking to meet these challenges?

Senator CONROY—The Rudd government has set about modernising the economy and increasing its capacity so that we can meet the big challenges, withstand international turbulence and deliver for Australian families. The truth is that the Rudd government inherited an economy shackled by poor productivity and capacity constraints, which have fuelled high inflation. These are facts—not political opinion. They are cold, hard data produced by the ABS and the RBA. Fact 1: when the government was elected, inflation was running at a 16-year high. The RBA is projecting inflation to remain elevated until 2010. Fact 2: when the government was elected, interest rates had risen 10 times. That is right. Interest rates had risen 10 times in a row, and were the second highest amongst major advanced economies. Fact 3: average annual productivity growth over the last five years has been lower than in any equivalent period in at least the last 16 years—lowest in the last 16 years. In the last year of the Howard-Costello government, productivity growth was zero. Zero! Fact 4: since 2004-05, Commonwealth spending has grown, on average, at around four per cent per year in real terms—more rapidly than in any other four-year period in the past decade and a half. Fact 5: at the time of the election, despite the best terms of trade in 50 years, we have generated 5½ years of monthly trade deficits—the longest sequence in Australia’s economic history. When it comes to the opposition’s economic legacy and the challenges that we face, the speech made by the shadow Treasurer shows that he is in a state of denial. In his uncontrollable arrogance, he reckons—

Senator Ian Macdonald—Mr President, I rise on a point of order. The minister is clearly just reading from his computer. I suggest that he simply send an email to
Senator Webber, who does not seem to be listening to his answer, so that she can read it.

The PRESIDENT—Senator Macdonald, I do not think that you will be surprised to learn that I rule that point of order out of order.

Senator CONROY—In his uncontrollable arrogance, he reckons businesses are wrong about skill shortages, the ABS is wrong about inflation, the Treasury is wrong about unsustainable spending, the RBA is wrong about capacity constraints, the BCA is wrong about the Liberal’s failure to invest and the AiG is wrong about poor productivity growth. The shadow Treasurer is so out of touch that his only policy for inflation, productivity and skills is to do nothing. That is no way to run a modern economy. That is a risky and dangerous approach that gave us the highest inflation and the worst productivity in 16 years. This government is putting in place infrastructure, like the high-speed broadband fibre-to-the-node network, to deliver—

Senator Minchin interjecting—

Senator CONROY—I will take that interjection, Senator Minchin. I want to make it absolutely clear that, despite interjections from those opposite and some ill-informed media commentary, my department is working night and day to deliver on Labor’s commitment. (Time expired)

Access Card

Senator COONAN (2.24 pm)—My question is to the Minister for Human Services, Senator Ludwig. Minister, why from opposition did Labor oppose the coalition’s smartcard yet now supports it, wasting $1.1 billion of taxpayers’ money in the process? What will the new card cost?

Senator LUDWIG—I am surprised that the Liberals have fallen into the early trap of opposition of in fact believing everything that they read in the paper without checking the facts of the matter—but that is what I expect from an early opposition. The Australian government is considering a range of measures to tackle welfare fraud. But let me tell you what we are not considering: we are not considering reviving the Liberal’s doomed billion dollar access card. The access card was touted as a magic card that would solve all the problems in health and welfare service delivery. This was a fantasy built on Mr Joe Hockey’s fondness for glitz, glam and sideshows at the expense of hard facts and numbers.

The article claims that the government’s plans are expected to be informed by the KPMG business case. There is a slight problem with that. The business case was never made public and remains cabinet-in-confidence. If we were planning on using that business case to inform the process, we would have to wait 30 years for it to be made public, because the Liberals took the business case to cabinet. That means that not even as minister can I see the full version of that. But there is one thing that we do know about the business case, and that is that Finance never agreed to the costings. Something that we know about the access card project more generally is that it was also not running on time or on budget. For that, you only have to look across the aisle at Senator Ellison.

The previous ministers, Hockey, Campbell and Ellison, and now the shadow minister want us to take it on trust that they are competent, capable and trustworthy enough to implement large-scale projects, but I am afraid that that is not what the record shows, quite frankly. Imagine if Senator Coonan, the Liberal spokesperson on human services, was responsible for the access card today. Senator Coonan, as Minister for Communications, Information Technology and the
Arts, could not roll out a carpet, let alone a broadband network. As I said before, the cabinet embargo on the business case lasts for 30 years. Based on her record with broadband, if Senator Coonan were responsible for rolling out the access card, Australians would probably get to read the business case before they got the card. They would probably be paying it off for that long, too. The article is wrong and misinformed on many levels. A simple check by Senator Coonan might have provided a factual basis for a question.

This government has made the right decision in terminating the doomed access card project, which we do not have a business case for and which was little more than an ID card by stealth. That is all it was. The Rudd Labor government has delivered on our election commitment to abolish the Liberal’s national ID card and in the process we have saved the taxpayer more than $1 billion. That places downward pressure on inflation and downward pressure on interest rates. That is the right thing to do.

Senator COONAN—Mr President, I ask a supplementary question. The minister seems very confused. He will recall saying in answer to a Dorothy Dixer question from Senator Polley on 13 February that he is not proceeding with the access card because he is focused on the practical things that will make a real difference rather than a card. Do you now rule out any version of a smartcard?

Senator LUDWIG—After listening to that supplementary, I remind the opposition—as we had to remind ourselves occasionally—that it is well worth listening to the answer to the question before you ask a supplementary. I will draw the attention of the Senate to the answer that was in Senator Coonan’s press release. The answer by the human services minister, me, to the question without notice asked on 13 February 2008 was:

I can confirm that the government has terminated the Liberal’s much flawed access card.

It is the financially responsible thing to do. It is the fiscally conservative thing to undertake.

That is the statement I made. Nothing has changed since that time. That is the position that has been outlined. I am not sure whether the opposition are trying to find something to hide behind—maybe they are looking for a fig leaf. In this case there is no card to hide behind. The access card has been abolished. It will not be continued with. A billion dollars has been returned to the budget.

Fuel Prices

Senator FIELDING (2.30 pm)—My question is to Senator Sherry, the Minister representing the Minister for Competition Policy and Consumer Affairs. Minister, petrol prices jumped 15c a litre overnight in Melbourne, Sydney and other areas. Australian Competition and Consumer Commission Chair Graeme Samuel said, ‘I’m not convinced as to the explanations provided,’ in relation to the explanations of the petrol giants as to why there was such a gap between the international price and the retail price of petrol in December and January. Will the government agree to give the ACCC any reasonable power necessary to get to the bottom of whether there is petrol price gouging in Australia?

Senator SHERRY—Thank you, Senator Fielding, for your question. The Rudd Labor government is acutely aware of the impact of higher petrol prices in the community, particularly the continuing impact of the increasing cost of oil in the Asian market, against which we are benchmarked. There is considerable consumer frustration about higher petrol prices, price fluctuations and the perceived lack of transparency in prices.
The Rudd government has been doing everything to put downward pressure on petrol prices to ease the cost of living pressures on working families. That is part of and is in tandem with our five-point plan to win the fight on inflation. On previous occasions I have talked about the importance of winning the fight on inflation. The Rudd Labor government is committed to promoting further competition and transparency in the Australian petroleum market.

On 16 February 2008, the Minister for Competition Policy and Consumer Affairs, my colleague Mr Bowen, announced that Mr Pat Walker would be the government’s nominee for the new role of petrol commissioner within the ACCC. The minister will be asking the ACCC and the petrol commissioner to have a renewed focus on the informal monitoring of LPG and diesel prices and to advise him on whether any further powers in this area are necessary or desirable for the ACCC. In response to recent ACCC reports on petrol prices, the government have firstly given the ACCC the power to conduct formal petrol price monitoring and have it provide an annual report on its price monitoring. They have tasked the ACCC with exploring whether there are any infrastructure bottle-necks in the wholesale petrol market through an audit and ongoing monitoring of terminals and facilities and continuing to look seriously at the options raised by the ACCC, including measures to increase retail price transparency and competition.

Senator FIELDING—Mr President, I ask a supplementary question. Maybe the original question should have been taken on notice. The Sensis consumer report issued today says that the price of petrol is the top concern of Australians. Petrol price increases hit those least able to afford them, especially families in the mortgage belt in outer suburban and regional Australia. These families are in areas that do not have good public transport and are reliant on their cars. So far there has been a lot of talk but the government has done nothing to reduce the price of petrol. Minister, if the ACCC needs telephone tapping powers to get to the bottom of whether there is petrol price gouging, will the government give them to the ACCC?

Senator SHERRY—The issue of telephone tapping powers I will refer to the minister, Mr Bowen, for consideration. So I will take that on notice. I and the government and, I think, everyone in this chamber will be very well aware of the pressures on family budgets as a consequence of higher petrol prices against the context of the increasing world oil price. I do not have the statistics in front of me at the moment but I do know in general terms that the oil price has been increasing significantly and there are a range of reasons for that. We are very well aware that petrol for travelling to and from work and for recreational use is generally a fixed cost, particularly for people who do not have the alternative of public transport. I am very well aware of that. That is why the responsible minister in this area, Mr Bowen, and the Rudd Labor government intend to pursue the actions I have outlined.

Cost of Living

Senator FIFIELD (2.35 pm)—My question is to Senator Conroy, the Minister representing the Treasurer. Can the minister confirm that the March Sensis consumer report, released today, and the March Westpac-Melbourne Institute consumer confidence index both show a massive plunge in consumer confidence to Keatingesque lows? How do the survey findings, which reflect cost of living concerns, square with Mr Rudd’s promise to reduce petrol and grocery prices?

Senator CONROY—I thank the senator for that question. This government understands that there are a lot of families in Aus-
tralia working hard but still doing it tough. We know the costs of essentials like groceries, petrol, child care and servicing the mortgage have all skyrocketed in recent years. The CPI has risen by nine per cent over the last three years but fruit and vegetable prices have gone up 20 per cent. Child care has gone up 30 per cent and petrol has gone up 29 per cent, and that is before the recent overnight rise. The fact that the price of such essential items has increased more than average prices very clearly demonstrates the impact of inflation on working families.

In its first 100 days, the government has moved to implement changes to address these cost pressures. The ACCC has been empowered to ensure that Australian families do not pay one more cent at the bowser or the checkout than they need to. The government has put this into action by appointing the first petrol commissioner and granting the ACCC the power to monitor petrol prices, something that those opposite refused to do for 11½ long years. They refused point blank, despite calls to do it.

In February, the government released the terms of reference for the ACCC inquiry into whether the grocery industry is operating fairly. The ACCC has already released an issues paper and it is due to provide its report to the Assistant Treasurer by the end of July this year. Unlike senators opposite, we on this side of the chamber understand the multitude of financial pressures that families confront around the kitchen table every day. Families are struggling to make ends meet after 11½ years of reckless spending by the former government. The Rudd government, though, will help ease these pressures by cutting out-of-pocket childcare costs, by lifting the childcare tax rebate from 30 per cent to 50 per cent up to $7,500 per child to be paid quarterly, by introducing low-tax First Home Saver Accounts, by helping to build thousands of new rental properties leased at 20 per cent below market rents and by providing a 50 per cent education tax refund to eligible families to cover the cost of education for their children.

It needs to be remembered that core inflation is at a 16-year high. This parting gift from the former government is eroding savings and chewing into family budgets. The opposition are the party that let inflation build, ignored RBA warnings and then, despite 11 interest rate rises in a row, told families that they had never been better off. The Rudd government, by contrast, is working hard to address these challenges and ease the pressure on working families.

Senator FIFIELD—Mr President, I have a supplementary question for the minister and his autocue. When exactly is the government going to take responsibility for the faltering economy and the rising cost of living?

Senator CONROY—We have a situation here where the opposition is almost completely and utterly unable to decide on its line of attack. On the one hand, the economy is fine and we have inherited a magnificent, robust economy. On the other, we are killing it. I just wish Senator Fifield and the shadow Treasurer would decide which of these it is, because, after 11 interest rate increases in a row under their government, is it any surprise that consumer sentiment and confidence has hit rock bottom? There have been 11 in a row under their government. This is hanging around their neck and they have to decide what their line of attack is.

Economy

Senator FORSHAW (2.41 pm)—My question is to Senator Evans, the Minister representing the Prime Minister. Can the minister outline to the Senate what the government is doing to manage inflationary pressures on the economy, including easing the skills crisis?
Senator CHRIS EVANS—I thank Senator Forshaw for the question. The Rudd Labor government is very focused on building a modern economy to meet the challenges of the future, but at the moment we have very pressing concerns on the domestic front with inflation. Inflation hurts working families and businesses; it eats away at savings and threatens our national prosperity. The cause of the pressure is clear. The Reserve Bank repeatedly warned the Howard government to address the skill shortages, the lack of capacity and the infrastructure constraints in the economy. I know that very well because, when I talked to business while in opposition as our resources spokesperson, the thing that business stressed to me all the time was the capacity constraints in the economy. What was concerning business was the lack of skilled labour, the lack of infrastructure and the lack of capacity to grow their businesses. The RBA and business warned them, but the former Howard government failed to heed those warnings and failed to assist in building the capacity of the economy. As a result, we became ill prepared to deal with the inflationary pressures.

The economy is strong, but future prosperity is threatened by the cancer of inflation. The government is realistic in knowing that the problem cannot be solved overnight. These pressures took a long time to build and will take time to turn around. That is why we have been hard at work meeting the challenge since day one. We did not create the problem. The gentlemen on the other side created the problem, but we are going to fix it. That is why the Prime Minister has outlined his five-point plan to fight the inflation legacy that the Howard-Costello government left us. Senator Minchin should take responsibility for his failure to rein in the spending of that former government. Senator Minchin ought to take responsibility for the fact that his Prime Minister and Treasurer spent like drunken sailors while he sat on his hands. They spent like drunken sailors while the finance minister was missing in action.

Opposition senators interjecting—

The PRESIDENT—Order! Resume your seat, Senator Evans. I call Senator Evans.

Senator CHRIS EVANS—The Rudd government is very much focused on fighting the inflation challenge because we know inflation hurts families and businesses and undermines our capacity to build a modern, successful economy.

We have been focusing on our five-point plan. The first point is fiscal restraint, with the aim of delivering a budget surplus of at least 1.5 per cent of GDP in 2008-09. That fiscal discipline is vital to us in beating inflation. We have to find spending cuts. We have to cut the wasteful spending, such as the regional rorts program run by the previous government, and deliver the fiscal discipline that the previous government failed to deliver. We have to provide incentive to encourage private savings. We have already made a start on that with the First Home Saver Accounts, but more will be done.

We have to tackle the chronic skills shortage in the economy. I was blown away the other day when, I understand, the shadow Treasurer apparently claimed there is no skills crisis. I do not know where he has been, because every business that comes in my door, every business organisation that talks to me, says they have a skills crisis. But, according to the rudderless opposition, they do not think there is a skills crisis. As I look across the chamber, I see a skills crisis all right!

Opposition senators interjecting—

The PRESIDENT—Order!

Senator Minchin—Look behind you. Talk about a skills crisis!
Senator CHRIS EVANS—What I see is the government, Senator Minchin. So this government will provide national leadership. We will tackle the infrastructure bottlenecks, we will look to lift the participation rate by encouraging people to back the economy and we will run a proper immigration program.

(Time expired)

Bonnie Babes Foundation

Senator BOYCE (2.45 pm)—My question is to Senator Sherry, the Minister representing the Minister for Finance and Deregulation. Will the minister confirm that the government’s razor gang has scrapped $800,000 of funding for the Bonnie Babes Foundation, an organisation which provides counselling for women who have experienced the tragedy of giving birth to a still-born baby?

Senator SHERRY—Thank you for the question. In representing the minister for finance, I do have some information for you. Where a specific program is dealt with, in terms of the minister for finance and my representational duties, it is best the question goes to the relevant minister and their portfolio responsibilities. However, I do have some information. I do want to assist the senator where I can. The government understands, in the case of the Bonnie Babes Foundation—this is in respect of assisting grief counselling—it is important when a woman or family tragically lose a baby. The previous government made a commitment for new funding prior to the election for the establishment of a toll-free number. This was made during the caretaker period and was not a continuation of existing funding. Of course, the government already provides funding for grief counselling 24 hours a day through Lifeline. Members of the opposition may not be aware—

Opposition senators interjecting—

The PRESIDENT—Order on my left! One of your colleagues has asked a question and she is entitled to hear the answer.

Senator SHERRY—Thank you, Mr President. Members of the opposition may not be aware that the former Prime Minister was actually approached by a number of similar organisations for funding support, including not only Bonnie Babes but also Stillbirth and Neonatal Death Support, SANDS. The government will consider all such requests for support as part of its broader maternity services review.

Opposition senators interjecting—

The PRESIDENT—Order! I will not call your colleague for a supplementary question until there is order.

Senator BOYCE—Mr President, I ask a supplementary question of the minister. The question related to the activities of the razor gang that is cutting numerous programs to the most disadvantaged in our community and causing concern throughout the most disadvantaged sectors of our community. Given that Labor have announced a federal grant of $2.6 million to urgently fix a dead tree in Queensland and build a Labor memorial to it and you have saved a paltry $800,000 here, what other vital counselling services do you intend to scrap to get the other $1.8 million?

Senator SHERRY—As I have indicated to the senator and to the Senate generally, the government is considering requests for support in these particular areas, such as the Bonnie Babes Foundation. The Labor government did not make a specific funding commitment in the lead-up to the election; it was in fact the former government. The former government made a specific election commitment. So, in the context of the request by the Bonnie Babes Foundation and Stillbirth and Neonatal Death Support for funding—and I am sure there are other or-
ganisations that provide this support—it will be considered as part of funding requests in the context of the broader maternity services review.

Workers Compensation

Senator MURRAY (2.50 pm)—My question is to Senator Wong, the Minister representing the Minister for Employment and Workplace Relations. Minister, are you aware that there is a lack of consistency in workers compensation laws that cover employees beyond retirement age? Are you aware that in New South Wales a worker injured after turning 65 can receive a maximum of 12 months income support from WorkCover, but in Victoria and Queensland age is no barrier to workers compensation? In South Australia, an injured worker aged between 65 and 70 can receive a maximum of six months income support, but that cuts out at age 70. However, in Western Australia workers over the age of 65 are ineligible for income maintenance, with only their medical expenses being covered. Given the need for older workers to be encouraged to remain in the workforce, what does the minister intend to do to ensure that there is national consistency for injured workers over the age of retirement?

Senator WONG—I thank the honourable senator for his question. I understand that Senator Murray has for some time, from recollection, argued for more consistency across this nation in terms of workers compensation laws. We do recognise as a government how important it is for working Australians and their families for the health and safety of Australian workers to be ensured through legislation, regulation and good practice that can be effected in the workplace. Certainly we agree, as all senators would, that workers who are injured must have the appropriate support both financially and in terms of a return to work where that is possible. As the honourable senator points out, these matters are generally regulated by state jurisdictions. Yes, he is correct that there are different workers compensation schemes in all the states and territories and, yes, they do have different applications in respect of older workers. In general, as the honourable senator would know, these schemes do aim to provide adequate income support or other forms of financial compensation in the event of workplace injury. However, there are jurisdictional differences in the design of each scheme, including, for example, the length of time for which an injured worker can receive income maintenance or compensation.

I indicate to Senator Murray that my advice is that age is not a factor in any limits which apply to benefits such as medical costs, rehabilitation costs and lump-sum payments. However, he correctly identifies the fact that entitlement to weekly payments or whatever form of income support in the various schemes is affected by the age of employees in all jurisdictions—except, I am advised, in Queensland, in which a time limit is imposed for a maximum period during which an injured worker can receive weekly income replacement payments, irrespective of age.

I can advise Senator Murray that most jurisdictions have amended their schemes to provide some income replacement payments to older workers whilst recognising that these workers usually have access to other income support measures, such as superannuation or, of course, the Commonwealth funded pension. These modifications aim to provide a reasonable amount of workers compensation for loss of weekly income beyond the age of 65 whilst still containing scheme costs. The fact is that most state governments, I understand, have taken a position that probably reflects the fact that providing unlimited weekly benefits past the age of 65
would involve significant additional costs for all workers compensation schemes.

Senator Murray has an interest in these areas and he would be aware that we do have a range of policy commitments on the occupational health and safety front and certainly also on the workers compensation front in so far as it applies to Comcare. We have a policy commitment to undertake a review of the Comcare scheme to ensure the Commonwealth scheme provides appropriate protections for the workforce it was designed to cover, and we have said that we will work with the states and territories to provide a streamlined delivery of workers compensation for multistate employers. Senator Murray would probably be aware that, as I understand it, we did not make any commitment to seek a national scheme for workers compensation.

Senator MURRAY—Mr President, I ask a supplementary question. I thank the minister for her answer. Would the minister agree that this issue falls broadly within the Rudd government objectives of attempting to address and reduce conflicting or inconsistent regulation for corporations across different state and territory boundaries? Does the minister agree that for a Tasmanian worker, for instance, who is an older worker flying in and flying out from Western Australia to a different WorkCover regime it does pose some challenges when they are shifting from one expectation of how they will be treated to another? Could the minister perhaps indicate to the Senate whether this is the sort of topic that could be taken to the Council of Australian Governments—not to provide a national scheme but to provide a harmonised and more consistent regime for the workers and employers of Australia?

Senator WONG—I thank Senator Murray for the supplementary question and for the suggestion. As I said at the outset, I am not aware of any commitment in relation to a national scheme. In relation to the harmonisation issue, that is a matter on which I can take advice. I certainly am advised that we do have a commitment to work with the states and territories to provide a streamlined delivery of workers compensation in the context of multistate employers. But, as I understand it, what Senator Murray is raising is a slightly different issue. I will take some advice and if I am able to provide any further response I will do so.

Broadband

Senator NASH (2.56 pm)—My question is to the Minister for Broadband, Communications and the Digital Economy, Senator Conroy. I refer to his earlier comments around the high-speed fibre-to-the-node network. The minister gave an unequivocal election commitment that within six months of being in government the rollout of Labor’s proposed fibre-to-the-node network would begin. Is this still the minister’s promise to the Australian people?

Senator CONROY—I thank the senator for her question. I know she has a genuine and longstanding interest in this issue. It is tragic that she was not able to convince her colleagues of one of her own broadband plans, because it would actually have been a significant advance on the debacle that was the now opposition’s broadband plan. It was quite a visionary plan. It is, I am sure, to her eternal disappointment that she was not able to convince her colleagues.

As part of the Rudd Labor government’s commitment to boosting Australia’s productivity, the Rudd government gave a commitment to provide up to $4.7 billion and introduce regulatory changes to roll out a high-speed fibre broadband network. This will be the biggest national investment in broadband infrastructure ever made by an Australian government and demonstrates our commit-
ment to invest in infrastructure vital for Australia’s future prosperity.

The new network—just to make sure that those opposite understand what the debate is around—will reach 98 per cent of Australia’s homes and businesses and deliver speeds of a minimum of 12 megabytes. This will be an open access network to promote competition in the telecommunications market and will be 40 times faster than anything proposed by those opposite and than most Australians have access to at the moment. The government is working to deliver this as fast as it can. As I commented earlier, there has been a lot—

Senator Nash—Mr President, I raise a point of order. I specifically asked the minister: was the time frame to be within the commitment of six months after election—that is, would the rollout begin six months after the Labor government came to power?

Government senators interjecting—

The PRESIDENT—Yes, that is a point of order; it is a question of relevance. All I can say is that I cannot direct the minister how to answer the question, Senator Nash, but I remind Senator Conroy of the question.

Senator CONROY—As I was saying with regard to the Rudd Labor government’s high-speed fibre network, we announced the expert panel 48 hours ago and it has been given a time frame. We will seek contributions from the public about the specifications for what should be the tender documents, and that process will close on 30 March. The panel will then assess the relevant submissions and issue the specification documents. There will then be a three- to four-month period when proposals will be considered, because this government—unlike the previous government—is committed to ensuring proper process. We are committed to ensuring proper process, not a rorted process like those opposite were engaged in. We are not running into the cabinet room getting out maps of Australia, via electorates, putting them on the cabinet table and saying, ‘Oh, my goodness, we’d better make sure there is a tower there.’ Do you remember that particular high public policy debate you had in the cabinet room, Senator Minchin: ‘We’ve got to have a tower here’? There is no rorting of the process; we are having an open and transparent process. Advice from the probity officer says that commitments under the USFTA have to be followed in seeking—

(Time expired)

Senator NASH—Mr President, I ask a supplementary question. Given that the minister chose not to answer the question, we can only assume that the answer is no and the election commitment promise will be broken. I also ask the minister: given that during the recent estimates process department officials admitted that the fibre-to-the-premises—that is, schools—rollout was dependent on the fibre-to-the-node rollout, has the minister had discussions with the Minister for Education as to how this broken promise on the rollout will impact on Labor’s computers in schools program; and, if not, why not?

Senator CONROY—I once again make the point that my department is working night and day to deliver on the Rudd Labor government’s broadband policy commitment.

Opposition senators interjecting—

Senator CONROY—You may laugh about it, but that is what is going on. While I accept that Senator Nash may not realise this, the fibre-to-the-schools proposal is actually administered—

Senator Nash—Mr President, I rise on a point of order going to relevance. I specifically asked the minister if he had had discussions with the Minister for Education.
The PRESIDENT—Senator Conroy is answering the supplementary question as he sees fit, but I remind him of the question.

Senator CONROY—As I was saying, Senator Nash may not realise that the actual fibre-to-the-schools proposal is within another department. The appropriate person to answer the question is actually Senator Carr. But let me make it clear: I am in constant contact with my colleague. We are working together. These policies complement each other and will be the key to delivering Labor’s education revolution. (Time expired)

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

PERSONAL EXPLANATIONS

Senator BIRMINGHAM (South Australia) (3.04 pm)—I seek leave to make a personal explanation in relation to an answer given by Senator Ludwig earlier.

Leave not granted.

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Kangaroo Culling

Senator WONG (South Australia—Minister for Climate Change and Water) (3.04 pm)—I have some further information in relation to a question asked of me yesterday by Senator Bob Brown on the planned cull of kangaroos. The following information has been provided to me by the Department of the Environment, Water, Heritage and the Arts. Whether the kangaroos are translocated or culled is a matter for the ACT government and the Department of Defence. I am advised that Defence will cull the population using tranquilliser darts and lethal injection in a process overseen by the RSPCA. I am advised that the ACT government received expert advice that there would be unacceptable animal welfare consequences involved with the live capture, transport and subsequent release of the kangaroos into a different environment.

The eastern grey kangaroo is not a listed threatened species under the EPBC Act and so part 13 of that act does not apply. Therefore, the federal Minister for the Environment, Heritage and the Arts has no jurisdiction to intervene regarding the method of removal of the kangaroos in question. It has been determined by the Department of Defence that the cull is unlikely to have a significant adverse impact on the environment and therefore a referral is not required. The fact that the proposed cull will be undertaken by a Commonwealth agency on Commonwealth land does not automatically require referral under the EPBC Act.

The impacts of the current overpopulation of kangaroos at Belconnen include a lack of grass cover, leading to erosion, and an increase in weed infestations. The area in question is natural temperate grassland on the Southern Tablelands of New South Wales and the ACT and is listed under the EPBC Act as an endangered ecological community. These grasslands support threatened species, including the grassland earless dragon, striped legless lizard and golden sun moth. Kangaroo overpopulation will also have serious implications for the welfare of the kangaroos themselves. If nature is left to take its course, many kangaroos may suffer a slow death by starvation. Maintaining a sustainable population of kangaroos on the site is important for the ongoing protection of the listed threatened grassland community and species on the site.

Senator Brown also sought a guarantee that the grasslands in question are to be reserved and their environmental values protected. The grasslands, as I have said, are a listed ecological community already protected by the EPBC Act. Defence has a responsibility to protect the grassland ecologi-
Illicit Drugs

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (3.07 pm)—I seek leave to have incorporated some further information in response to a question asked of me by Senator Allison on Tuesday. In doing so, I indicate to Senator Birmingham that, in accordance with past practice, we would be happy to give him leave at 3.30 at the end of taking note of answers to questions without notice.

Leave granted.

The answer read as follows—

There are significant personal, social and economic costs associated with drug abuse.

Under the National Drug Strategy, the Australian, State and Territory Governments pursue a comprehensive policy approach that is underpinned by three aims:

- Supply reduction: strategies to disrupt the production and supply of illicit drugs, and the control and regulation of licit substances;
- Demand reduction: strategies to prevent the uptake of harmful drug use, including abstinence oriented strategies and other treatments to reduce drug use; and
- Harm reduction: strategies that reduce drug-related harms to individuals, families and communities, including:

  - Pharmacotherapy treatments such as methadone and buprenorphine, which are funded by the Government through the Pharmaceutical Benefits Scheme, and are provided at no cost to community pharmacists;
  - Needle and Syringe Programs that aim to prevent the spread of HIV/AIDS and other blood borne viruses such as Hepatitis C;
  - Drug diversion initiatives aimed at diverting non-violent offenders away from the criminal justice system and into appropriate assessment, education and treatment services; and
  - Significant assistance to support a range of alcohol and other drug treatment services through the Non-Government Organisation Treatment Grants Program.

Funding for the Non-Government Organisation Treatment Grants Program increased by approximately $12.6 million in 2007-08 compared to 2006-07.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Answers to Questions

Senator BRANDIS (Queensland) (3.08 pm)—I move:

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

I particularly want to take note of two answers given by Senator Ludwig on behalf of the Attorney-General to questions by, respectively, Senator Kirk and me, concerning the Haneef inquiry. If you had to have a short essay on the cynicism of the Rudd government, you could not have done better than to compare the answer that Senator Ludwig gave to a Dorothy Dix question from Senator Kirk and the answer he gave to my question immediately thereafter, concerning the Haneef inquiry. Senator Ludwig said very grandly: ‘Australians are entitled to know what really happened in relation to the matter
of Dr Haneef.’ He told us that the inquiry by Mr Clarke QC announced by the Attorney-General this morning would ‘enable all the information to be properly addressed’. That was the government’s spin. We know that in its early days the Rudd government is coming very closely to resemble the Blair government in its reliance upon spin, this shadowy world in which nothing has substance or firm meaning, in which it is—

Senator Coonan—Creating diversions—

Senator BRANDIS—all a matter of illusion and, as Senator Coonan said, diversions. It is a bit like TS Eliot’s poem *The Waste Land*:

We are the hollow men
We are the stuffed men

… … … …

Shape without form ...

Nevertheless, when Senator Ludwig responded to my question, I had to point out to him that Mr McClelland said at his press conference this morning:

... the inquiry would not examine the flow of intelligence from overseas security agencies.

Just consider for a moment what that means. The government has announced this inquiry—it is not a royal commission, it does not have subpoena powers; it is an informal inquiry essentially established on a very limited basis. The need for the inquiry relies entirely upon the government’s own assertion that the public needs to be reassured about the operation of the counterterrorism laws. So what does the government do? The government raises a false issue and says, ‘Well, we have to set up this strange informal inquiry in order to address a concern which we ourselves have raised, and which was not there in the first place.’

Nevertheless, what the inquiry is about, as the Attorney-General announced this morning, is the case of Dr Haneef and, in particular, the role of the Australian Federal Police. This much we know, and I think it is uncontroversial. Not only the Australian Federal Police but the Queensland Police Service were in receipt of certain security information concerning Dr Haneef, and that security information concerned, in particular, international telephone calls made by or to Dr Haneef. We also know—this is also uncontroversial—that the principal source of the information was the British intelligence services and, in particular, MI5. So we know this much, and the Attorney-General must know as well: the Australian Federal Police and the state policing authorities were in possession of foreign intelligence information which identified Dr Haneef as a person of interest and ultimately they made some decisions, in relation to him, that led to his detention. So the government very grandly with great flourish announce: ‘We’re going to have an inquiry into how the AFP handled the Dr Haneef case.’ And what do they withdraw from the terms of reference of the inquiry? What does the Attorney-General specifically say the inquiry cannot look at? It cannot look at the flow of intelligence from overseas security agencies.

You do not need to be a lawyer to work out that, if the whole basis of the AFP forming the appropriate state of mind—the suspicion about Dr Haneef—was information provided by the British intelligence services that was transmitted to the Australian intelligence services and transmitted to the AFP and if you are going to have an inquiry into whether the AFP did the right thing, front and centre in the inquiry ought to be the sources upon which they relied to form the requisite suspicion that Dr Haneef was a person of interest, that Dr Haneef had done nothing wrong. Yet, that is the very thing Mr McClelland announced this morning the inquiry could not look at. *(Time expired)*
Senator MARK BISHOP (Western Australia) (3.13 pm)—I also want to take note of answers to various questions and think it is probably quite appropriate to comment on the issues raised by Senator Brandis. Senator Brandis in the opening remarks of his contribution referred to The Waste Land. One must say that that was quite an appropriate way to commence his remarks: a grey, hopeless, useless, negative wasteland. That is entirely a proper description of what has occurred in respect of this entire matter concerning Dr Haneef over the last 12 to 18 months: a person properly employed, legally going about his duties, caught up and embroiled in a whole scandal not of his own making, punished, deported from this country and denied the opportunity to earn his livelihood. What other example could you have of a grey, useless, hopeless, negative wasteland? That was a topical issue for months and months and months prior to the last election.

In all that time the former cabinet, the former responsible ministers—in particular, Mr Andrews—refused to open the files and refused constantly to disclose information which would either properly and satisfactorily identify responsibility and guilt or, on the other side of that coin, disclose what emerged latterly when Federal Court findings were made as to innocence. So we as the then opposition raised that issue prior to the election and made a commitment to hold an independent judicial inquiry into the case of Dr Haneef in the light of findings by Justice Spender which were later upheld by a full Federal Court that reviewed Minister Andrews’s decision to cancel Dr Haneef’s visit. So we have committed to holding an independent judicial inquiry into the entire case of Dr Haneef.

That undertaking was honoured this morning by the Attorney-General of Australia, Mr McClelland, by the appointment of retired New South Wales court judge Mr John Clarke QC. As Mr McClelland said, quite properly and quite responsibly, an independent inquiry is needed to establish the facts and to ensure public confidence in Australia’s counterterrorism arrangements. Mr McClelland also made the point that, since becoming Attorney-General, he had been briefed regularly by the relevant intelligence agencies and he had come to the view that they were and are operating to high standards. But, because of the mire of disinformation and misinformation properly described by Senator Brandis as a wasteland, we need to assure our community that our national security agencies are functioning in the best way they possibly can at an individual agency level and collectively and on a cooperative basis. Indeed, as was referred to earlier, opposition Senator Birmingham from South Australia made that point to the AAP this morning when he said:

If an inquiry is required to ensure that faith is maintained in the community then that’s important ...

Senator Birmingham was right to say that this morning, Mr McClelland was right to repeat it in his press conference and it is right now on the issue raised by Senator Brandis of the wasteland that exists surrounding, and which has become part of, the case involving Dr Haneef.

The Clarke inquiry will be an opportunity to obtain a factual account of the matter, which still has not been disclosed and was not disclosed by the previous government, from an independent and former experienced judicial officer. Mr Clarke no doubt will conduct a rigorous and independent inquiry that will result in informed consideration and informed conclusions of the lessons to be learnt from the Haneef case for judicial officers, for intelligence officers and for intelligence agencies and undoubtedly will be able to assure the Australian community as to the veracity—(Time expired)
Senator COONAN (New South Wales) (3.18 pm)—I have to say, in relation to Labor’s backflip on the access card, that the stumbling, bumbling performance today by Senator Ludwig should be ringing alarm bells in the community that the Rudd Labor government is incompetent and has no plan whatsoever to deal with welfare fraud. Just one month ago, on 13 February, Senator Ludwig was actually boasting about scrapping the coalition’s access card and crowing that it was the financially responsible thing to do. He said that Labor had better priorities than saving taxpayers from being the victims of fraud, such as the education revolution. He said:

We are focused on the practical things ... rather than a card.

So, as of 13 February, Senator Ludwig was very clear that Labor would not have a smart card. Today, of course, he could not rule it out. So, within the space of four weeks, what has been revealed is that the Prime Minister, Kevin Rudd, has put it back on the table.

His solution—and I do not think this is a joke; I think he meant it to be taken seriously—was to announce a ‘Fraud Fortnight’, an initiative which sounded like an extended Halloween trick or treat session lasting two weeks, which was supposed to raise awareness of welfare fraud. You have to say to Senator Ludwig: that really does not cut it. Fraudsters are getting away with ripping off welfare and Labor are going to have to do more than trick or treating.

So what did Mr Rudd come in and say to the minister? He said, ‘Look, we’ve got a fraud problem which we’ve got to fix.’ What was Senator Ludwig’s response? He said, ‘We’ve got a sort of trick or treat, Prime Minister; that should scare off the fraudsters.’ Mr Rudd was not happy with that. He preferred to do what he does best; that is, to look at coalition policies—which, of course, he could copy.

This might sound like a case of deja vu, because we know that this me-tooism has become something of a habit for the Labor government. When they do not have a plan of their own, when they do not know how to deal with any of the really difficult problems—the heavy lifting that is necessary in government—they seem to be coming round to the idea that the coalition’s ideas were not too bad after all. You only have to look at Senator Conroy’s pathetic performance on trying to roll out a broadband network. He has adopted the same expert taskforce, with much the same members, as the coalition and he has already broken an election promise in allowing it to slide beyond the promised time frame. As Senator Ludwig’s answer makes very clear today, you can see very clearly that Labor are desperate to find some answer to the problem of welfare fraud. The Australian people are not that dumb that they cannot see that this is a direct and obvious steal from the government’s access card.

It is interesting that Senator Ludwig said, in a press release on 1 March:

... welfare fraud is a significant problem and ... the ultimate victims are ordinary Australian taxpayers.
The coalition government was already well advanced in the design and implementation of a smart card to address these problems, and yet Labor, as opportunistic as ever in opposition, could not help themselves. They decided to chuck it out, waste a billion dollars of taxpayers’ money; and now, in government, Labor realise that Australia needs to use technology to address welfare fraud. They want to develop a consumer friendly and useful smart card to address fraud. What is clear from this display and Senator Ludwig’s complete inability to rule out an access card is that is what they are going to do. They know they should not have ditched it in the first place and they have simply adopted ours. (Time expired)

Senator HURLEY (South Australia) (3.23 pm)—There was a disparate range of issues raised today by the opposition, but I would like to take note of the answers regarding the economy and the budget. There were several which touched on this dominant theme of recent debate, which was also a theme of the election. It has been a strong focus for this government since coming into power. They have focused on the economy and the budget process and fulfilled an election commitment to be conservative fiscal managers. Naturally, and the Prime Minister has already signalled this, that will result in a bit of pain during the budget process. The Labor government have a commitment to rein in the problems that were created by the former government not addressing a number of threats and a number of opportunities in the economy in the recent past. It is true that Australia has had a strong economy over the past decade or two. Australia has made good use of favourable world economic conditions and favourable terms of trade conditions to put many of the indicators in a good position. But whether it made the former government lazy or whether they were simply incapable of dealing with the issues, they ignored a number of threats that were apparent over the last few years. In particular, they did not make use of a number of opportunities presented by the economic conditions at the time.

Senator Evans spoke about the balance of trade being stubbornly and consistently negative for Australia. In opposition, the Labor Party warned about the problems that might result from this and some of those problems are coming home to roost. Successive Liberal governments did not deal with a number of these issues, and now the incoming Rudd government has the difficult task of addressing a lot of those threats that are apparent, and becoming more apparent. The Labor government is looking to the future; it is looking to provide a stable and solid economic platform for the future. It does have to deal with the problems of building capacity and building up skills and addressing infrastructure needs while fulfilling its commitments to deliver a good budget surplus and rein in spending to ensure that inflation is contained in our economy. All of these things impact on the Labor constituency, those working families that are affected by interest rate rises, by inflation, by price increases—as was outlined with petrol prices, grocery prices and so on.

We in the Labor Party are determined to make sure the economy is right because we are interested in working families and making sure that those working families benefit from the strength of the economy. We are making sure that it is not just chief executives and senior executives of large companies that benefit, but that the benefits of a strong economy are also felt by working families in Australia. From time to time those opposite make fun of the phrase ‘working families’, but it is a serious issue for us in the Labor Party because that represents a fundamental constituency of ours. We have a strong connection and a strong loyalty to
make sure that any benefits of Australian wealth created through our primary industries or through our manufacturing or services are felt by those Australians and that their work is well rewarded. That is what drives the Labor Party and will continue to drive the Labor Party and guide our examination of the budget processes and, where the pain might be felt in that budget, to ensure that spending is properly targeted and focused. (Time expired)

Senator FIFIELD (Victoria) (3.28 pm)—
For as long as I can remember, Labor has talked down the economy. In 1996 the then shadow Treasurer, Gareth Evans, condemned the then government’s savings measures—our efforts to balance the budget. He likened our efforts to taking a baseball bat to the economy. They were not. In 1998 the then shadow Treasurer, Simon Crean, said that the new tax system tax cuts would overheat the economy. They did not. Around the same time, the then opposition leader, Kim Beazley, said that the GST would king-hit the economy. They did not.

To be fair, you do expect oppositions, particularly Labor oppositions, to be negative. But usually, with a change of government, the parties reverse roles. You would expect that a new government would embrace its role to talk up the economy. But, no, we have seen the bizarre situation where the new government is actually talking the economy down; the bizarre situation where the new government is not seeking to defend consumers. Since Mr Swan has been Treasurer we have witnessed him give the green light to banks increasing mortgage rates independently of Reserve Bank decisions. We have seen him give the green light to banks to increase their mortgage rates over and above Reserve Bank decisions. Even worse, we have seen him, the Treasurer of Australia, fuel inflation expectations by declaring, irresponsibly, that the inflation genie is out of the bottle. Those are not the words of a responsible Treasurer. Those are the words of an economic vandal.

Inflation expectations are, in a sense, self-fulfilling. That is why his comments were so dangerous. If consumers think inflation is going to rise they will more readily pay higher prices for goods and services. And if businesses think inflation is rising they will act by lifting their prices to cover anticipated extra costs. That is not just my view. That is not just the view of economists. It is the view of the Chairman of the US Federal Reserve, Ben Bernanke, who recently said, ‘Undoubtedly, the state of inflation expectations greatly influences actual inflation.’ It is a fact, and it was irresponsible for Wayne Swan to declare the inflation genie is out of the bottle. Also, in talking up inflation, the Treasurer has been increasing the likelihood of further interest rate increases.

Labor cynically want inflation to rise and rates to rise. In Labor’s view, the quicker rates rise the sooner they will fall—they hope before the election. They do not care that rate rises which occur too quickly will kill the economy and cost jobs. There is clear evidence already that their plan is working. The Westpac Melbourne Institute consumer sentiment index, which was released recently, showed that there was a 21 per cent fall during the last three months. It is the biggest quarterly slide since the series began in 1975. And the Sensis consumer report released today found that 24 per cent of households felt they were worse off, due mainly to cost of living concerns. Petrol prices were their main concern—top of the list. So the Labor plan that we are seeing is: let’s talk up inflation, let’s talk up rates, let’s kill the economy and let’s hike up unemployment. High unemployment? Well, that solves the skills crisis. Rates hiked high and fast? Well, there is a chance they might come down be-
fore the election. The only price is more job-
less.

I have a bit of advice for the Treasurer: accept the role that you have and master your brief. The job of the Treasurer is to defend the economy; it is to point to the positives; it is to build local and international confidence in our economy. I said yesterday in the chamber that, if Mr Swan does not master his brief very shortly, he will go the way of John Kerin, who, we will all remember, delivered just one budget, in 1991, after serving as Treasurer for only six months. I was a junior opposition staffer at the time and I remember being in the queue at the House Table Office waiting to get my budget papers and seeing, two in front of me, the man who the year before had delivered the budget lining up to get his budget papers. If Wayne Swan does not master his brief soon, he will be in that queue next budget and it will be Mr Bowen or Mr Tanner standing at the dispatch box delivering the budget. This government has to stop complaining about the economy and accept the responsibility. They were elected to govern. They were elected to rule for all Australians.

(Time expired)

Question agreed to.

PERSONAL EXPLANATIONS

Senator BIRMINGHAM (South Australia) (3.34 pm)—I seek leave to make a personal explanation in relation to comments made by Senator Ludwig and Senator Mark Bishop.

Leave granted.

Senator BIRMINGHAM—During question time Senator Ludwig used comments made by me earlier today in relation to the inquiry into the Mohamed Haneef affair and sought to imply that those comments were direct support for the Labor Party’s investigation launched today and announced by the Attorney-General. Senator Bishop followed that up by using the same comments again, no doubt from briefing notes provided by Senator Ludwig. There are two things that Senator Ludwig should have thought of before using those comments. One was the timing of my comments, which were made prior to the announcement by the Attorney-General—

Senator Wong—Bit of a glass jaw, Senator Birmingham!

Senator BIRMINGHAM—of any of the details of this inquiry, Senator Wong, and so of course I did not have any awareness of the details of the Attorney-General’s remarks. In particular, he should have been aware of the comments that were made in addition to those—the caveats put around any inquiry that should take place. By that I mean the non-politicisation of this matter—and certainly it sounds as though the matter risks being politicised—and that it not be selective in its nature.

In essence, the matters that I raised were that, if there were to be an inquiry, it should be by the right body and at the right time, not be selective and not be politicised. Senator Ludwig and Senator Bishop chose to ignore those remarks and simply focus on the nature of the inquiry itself. As Senator Brandis has rightly pointed out, the inquiry announced by the Attorney-General is not by the right body nor at the right time, and such an inquiry should be considered by the Australian Commission for Law Enforcement Integrity and undertaken at the completion of investigations by the AFP. Senator Ludwig and Senator Bishop were incorrect in their assertions about my comments. The comments I made were very clear—that nobody should seek to politicise national security, that maintaining confidence in national security is of the utmost importance and it should not be politicised—and should not be misinterpreted or used out of context.
MINISTERIAL STATEMENTS

Wheat Marketing Export Legislation

Senator WONG (South Australia—Minister for Climate Change and Water) (3.36 pm)—On behalf of the Minister for Agriculture, Fisheries and Forestry, Mr Burke, I table a statement on the Wheat Export Marketing Bill 2008 and I seek leave to incorporate the statement in Hansard.

Leave granted.

The statement read as follows—

Australia’s export wheat marketing arrangements are in desperate need of reform. The current arrangements are a shambles and have failed growers on several levels—the governance arrangements have failed, the management of the single desk has failed and, importantly, the arrangements have also failed growers morally.

The arrangements put in place in 1999 by the previous Government—the granting of a legislative monopoly to a private corporation, AWB Limited—was always destined to fail as it put in place inappropriate incentives without the necessary checks and balances.

The subsequent band-aids applied to the arrangements to get them through the current situation are exactly that—band-aids—band-aids that have merely patched up an ineffective and inefficient system without remedying the underlying defects.

Governance arrangements

You have to ask: why do we have the current governance arrangements? A statutory authority, the Australian Wheat Board, was privatised in 1999 and the legislative monopoly for the export of wheat handed to a private corporation. When a government entity holding a monopoly or a dominant market position was privatised it was common practice to put in place strong regulatory arrangements.

But in this instance, what did growers get? The Wheat Export Authority (WEA). A body with few powers and which was hamstrung from the start. An organisation that Senator Heffernan famously referred to as ‘a bed of pansies, when what’s needed is a thousand-pound gorilla’.

The WEA was limited to reporting to growers after the fact, was restricted in the information it could obtain from AWB and restricted in what it could report to growers because AWB claimed all information as ‘commercial-in-confidence’. It was the regulator you had when you weren’t having a regulator.

The Member for O’Connor could see the flaws in the arrangements in 1999 and said so in this House on many occasions.

Without a strong, effective regulator it is no surprise that things unfolded as they did. The incentives on AWB Limited to exploit its position and behave as a law unto itself were unfettered.

Moral imperative

It is growers, Mr Speaker, who should be most disturbed by what has happened. Their trust in the former management of AWB Limited was betrayed.

As Commissioner Cole said in his report:

A government grant, by legislation, of a monopoly power confers on the recipient a great privilege. It carries with it a commensurate obligation. That obligation is to conduct itself in accordance with high ethical standards. The reason such an obligation is imposed is because, by law, persons are denied choice with whom they may deal.

Sadly, as has been extensively chronicled, the former management of AWB Limited did not live up to these obligations.

The actions of former AWB executives cost Australian wheat growers and the Australian economy enormously. The reputation of Australia as a fair trading nation was tarnished. The time to repair the damage is now.

The flaws and consequences in the current arrangements

Supporters of the single desk argue that the monopoly power extracts a price premium on the world market and this is passed onto growers.

The evidence to support this theory is lacking.

In normal years, Australia accounts for around 15 per cent of the world wheat trade, which is not enough to exert any significant monopoly power. The ACCC, in its merger guidelines, sets 40 per cent market share as the level for exerting monopoly power.
While Australian wheat does obtain a price premium in the market, this is due to its superior milling characteristics. We get a price premium because we have the best wheat.

Mr Speaker, there have been numerous studies and reports on the single desk over the years. One report, however, stands out for its independence and that is the National Competition Policy Review of the Wheat Marketing Act 1989 held in 2000.

That review, conducted by Mr Malcolm Irving, Mr Jeff Arney and Professor Bob Lindner, could not find any clear, credible evidence that the export wheat marketing arrangements were of benefit to the Australian community. In fact, they said:

On balance, the Committee came to the view that the introduction of more competition into export wheat marketing in the future would more likely deliver net benefits to growers and to the wider community than continuation of the current arrangements…(page 7)

While some growers believe that the single desk has operated in their interests, you only have to peruse the recent reports of the Export Wheat Commission to see this has not been the case. For example, a recent report by the Export Wheat Commission estimates that growers were worse off by $14 million on ship chartering costs because of the absence of competitive forces in the transport supply chain.

The industry needs significant reform to increase the level of competition. Competitive forces are needed so that costs in the marketing and logistics sectors are minimised. Only then will returns to growers be maximised.

And worst of all, as Commissioner Cole noted, many growers have no option. Those in the west are tied to the single desk. At least in the eastern states growers have the option of selling their wheat into the domestic market – and in recent years have shown their willingness to use that option.

- Need for legislative change
- It is now time to remedy these defects.
- The latest bandaid applied to the Wheat Marketing Act 1989 is about to expire. The power for me as Minister to grant or refuse export permits expires on 30 June 2008.

At that point, the Export Wheat Commission will become the final arbiter on whether an export permit should be issued. Growers will face considerable uncertainty about the marketing of their wheat on issues such as who may be granted permits and how will AWB be able to manage its obligations under the Act to run pools.

Worse, under the current legislation – without the government’s proposed reforms – there will be no protection for growers in the form of a probity test, and there will be no protection for growers from possible anti-competitive behaviour.

Even AWB Limited considers the situation undesirable. As Mr Gordon Davis, the CEO of AWB Limited, said on 6 March:

If the [draft legislation] is not approved in the Senate, wheat growers will be left in a twilight zone where AWB is expected to run a National Pool without the bulk veto and bulk export permits can be issued to other marketers and traders by the regulator.

In these circumstances, AWB would have the responsibility to maximise returns to wheat growers but lack the ability to do so effectively. No responsible Board of Directors would agree to continue running a National Pool in these circumstances and in the current US sub-prime environment.”

Increasingly growers are accepting the need for change. The recent vote by A-class shareholders in AWB Limited for reform of the company, while not reaching the 75 per cent threshold for success, did exceed 60 per cent.

Proposed reforms

Last Wednesday I released exposure drafts of the bills to implement our reforms and that deliver on our election commitment.

The Bills outline how the new arrangements will work. They explain the establishment of the new regulator, Wheat Exports Australia, and detail the criteria that WEA must consider in whether a company should be accredited to export bulk wheat.

There are clear probity requirements that must be met before a company may be accredited. These
relate to the financial resources of the company, the skills of its management, the systems it has in place to manage risks associated with the trade in wheat, and the demonstrated behaviour of the company and its executives.

Mr Speaker, we need to ensure we do not replace a single wheat export monopoly with three regional monopolies at the ports. I have therefore included a special requirement for any company that operates a bulk grain handling facility at a port terminal. On applying for accreditation they will be required to grant access to that port terminal facility to other exporters as a condition of their accreditation. WEA will also have the power to audit accredited companies to make sure they are complying with the conditions of their accreditation and to obtain information from them.

Severe penalties will apply for exporting wheat in bulk without accreditation and for making false or misleading statements to WEA.

I have invited public comments on the exposure drafts and given all interested parties until 3 April to provide comments. I have also spoken with a range of key stakeholders about the draft legislation, including state farm organisations, bulk handlers and potential exporters. While not all support the new policy direction, I am encouraged by their engagement in the process and their willingness to help achieve the best possible system.

I note, Mr Speaker, the comments from several organisations that support our policy and the draft bills. Of particular note are the statements from the major trading companies and grower groups including the Grains Council of Australia, AWB Limited, ABB Ltd, CBH Ltd and Graincorp. Mr Speaker, I table supporting documents.

During consultation, concern was raised as to whether the changes would have an impact on the willingness of the banks to lend money to growers. To that end, I have met with the Australian Bankers Association who have confirmed that the marketing changes will have no detrimental impact on growers obtaining finance.

As part of the reform process I have established an Industry Expert Group to advise me on the provision of industry good functions under the new arrangements. Some of these functions were previously provided by AWB Limited. I expect the Industry Expert Group will be issuing its Discussion Paper today.

Mr Speaker, I am pleased to inform the House that yesterday our colleagues in the other place agreed to refer the Bill to the Senate Rural and Regional Affairs and Transport Committee for Inquiry.

I understand the Committee is working to be on the road consulting with wheat growers from the 25th of March.

At the request of Senator Scullion, the Inquiry has been extended by a further two weeks, to report back by 24 April.

I understand the Committee is planning to travel to every wheat growing state during the consultation period.

I urge all Members to support the bills when they are introduced into the House. If they do not pass through Parliament in time for a 1 July commencement date then growers will be faced with enormous uncertainty.

Mr Speaker, I can confirm that Labor members in this place will be voting to support the passage of this important legislation.

The Opposition needs to clearly understand that if we don’t change the legislation which the previous government have left us with, there will be no protection for growers from the possibility of anti-competitive behaviour, and there will be no protection for growers in the form of a probity test.

Growers need the certainty of knowing that the buyers of their wheat have the reputation and financial backing to pay for their crop. That certainty can be delivered today by the Opposition declaring its support for these changes.

The Opposition failed to deliver this reform in government. Should they continue to frustrate this reform from Opposition then they must be prepared to stand up and accept the responsibility for the consequent impact to growers and their families.

Mr Speaker, the Australian wheat industry has a positive future under our proposed reforms but not under the existing legislation. It is imperative that these bills, once introduced, be passed by the
parliament without delay, an imperative that both sides of politics today provide growers with certainty.

**TAX LAWS AMENDMENT (PERSONAL INCOME TAX REDUCTION) BILL 2008**

**First Reading**

Bill received from the House of Representatives.

**Senator WONG** (South Australia—Minister for Climate Change and Water) (3.38 pm)—I move:

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

Question agreed to.

Bill read a first time.

**Second Reading**

**Senator WONG** (South Australia—Minister for Climate Change and Water) (3.38 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:

The amendments contained in this Bill will cut personal income tax for all Australian taxpayers from 1 July 2008, and implement important taxation reforms that have been long championed by the newly elected Government.

These tax reforms are designed to reward the hard work of Australians whose efforts are so critical to keeping the economy strong. They are also a down payment on a more internationally competitive tax system that will enhance the economy’s productive capacity and help attract and retain highly skilled workers.

In order to continue our remarkable 17 year long economic expansion it is necessary to draw more Australians into the labour market. The tax reforms contained in this Bill are designed to do just that.

Lifting the supply of labour is a key component of the Government’s five point plan to tackle inflation. Labour shortages are now widespread and employers frequently report they are the number one constraint on business expansion.

By expanding the pool of labour available to businesses they are better able to meet the high levels of demand they are facing for the goods and services they provide.

This tax reform package will significantly improve the financial incentives for second income earners and those on welfare benefits to make the transition into the workforce or increase their hours of work. These incentives will be reinforced by other measures to be implemented by the Government, including the 50 percent child care tax rebate and 450,000 additional skills training places.

Economic modelling undertaken by the Treasury indicates the personal income tax reforms alone will lift aggregate labour supply by around 65,000 persons in the medium term. This increase in workers, together with the increase in the effort of existing workers, will make available around 2.5 million additional hours of work to the economy each week.

These tax reforms will also enhance the incentives for taxpayers to upgrade their skills and gain higher qualifications by allowing workers to keep more of the wage gains that come with being more highly skilled and productive.

The tax reforms in this Bill are fiscally responsible. They will be progressively phased in—taking effect in three stages: from 1 July 2008, 1 July 2009 and 1 July 2010.

This phased introduction will ensure that the increased disposable income that flows from the tax reductions will better match the anticipated improvement in the productive capacity of the economy in the years ahead. It should also be noted that the tax reductions will be accompanied by new savings incentives, such as the Government’s new First Home Saver accounts, which will encourage eligible taxpayers to make the most of their disposable income gains by boosting their savings efforts.

Importantly, the new tax measures that take effect in the first year are focused on taxpayers that have the greatest labour supply response.
From 1 July this year, the Government will increase the 30 per cent marginal tax rate threshold so that the 15 per cent marginal tax rate will apply up to $34,000 of income, an increase in the threshold of $4,000.

In addition, the Low Income Tax Offset will be increased from $750 to $1,200. It will continue to phase out at four cents for every dollar of income above $30,000. This means that those eligible for the full Low Income Tax Offset will not incur a net income tax liability until their annual income exceeds $14,000.

Importantly and for the first time, from 1 July 2008, low-income earners will receive half the benefit of this offset through their regular pay, rather than receiving the total as a lump sum when their income tax returns are assessed. This will ensure that they receive more timely tax relief in their take home pay and will sharpen incentives to participate in the workforce.

Further tax cuts will apply from 1 July 2009, including an increase in the 30 per cent marginal tax rate threshold, so that the 15 per cent marginal tax rate will apply up to $35,000 of income. In addition, the 40 per cent marginal tax rate will be reduced to 38 per cent.

The Low Income Tax Offset will be increased from $1,200 to $1,350 from 1 July 2009. This means that those eligible for the full Low Income Tax Offset will not incur a net income tax liability until their annual income exceeds $15,000.

From 1 July 2010 the threshold for the 30 per cent marginal tax rate will increase so that the 15 per cent marginal tax rate will apply up to $37,000 of income. In addition, the 38 per cent marginal tax rate will be reduced to 37 per cent.

The Low Income Tax Offset will also be increased from $1,350 to $1,500 from 1 July 2010. This means that those eligible for the full Low Income Tax Offset will not incur a net tax liability until their annual income exceeds $16,000.

Importantly, this plan provides the greatest tax cuts in percentage terms to those who need it the most—low-and middle-income earners. Compared with their income tax liability for 2007-08, not taking into account the Medicare levy, a person with taxable income of $20,000 will have an income tax reduction of around 56 per cent, a person with taxable income of $50,000 will have an income tax reduction of around 18 per cent and a person with taxable income of $100,000 will have an income tax reduction of around 8 per cent by 2010-11.

I would also note that the increase in the 30 per cent threshold and the Low Income Tax Offset will provide a greater incentive for those outside the workforce to re-enter it and those in part-time work to take on additional hours.

As a result of the increases in the Low Income Tax Offset and the threshold for the 30 per cent tax rate, the income up to which senior Australians eligible for the Senior Australians Tax Offset do not pay income tax will also increase.

From 1 July 2008, senior Australians who are eligible for the Senior Australians Tax Offset will not pay income tax until they reach an annual income of $28,867 for singles and $24,680 for each member of a couple. From 1 July 2009, these income levels will increase to $29,867 for singles and $25,680 for each member of a couple. From 1 July 2010, these income levels will increase further to $30,685 for singles and $26,680 for each member of a couple.

This package provides more than $30 billion of benefit to taxpayers over the period to 2010-11 and will enhance Australia’s reputation as a low-tax country. This tax plan has been developed within the context of a responsible fiscal envelope to enhance individual incentive and workforce participation, particularly for part-time workers and secondary earners. Overall, these tax cuts will deliver assistance to working Australians under financial pressure and help prepare Australia for its future economic challenges.

The tax reforms contained in this Bill are the first stage in the Government’s tax plan to flatten Australia’s personal income tax system, by reducing the number of income tax rates from four to three—with a personal income tax scale of 15 per cent, 30 per cent and 40 per cent—and a more generous Low Income Tax Offset delivering an effective tax free threshold of $20,000 to low income earners. These further reforms will be implemented in due course as economic circumstances allow.
Full details of the amendments in this Bill are contained in the explanatory memorandum.

Debate (on motion by Senator Wong) adjourned.

(Quorum formed)

BUDGET 2008-09

Senator EGGLESTON (Western Australia) (3.42 pm)—I move:

(a) notes:

(i) the concern of Australians given the impending budget cuts proposed by Labor’s razor gang;

(ii) that Labor is showing with its backflips and ill-conceived proposals that it has no idea how to run our trillion dollar economy; and

(b) calls on Labor’s razor gang to ensure that no Australian will be worse off when the Budget is delivered in May 2008.

Today we are speaking on a motion related to the budget and the economy, something we on this side, as parties in the coalition, recognise as the foundation upon which all other achievements in all other areas rest. We all know that the best policy counts for little when there is little money to put it on the ground and when social development is held back by a lack of basic needs. Let me start by saying that no other party in this parliament can lay claim to such a great economic record as our coalition government had.

As a member of the previous government, it is with pride that I go through some of the many achievements of the coalition during our time in office. Firstly, average GDP growth from 1996 to 2006 was 3.6 per cent. As an achievement, this is even more impressive when you compare it with other developed countries, such as the United States, with average growth of only two per cent; the United Kingdom, with growth of only 2.8 per cent; and Germany and Japan, with growth of 1.4 and 1.2 per cent respectively. For the time that we were in government our budget and our first-rate economic management saw our GDP grow over 10 years at a rate of 1.3 per cent higher than the OECD average. The coalition government presided over the longest and strongest sustained period of growth in Australia’s history, despite numerous challenges such as the Asian financial crisis and September 11. The effects of these were greatly felt by many economies around the world.

With such a record, it should come as no surprise that the then opposition began copying our policies to the point that the phrase me-tooism came about, and they continue to do so in many ways. You cannot get this kind of growth without lowering unemployment, which is a win for Australia and a win for those individuals who were brought back into the workforce. Since coming into power in 1996 the coalition government, through macro and micro reform, saw around 2.2 million extra Australians enter the workforce, with 60 per cent of these new jobs being full-time jobs. From an unemployment rate of 8.2 per cent in March 1996, the coalition, through its first-rate budgets and economic management, saw the unemployment rate in this country drop to 4.3 per cent in...
August 2007, the lowest it had been since 1974. We also managed to reduce the number of long-term unemployed to 66,700 by August 2007, around a third of the number that there were when we first came into power.

All of these jobs would mean little if people were paid inadequately, but during its term of office the coalition saw real wages rise by 21.5 per cent. This is a great achievement for workers, especially given that wages in this country fell in real terms by 1.8 per cent only over 13 years. So after 13 years of budget management the Labor government, which refers to itself as the workers’ party, has brought to the table a drop in wages and an unemployment rate during the period until 1996 that was almost twice as high as it is today. Most are aware of the union campaign during the previous election campaign about Your Rights at Work. In my view, it is hard to have rights at work if you do not have a job, and for those who saw their real wages go backwards, where were their rights?

Another great budget achievement of the coalition was our management of Labor’s mismanagement of government debt. We managed to completely pay back the $95.8 billion debt that had accumulated under the previous Labor government. By paying back that money we saved billions of dollars in interest payments, with the interest bill for the 1996-97 period totalling $8.4 billion. Now, the current Labor government is boasting about the $642 million in programs that its razor gang has managed to axe. Those savings are over the next four years and represent only one-fourteenth of the interest bill generated by the previous Labor government’s debt in only one year.

Much to our credit, not only did we manage to pay all that money off and have our credit rating upgraded twice to its current AAA rating but we also managed to drop the tax burden from 22.3 per cent of GDP to 20.7 per cent of GDP. In short, the numbers clearly show that the Howard government legacy in terms of our budget and economy means nothing less than history-making growth, more jobs, higher wages, zero government debt, a top credit rating and a lower tax burden. Australians are definitely not worse off for having had the coalition in government and what we are asking today is for the current government to ensure that Australians will not be worse off when the budget is delivered in May. It is an assurance many Australians are anxious to have, given the performance of previous Labor governments.

So how did we do all that we did, and where did this all come from? Despite the ideas that were put forward during the election campaign, economies do not run themselves; they need good policies and hard work. The coalition are fully aware that some of the best work that can come from government is the work that helps Australians work to their best. With this in mind, the coalition brought many well planned and executed policies forward which made sure that when the Australian economy wanted to function it could do so efficiently and competitively with minimum government interference and maximum support. To create such a healthy economic environment there were many areas that needed action, and I would like to discuss some of those now.

To help Australia’s exporting sectors, the coalition government worked very hard to complete three free trade agreements with the United States, Thailand and Singapore, bringing the number of completed free trade agreements from only one to four. During its term the coalition also began talks with ASEAN, Malaysia, China, Japan, the Gulf Cooperation Council and other Gulf states. These efforts, aimed at building on the com-
 commitments already agreed to in the WTO, will make Australian export industries more competitive by lowering and sometimes eliminating completely tariffs, quotas and other restrictions under which Australian exporters would otherwise have to operate.

In terms of being worse off from Rudd’s razor gang and its budget cuts, it is worth recognising here that the previously mentioned negotiations with Japan on a free trade agreement have been axed by $1.1 million, which was allocated for the commencement of these negotiations. Given that Japan is Australia’s largest trading partner and it has long been, by far, Australia’s largest export market, this $1.1 million saving pales in light of the $31.6 billion worth of exports from Australia to Japan in 2005. Those figures came from a DFAT study group paper which strongly recommended a free trade agreement, highlighting the fact that in 2005 exports to Japan were greater than those to both China and the United States combined. It is that sort of economic short-sightedness that has so many Australians concerned about what the Rudd government is up to, and warrants today’s motion.

Besides making the Australian economy more open, we have produced many reforms that have allowed Australians to better participate in our economy and reap their share of Australia’s current prosperity. We helped this happen through welfare reform—through the Welfare to Work program, for example, which played a part in many people coming off unemployment benefits and entering the workforce. This helped address labour shortages, improved their independence and self-confidence, and reduced the welfare burden.

Another great initiative can be found in the Job Network, which provided assistance to all job seekers but was of greatest help to those who were most disadvantaged in the labour market. The success of this initiative can be seen in the large number of placements recorded for all job seekers, with the 12 months leading to the end of February 2007 seeing a total of over 650,900 job placements being recorded. The coalition also introduced workplace reforms which, despite prophecies of doom and gloom, saw real wage increases and the creation of new jobs, most of which were full time.

Not only did the coalition government help Australians to be better off in a purely economic sense; we also helped with programs that helped Australians in areas such as education, health and culture. It is from many of these non-economic areas that concerns about the Rudd government’s razor gang are being raised. For example, relatively small amounts of expenditure have already been axed from programs, with little foresight of what it will mean for the economic, social, cultural and environmental health of Australia—many people and industries have already been left worse off.

Examples of such funding cuts, as I have already discussed in Senate estimates, include the $6 million cut from the Australian Nuclear Science and Technology Organisation for its graduate recruitment program. This has far-reaching implications, including implications for the nuclear medicine industry, which will be disadvantaged by these cuts and it will be more difficult for people to obtain radioisotope scans.

Another example of razor gang cuts leaving Australians worse off comes from the reversal of the 2007 drought package, which will see $10 million of assistance to rural research and development corporations and companies being axed. For a government that is constantly telling people just how much we are going to be worse off with climate change, I find it hard to understand how it justifies axing a program to better equip us
to handle climate change and how this is going to make Australians any better off, in particular how it is going to be of any assistance to people of rural and regional Australia.

This is just a quick review of some razor gang actions that have definitely not left Australians better off. There are many more involving cuts to music programs, sports programs, research programs and so on, but time limits me from going through them all.

In conclusion, this country was left with a very fine economy by the coalition government. It is absolute nonsense for them to claim with any credibility that the coalition was lax in its management of the economy or lax in its awareness of the growing problem of inflation. We can only be greatly disturbed, and we have a sense of great misgiving, about the impending budget cuts being proposed by Labor’s razor gang. There is no doubt at all that the Labor government is showing a reckless disregard for the interests of many people in this community, as was shown during this last couple of weeks with the proposed cuts to the carers allowance. I feel a great sense of foreboding at the possibility of across-the-board budget cuts which will undermine the wellbeing of many Australians, and perhaps hit most of all the most vulnerable people—people who depend on welfare and the kinds of extra benefits that the coalition government gave them. Strangely, these people are generally traditional supporters of the Labor Party. The people of Australia have every right to be very suspicious of what this government is up to in terms of the actions of its razor gang, and I implore Labor members in the Senate to ensure that there is a sense of responsibility and that the most vulnerable in this community have their interests protected rather than being undermined by this process of the razor gang budget cuts.

Senator MARSHALL (Victoria) (3.59 pm)—I enter this debate on the motion relating to the budget and the economy rather surprised that the opposition would move such a motion in general business, especially when they talk about trying to ensure that no Australian is worse off, given their record. It was interesting to hear Senator Eggleston say that to run a good, strong, modern economy you need good policies and hard work. That is something the previous government, now the opposition, used to talk about a lot but do very little of indeed.

A number of years ago I remember speaking in this chamber about the skills shortage—the very skills shortage that plenty of members of the now opposition were prepared to admit at the time. In fact they were happy to say it was a skills crisis. I remember Senator Abetz saying that the skills crisis is a victim of our success with the economy, and I will come back to that in a minute. It is interesting that the shadow Treasurer—the shadow Treasurer who wanted to be a member of the Labor Party but did not join, thankfully—now says that the skills crisis does not exist at all. It seems very strange to me that the new opposition seems to be floundering around. They are not sure what to ditch from when they were in government, what to discount, what to abandon, what to keep and what to modify. They seem to be all over the place.

The fact is the previous government let Australia down in terms of the skills issue. They did not invest in training. They did not ensure that there were enough training programs and systems in place to identify that the skills crisis was coming. Of course, Senator Abetz’s remarks were telling, because you do not have a modern efficient economy that you have actually planned for unless you address one of the key elements, and that is ensuring that there are enough skilled workers in place to cope with the growth that a
successful economy will deliver. One can only conclude that when Senator Abetz, speaking on behalf of the then government said, ‘The skills crisis was simply us being a victim of our own success,’ any economic success that the previous government had was purely accidental.

If they had planned for it, there would not have been a skills crisis in this country. The fact is they were not planning for it. They were relying on the general strength of the global economy and reaping significant rewards from that. They failed to address the skills crisis and have clearly made Australians worse off as a result. I find it strange that they are now asking us to guarantee that no Australians will be worse off as a result of the budget when they did nothing to put in place all the factors that need to be in place and well entrenched in order to run a strong economy.

Of course the same is true for inflation. When did the inflation genie get out of the bottle? It was some time ago. It was not just the Labor Party talking about it at the time. The Reserve Bank gave warning after warning to the then government about the inflationary pressures of their policies and they went on spending like drunken sailors and making promises right through the election campaign. An example of the ridiculous expenditure they were engaging in—and it was drunken sailor-type spending—was the Dairy Regional Assistance Program which gave a grant to the Indigo Cheese factory in the electorate of Indi. The former government in May 2005 gave a $426,962 grant under that Dairy Regional Assistance Program. But here is the catch—as part of the grant the former government paid an instalment of $22,135 of taxpayers’ money on 28 June 2007. The trouble is, 28 June 2007 was three months after the factory had already closed.

Under the former government there was a slack regime in place for these programs. I probably will not have time to go into all the regional assistance programs which were rorted to the hilt by the previous government and by the National Party in particular. We will just concentrate on this one for a moment. Once the previous government was unceremoniously chucked out by the electorate and after seeking legal advice, the factory found that they were actually deemed to have complied with their contractual obligations even though they had accepted money three months after the factory had closed.

Just think about that, the factory shuts in May 2007, but this company under a scheme managed by the previous government still gets $22,000-odd of taxpayers’ funds just before the end of the financial year because under the contract that they had signed under the former government’s regional arrangements, you could get that money. The factory did not even have to stay open! This is the sort of program—

Senator Ian Macdonald—Tell us about the dead tree.

Senator MARSHALL—I know Senator Ian Macdonald does not like to listen to these real-life examples of how incompetent the previous government was in managing these programs. We will talk about lots of things, Senator Macdonald, but maybe you should listen and you might learn something. One of the lessons you are going to have to learn in opposition is how to actually run and manage yourselves and present yourselves to the public where you might become competitive again.

Senator McGauran interjecting—

Senator MARSHALL—Senator McGauran laughs. I know he has had many years previously in opposition and he did not like it. He knows and probably recognises and lays awake at night thinking, ‘We’re going to
do the same things as we did in that last long 13-year period during opposition. You have leadership tensions again; it is all over the place. How long will the existing Leader of the Opposition last?

Senator Ian Macdonald—About as long as Kevin before Julia gets in.

Senator MARSHALL—Oh, do you really think so? Senator Macdonald, I would like to have a little wager on that with you because I do not think Mr Turnbull would last very long at all.

The ACTING DEPUTY PRESIDENT (Senator Forshaw)—Order! It is against standing orders to have any proposed wagers across the chamber. You should direct your remarks through the chair.

Senator MARSHALL—Thank you, and I will. It is a little bit ironic that the current Leader of the Opposition was a member of the Labor Party and he is about to be replaced by the shadow Treasurer who wanted to be a member of the Labor Party. Then again, you have a Leader of the Nationals in the Senate who is not even a member of that particular party. There is a sort a bizarre world going on in opposition. I do feel a little bit sorry for you. In time you will work it out. It will settle down and you will start to focus on some of the issues that actually impact upon Australian people.

One of the other things I found interesting in what Senator Eggleston talked about is their sudden new-found interest in looking after the most vulnerable Australians. I find that a little bit strange coming from an opposition that, when in government not long ago, introduced one of the most evil, pernicious pieces of legislation called Work Choices that systematically ripped away the wages and conditions of Australians. And do you know which Australians were most affected?

Opposition senators interjecting—

Senator Sherry—They have still not learnt their lesson.

Senator MARSHALL—This is the other thing I find interesting when listening to the interjections from the other side: they are defending their position. They are laughing about it because they have still not accepted the fact that Work Choices hurt working people. And the people who have been hurt most are the most vulnerable people in our community—the people in low-paid, low-skilled jobs who did not have any bargaining power. They allowed and set up a system of systematic abuse and the stripping away of wages and conditions.

The strange thing is that lots of evidence about the massive abuses that were taking place is now coming from departments that are no longer controlled by that government. I do not like to use the word 'hypocritical' very often, but I do find it somewhat hypocritical that the previous government—the now opposition—have a new-found interest in vulnerable Australians when they did not really seem to care before. If they had cared before, they may not be over on the opposition benches now. It is a little bit late to care now. We see their new-found interest in openness, in transparency and in fairness and we find they have a new-found interest in VSU. During estimates we had senators coming in saying, ‘Isn’t it outrageous the impact the VSU legislation has had on people who used to work for the university unions?’ I did suggest to the coalition senator during estimates that maybe he would want to move a private member’s bill to undo the legislation that he supported in the previous government.

It is quite bizarre to see these flips, flops, flaps and fuddles going on with the opposition as they try to sort themselves out and work out what they actually stand for now, where they want to target themselves and
who they need to attract to give them some traction in the political arena. Given their performance so far, I think they are going to struggle.

We have heard a lot of data on what Work Choices actually did to people, but I want to give the Senate some information about some of the impacts of agreements that have failed the fairness test. I understand that the previous minister, Mr Hockey, in some of his interviews around the place explained the introduction of the fairness test in this way: no-one in the cabinet of the previous government seemed to understand that Work Choices could actually rip away the terms and conditions of employment of many Australians and reduce their wages. They were either all ignorant—I suggest that that is what he must have been getting at—or asleep at the wheel. That is not surprising. That was obvious in so many things that the previous government was flapping around trying to do. But he wanted to be the champion and, once he was able to convince his cabinet colleagues that Work Choices could rip away the terms and conditions of vulnerable working Australians, they wanted to introduce a fairness test. It was a phoney fairness test, but nonetheless there it is.

What happened was that so many agreements still continued to fail the fairness test—the miserable low base that the previous government decided to put into the fairness test. For having their conditions, their penalty rates, their shift loadings, their public holidays and all those things ripped away the phoney fairness test was put in place to compensate them. But of course the problem was that that did not discourage shonky employers from trying to rip everyone off as much as they could. I do recognise that there are many fine employers that have integrity and treat their employees very well indeed. But there are a lot that do not, and nothing could be a better example than the fact that, of all the agreements that failed the government’s fairness test—and you should understand that the fairness test is for the worst possible wages and conditions allowed for by law—50 per cent failed because they offered less than $50 per week below the required rate and 39 per cent failed because they offered from between $50 and $199 per week below the required rate. And again, that is the lowest rate required by law. A further 10 per cent failed because they reduced wages and conditions combined by between $200 and $499 per week below the legal minimum, and one per cent—and thank heavens it was only one per cent—failed the fairness test because those AWAs were offering more than $500 per week less in wages and conditions than the legal base minimum rate.

Even with the fairness test in place, with employers supposedly understanding it and with the $100 million or so of taxpayers’ money that the previous government spent on advertising as well, we still had this large percentage of agreements coming through trying to rip off workers, many by more than $500 per week below the worst possible wage allowed under law.

Mr Hockey was just dead wrong when he said that the government did not know that this was going to be the outcome and that he had to explain to his cabinet colleagues that this could be a consequence of Work Choices. In the first WorkChoices booklet that went out with the original Work Choices legislation, there is the example of Billy. This is what the government said in their advertising propaganda:

Billy is an unemployed job seeker who is offered a full-time job as a shop assistant by Costas who own a clothing retail store in Canberra. The clothing store is covered by a federal award. The job offered to Billy is contingent on him accepting an AWA.

Take it or leave it was a common approach with AWAs.
The AWA Billy is offered provides him with the relevant minimum award classification wage and explicitly removes other award conditions.

As Billy is making an agreement under WorkChoices the AWA being offered to him must at least meet the Fair Pay and Conditions Standard. The AWA Billy is offered explicitly removes award conditions for public holidays, rest breaks, bonuses, annual leave loadings, allowances, penalty rates and shift/overtime loadings. Billy has a bargaining agent assisting him in considering the AWA. He understands the details of what is in the AWA and the protections that the Fair Pay and Conditions Standard will give him including annual leave, personal/carer’s leave, parental leave and maximum ordinary hours of work. Because Billy wants to get a foothold in the job market, he agrees to the AWA and accepts the job offer.

The government’s own propaganda talked about a Work Choices AWA being able to strip away public holidays, rest breaks, bonuses, annual leave loadings, allowances, penalty rates and shift and overtime loadings. We have Mr Hockey saying that the cabinet ministers did not understand that these things could actually happen, but it was in their own propaganda. I may be wrong about this, but I think on that initial campaign the then government spent $55 million of taxpayers’ money to make people sign a take it or leave it AWA which made them worse off.

I can only suggest to the now opposition that it is a little bit too late to care. You did not care then; you do not really care now. When the next election comes around you will not be talking about Work Choices and the reintroduction of these sorts of AWAs, yet that is what you want to do. The Australian public know it. We see it throughout the public hearings into the inquiry into the bill that is about to come before the Senate—the constant defence, day after day, witness after witness, by coalition senators protecting AWAs, harking back to the glory days, trying to get employers to say we really want them, just so the coalition can put AWAs back on the agenda and introduce them again. It is because they have not learnt from their mistakes. They do not care about vulnerable Australians; they do not care about working people. Quite frankly, this motion before us today is just a political stunt, an opportunity for them to get up and grandstand, but it means nothing—

Senator Brandis—You wanted to abolish the carers allowance.

Senator MARSHALL—It is interesting that Senator Brandis joins the debate at the last minute and it will be interesting to hear what he has to say about this issue. I will be interested to hear what you say, Senator Brandis, when you get up during this debate and make your contribution. But you, like everyone else, are a bit late. (Time expired)

Senator McGAURAN (Victoria) (4.19 pm)—I join with my colleague Senator Eggleston to support and endorse the motion before the Senate. It was only last week that the final report card, if you like, on the Howard government was handed down in the national accounts for the December quarter. It showed quite clearly that the economy continued to grow at record levels above the OECD countries, growing at 3.9 per cent a year. It showed that the economy maintained its strength, its resilience and its flexibility, that it had entered the 17th consecutive year of uninterrupted growth and that unemployment rates were at 35-year lows. Moreover, the investment boom was continuing. Businesses were investing in future capacity. The national accounts said that new private business investment grew by 0.6 per cent in the December quarter to be 11 per cent through the year. Profits remained strong. Pressures on wage breakouts were contained; nevertheless wages increased. Consumer confidence maintained its high levels even in the face of several interest rate rises.
That is the final report on the Howard government handed down in the national accounts. A strong, resilient economy was handed over to the new government. Let us have a look at the first report handed in on the Rudd government. It happens to be quite starkly on the front page of the Financial Review today. It is all centred around market expectations and market confidence. Its headline says 'Consumer confidence slumps'. From December last year to now, we have had a slump in consumer confidence. It is worth while to read passages. Senator Sherry, you may want to hear this if you have not already read the front page of the Financial Review—the first report card on the Rudd government—as you slink out of the chamber, not wanting to hear the economic facts.

The ACTING DEPUTY PRESIDENT (Senator Forshaw)—Order! Senator McGauran, you will address your remarks through the chair and you will address the issues in the debate and not seek to make those sorts of comments about a senator.

Senator McGauran—I do apologise for being provoked by and provoking Senator Sherry.

The ACTING DEPUTY PRESIDENT—Senator McGauran, return to your speech.

Senator McGauran—I will quote from the Financial Review, because it is important to do so. I do not wish to quote big slabs of it, but it is poignant. It is poignant because it goes to the fact that the issue goes deeper than what Mr Rudd has just flicked off in saying that 'international volatility' is causing this. No. Read the actual results of the surveys and you will realise it certainly goes deeper than that. It is in fact a comment on the ability of this government to run the economy. To quote certain paragraphs: Consumer confidence has plunged to its lowest point in almost 15 years amid signs the economy is slowing under the weight of successive interest rate increases and the effects of global financial market turmoil.

... ... ...

The Westpac-Melbourne Institute index of consumer sentiment has plummeted more than 21 per cent in the past three months—three months of the Rudd government, precisely—to record its sharpest quarterly fall on record, a development that follows softer retail sales and signs that growth in employment, forward orders and profits are moderating.

Moreover:

... Westpac chief economist Bill Evans said the significance this time was that it came on top of similar sharp falls in the previous two months—of the Rudd government. It continues:

The index measuring expectations about family finances over the next 12 months plunged by 8 per cent this month to be almost 15 per cent lower than in March last year, while optimism about prospects for the economy in the next year has collapsed, dropping by 33.3 per cent from a year ago …

The results are consistent with a Sensis survey of 1500 consumers reporting a 17 per cent plunge this month in the number expressing confidence in their financial prospects for the year ahead—a record fall for the survey …

As I say, that goes deeper than the subprime effect from the United States and the recession that they are tipping into. It is a survey result that really goes to the confidence in the new government’s ability to run the economy—and why wouldn’t consumers have lost confidence? In the words of the Financial Review, confidence has ‘plunged’, ‘plummeted’ and ‘drastically fallen’. Why wouldn’t it? Since those from the other side have taken up the privilege of government, they have done nothing but run down the economy.

The worst of all of this is the man who has been put in the position of responsibly run-
ning the economy, and that is the Treasurer, Mr Swan. I am sure that in everyone’s minds this is a drowning Treasurer. This is a job that is really quite beyond him. I think Senator Fifield compared him to another failed Treasurer, John Kerin, saying that he could well be heading the way of John Kerin. There is no doubt about it; the biggest task, to manage the economy—a responsibility that is probably greater than a Prime Minister’s in many ways, because he gets the initial response and draws up the initial briefs for cabinet—is in the hands of someone who cannot handle the job.

After all, to just flick this off as ‘international volatility’ does not explain why under our watch, when the Howard-Costello team were running the economy, we were able to ride out the Asian crisis in 1997 and 1998, the collapse in the Asian economy. There was also a similar US recession after September 11; the worst drought that this country has faced in 100 years; and the SARS crisis, where the tourist industry collapsed. All those crises buffeted the economy, but I can tell you consumer confidence, business confidence and business investment never slumped as low as they have in the past three months.

There is no doubt that the weakest link in your government is the ability of this Treasurer to manage the economy. His irresponsibility and his lack of knowledge of market expectations and market confidence are borne out by the comment that ‘the inflation genie is out of the bottle’. It ranks with the comment of another previous Labor Treasurer, Paul Keating, when he sent the market into a plunge by saying that Australia was in danger of becoming a banana republic. The worst thing about this is there is not one sensible government member, at least in the chamber, because they are all repeating the same comment. None of them have woken up to how it affects market expectations and confidence to say that the inflation genie is out of the bottle.

I have good reason to say that, because two very good sources—our own Reserve Bank governor and the equivalent in the United States, the US Federal Reserve chairman, Ben Bernanke—both give an outline of what drives future inflation rates. Our own Reserve Bank governor, Glenn Stevens, said on 11 December last year:

Even more important are expectations of future inflation. When people expect prices to rise rapidly, they bring forward purchases, put up their own prices, demand higher wages and so on. That helps to create the very inflation they expect.

To back up that comment about the nature of inflationary expectations, the chairman of the US Federal Reserve, Ben Bernanke, said:

Undoubtedly, the state of inflation expectations greatly influences actual inflation …

When you have the Treasurer of this country stepping out and saying the genie is out of the bottle, running down the economy and misrepresenting past inflationary levels, then what do you expect? You get 15-year slumps in consumer confidence and business confidence. That is the result of it. It goes way beyond the international volatility. Do not think you can just ride through a Financial Review headline and continue on as you are, running down the economy and using it for your own political advantage against the opposition. This will cascade through the economy. Don’t think that it won’t. Consumer confidence will cascade through the economy where you will start affecting the employment rate. Don’t think that you won’t. A very good Treasurer—the best Treasurer in this country, and the longest serving Treasurer in the world, Peter Costello—compared the economy with a Formula 1 racing car. It is finely tuned; it can go fast and smooth and take the corners, but if you make one drastic, sharp move—if you drive it badly; if you put a bad driver in there—you will tip that For-
formula 1 car up. That is what the economy is like. It is finely tuned. The market is a creature unto itself. A bad Treasurer that makes outlandish comments—just because he is driven by a political aim—will affect the economy, and that is what this Treasurer has done. He was left the legacy of a Formula 1 car and he is ramming it into the sides. He is going to do somersaults and spin out.

I know I am limited for time, but I cannot let the moment pass—having made those comments—without restating that the economy that the Labor Party were left, now that they have come into government, was described by no less than the OECD as ‘the wonder down under’. I saw it printed in the Economist: the ‘wonder down under’ economy. It is worth stating that when we first came into government in 1996 we were left with the legacy of a $96 billion debt—the highest debt run up by any government—and a $10 billion budget deficit. In contrast, when you came into government you were left with zero government debt—one of the few governments in the world that had the discipline and the foresight to reduce debt to zero. We had a string of surplus budgets, the last budget surplus being $18 billion. The economy had 11½ years of record growth, interest rates were always some five points less than the previous government’s highs and we had the significance of the unemployment figures. If I can just highlight one particular figure, it is the unemployment rate, which is our proudest legacy, because you do all this work so people can get a job and lift their living standards and leave a legacy for their family and their children. That is the whole aim. Every decision that you make funnels down to people being able to get a job. It is a pretty glib and easy thing to say—to give people the right and the opportunity to have a job. But it is hard to get to that point. We were fast reaching full employment. It is a proud legacy of the government,
been generating inflation. We have the highest inflation rate in 16 years. We have productivity at zero—the lowest in 15 years.

Opposition senators interjecting—

Senator O’BRIEN—This is the fiction that Senator McGauran and his colleagues are trying to create. They have been in charge of the economy and they are saying, ‘Oh, it’s all fine.’ The shadow Treasurer is trying to tell the Australian people, ‘There’s nothing wrong; we left it all in good condition.’ But the fact of the matter is that the Reserve Bank and all other commentators are talking about the significant capacity problems, the skills crisis in the economy, capacity constraints, infrastructure problems, inflation problems, low productivity and 11 interest rate rises in a row under the former government—the government that promised to keep inflation at record lows.

This is the economy which they would have Australians believe is in good shape after their stewardship. They have the temerity to then come in here with this proposition. It is understandable why they would not have wanted it to be on the Notice Paper for too long. They finish the proposition by calling on Labor’s razor gang to ensure that no Australian will be worse off when the budget will be delivered in May. For years, they refused to guarantee to the Australian workforce that no worker would be worse off under their industrial relations legislation. For years, they maintained that that was not necessary. Only in the shadows of their defeat did they come to the conclusion that they had to go back to a no disadvantage test. Then they bungled that and a massive bureaucratic arrangement had to be faced by employers who had AWAs before them. There is a mess out there that was created by their industrial relations system which this government will correct.

That is the disaster that the former government imposed on this country. For Senator McGauran, those opposite and the shadow Treasurer to suggest that there is not a problem demonstrates just how out of touch they still are. They were out of touch at the last election, and that is why the Australian people got rid of the coalition. They remain out of touch. What more do you need to be convinced that they remain out of touch than to have heard the last contribution from Senator McGauran? I have seen senators come in here with various aids, but I have not seen many stand there reading from a newspaper on the lectern as part of their contribution to the debate. Perhaps that is because they are generating nothing and the newspapers are creating some ideas that may be useful to them. That is a good thing, because clearly they do need ideas. They clearly need someone to tell them what the real facts are. They need someone to come in and tell them that there is a problem in the economy, that there is something that needs to be attended to and that in fact this government is attending to the problems that their government was part of creating.

We have the legacy the former government left for the Australian people in the highest inflation in 16 years, fuelled by their reckless spending. This Labor government has made it clear that we need a new era of fiscal discipline to take Australia forward to combat the scourge of inflation. It is, as Mr Swan has said, public enemy No. 1 to our government. Inflation hurts working families, puts upward pressure on interest rates, erodes living standards, harms businesses, threatens our future prosperity and threatens job creation. This government is committed to a budget surplus of at least 1.5 per cent of GDP in 2008-09, a concrete demonstration of our commitment to fiscal restraint—unlike the previous government, which had a record
of profligate spending, a growth in spending of—

Senator Brandis—Mr Acting Deputy President, I rise on a point of order. When Senator O’Brien claims that the commitment of the new government to a surplus of 1.5 per cent of GDP is unlike—

The ACTING DEPUTY PRESIDENT (Senator Marshall)—Yes, but what is your point of order, Senator Brandis?

Senator Brandis—the previous government when as we know the previous government had itself observed that commitment—

The ACTING DEPUTY PRESIDENT—Senator Brandis, you are simply adding to the debate.

Senator Brandis—he is misleading the Senate.

Senator O’Brien—I rise on that point of order, Mr Acting Deputy President. That is an abuse of the standing orders by Senator Brandis. We have seen it repeatedly in question time, where, instead of taking a bona fide point of order, a debating tactic is used to intrude other matters into the debate. The facts of the matter are that Senator Brandis is not entitled to use that device to intrude into the debate.

The ACTING DEPUTY PRESIDENT—Yes. You are right, Senator O’Brien.

Senator O’Brien—There is no doubt that reaching this surplus goal will be a difficult task. It will require a disciplined approach to spending and a very hard-nosed approach to savings. We are working hard to pare back the excesses of the former government. We are working at cutting wasteful spending and we are working to find additional savings over and above the $10 billion that Labor identified prior to the last election.

This government will not go down the same road the now opposition did when they sat on the treasury bench and simply rely on surprise upward rises in revenue. We are not going to be a government that depends on the surplus being driven by growing revenues. The Howard government did not have the discipline to budget for a fiscal target of 1.5 per cent of GDP. In the 2007-08 budget, the surplus for 2008-09 was projected to be 1.1 per cent of GDP—so much for a 1.5 per cent target. At the time of the Mid-Year Economic and Fiscal Outlook this was revised upwards to 1.2 per cent of GDP. Remember: this was not planned in the budget; this was because there were other factors and growing revenues.

Australia needs to do better than that. So long as economic conditions hold up, under Labor we will do better than that. This government has set a target of 1.5 per cent of GDP, and, to the extent that we need to tighten our belts, we will be doing that. The Treasurer will be making those announcements in relation to the outcome on budget night. I venture to say that we understand that the Australian people expect better of their government than they had under the previous government. Families will not thank a Labor government if we continue to run the lax fiscal policy of the previous government that led in part to eight interest rate rises over the last three years and 11 rises in a row.

Through the past 100 days in office, this government has been working hard on the task of building a stronger, more modern economy. I have touched on the point of fiscal restraint, but we are also looking at fast-tracking measures to address skill shortages, including rolling out 450,000 new training places and 6,000 more skilled worker visas. We are also working to address critical infrastructure bottlenecks through the formation of Infrastructure Australia to prioritise and
fast-track key projects. We are also looking at some very important savings initiatives to provide more incentives for saving, because we need to encourage Australians to save more. This includes the First Home Saver Accounts, which commence on 1 July. They will be very important for young Australians in building their deposits so that they can participate in Australia’s real estate markets, many of which are beyond the affordability of many young Australians.

We also want to develop new participation incentives, including the government’s personal income tax reforms and, in addition, the 50 per cent childcare rebate. They are positive initiatives and part of the plan we have to build a strong economy, while dealing with some of the challenges the economy faces because of the profligacy and neglect of the previous government. To build a stronger, more productive economy, we need a new partnership with state governments to further drive economic reform. The government has already negotiated streamlined specific purpose payments to the states, freeing up resources to deliver better services through outcome based payments. To build a stronger economy, we need a more competitive taxation system. The reforms introduced into parliament are expected to deliver an additional 2.5 million hours of work to the economy each week.

Further, to build a stronger economy, we need a competitive, well-capitalised financial sector with measures implemented to increase competition and allow banking customers to look at the ways they can change their financial provider if they are not getting the best deal that is available in the market. That will encourage competition and a better deal for consumers. These are all reforms that Labor has introduced in its first 100 days of office—things which, I remind the Australian public and the Senate, the former government failed to do in 11½ years.

When the coalition come here with a proposition which talks about impending budget cuts, as if they have no responsibility for the conditions that require attention to the spending of the Commonwealth, they really do have a cheek. In terms of the so-called cuts to programs, let me say this. When the coalition failed to include programs in their forward estimates and made commitments during the caretaker period and then expects a subsequent government simply to say, ‘That’s a commitment of the former government; we will not assess it and we will not make decisions in the budget context having regard to all the information available and to all of the interest that might potentially have access to certain funds,’ then they are wrong to think that we would fall for that trick. We, Labor, will make assessments on the basis of the best information available and the best bang for the taxpayers’ buck in those expenditures.

There were some questions raised about consumer sentiment. We expect consumer sentiment to be affected after eight interest rate rises in the last three years—eight rises in a row. There has been a great deal of consumption in the economy. The former government were keen to encourage spending and, frankly, did very little to remind the Australian public that there is a settling day and that at some time interest rates will go up. One wonders, in the context of eight interest rate rises in a row, why they were so reluctant to say that, but they were. It is completely understandable that consumer sentiment would be affected by a tightening of fiscal conditions, by an increase in interest rates and, therefore, by an increase in the cost of borrowings and the ultimate overall cost of commodities, property and other items that consumers have been spending on over the years.

It is also true in the domestic context of eight interest rate rises in a row that we find
ourselves in challenging times in the global economy. That is why we have to modernise our own economy—so that it is strong and flexible enough to meet the major economic challenges we face. Both domestically on the inflation front and globally on the uncertainty front, we need an economy that is able to respond. Figures out today show that a lot of families around Australia are doing it tough on the back of eight interest rate rises in the last three years. That is why it is so important that we have a commitment, as this government does, to tackle the inflation legacy of the previous government, to put downward pressure on interest rates in the long term.

Our immediate goal is to strengthen the budget position and to target investment in key drivers of productivity, especially infrastructure and skills. Again, apparently, the shadow Treasurer does not think we have a skills problem. We heard that in question time today. What a remarkable statement to have made. Anyone who has been talking to business in the various sectors of the economy around this nation over the last three years and has come to the conclusion that there is not a skills crisis either has a hearing problem or just does not comprehend the words of Australian business, because those words have been resonating loud and clear for some years.

In the agriculture sector, everywhere you go the farming community is talking about skills problems. They are talking about the availability of labour. They are talking about having to compete with other sectors drawing away labour because they can offer greater salaries. It is a great challenge for a very important sector of this economy. You would have thought that, if the coalition had any concern for that sector, they would have done something about it—but, no, they did not. More to the point, they currently do not believe that there is a problem. I wonder what the farm sector of this country thinks of the shadow Treasurer when he says that they are imagining the skills crisis they are experiencing. I venture to say that Mr Turnbull has absolutely no credibility with that sector of the economy. He would not have any credibility with the mining sector of the economy either.

Senator Brandis—I think he knows a little bit more about economics than you do, Senator O’Brien.

Senator O’BRIEN—If he knows so much more about the economy than I do, why has it taken him all this time to assimilate the information? Yet he comes out with a ridiculous proposition that we do not have a skills crisis. If he knows more than I do then, frankly, he is not demonstrating it with what he is saying. What he is saying is demonstrating that he probably does not. If we are to modernise our economy, we must do it in the face of increasing global uncertainty.

The severe downturn in the US housing market and the volatility of associated financial markets pose significant challenges for the global economy but, more importantly, our own economy. We are never immune to developments such as these, as Australian families who are now being hit with interest rate rises greater than the Reserve Bank rises know all too well. Acknowledging these challenges is the first step towards beating them, and that is what we are doing. Again, unfortunately, the opposition are not prepared to acknowledge these challenges and the part they played in creating them.

In terms of the proposition that we have before us, I am certain that Australians will look at the next budget with a critical eye. They will be looking at what the first budget of a new Labor government does. They will be looking at how it addresses the concerns they have and not at the political posturing of the opposition. That is what this motion is
about. It is political posturing from this opposition. But, in fact, when the Treasurer announces the first budget of the Rudd Labor government in May, he will be announcing the implementation of measures designed to address the potential catastrophe that the former coalition government brought to bear on the Australian economy and its people. Australian families would expect no less from a responsible government.

We will not be deflected from the responsibilities of government by this politicking by the opposition. Frankly, it will not be very effective. The Australian people will see through it. They will be looking at the budget from the point of view of what it will mean for them over the next three years in terms of the interest rates burden they face, the opportunities to get better skills and better paid jobs, and getting the economy functioning better. They will be looking at the health and education initiatives that we have announced, and they will be looking at the budget from the point of view of wanting to live in a better, fairer nation governed by a government that has real regard for its economic responsibilities and the needs of the Australian people.

Senator WEBBER (Western Australia) (4.55 pm)—As Senator O'Brien was saying, on the election of the Rudd Labor government we outlined three major commitments. One was to build a modern Australian economy to meet the challenges of the future that not only confront us globally but also confront our internal economy that were ignored for far too long by those opposite. One of the other major commitments was that we would honour our election commitments and that would be our priority. Our priority is to deliver on the commitments that we made to the Australian people—not the commitments that the former Prime Minister may or may not have made and may or may not have actually budgeted for but the commitments that we, the elected government, made to the Australian people. They will be our priority.

As we have seen in our first 100 days, the Labor government is well on the way towards implementing a range of the commitments that we made to the Australian people. We are seeing the rollback of Work Choices. We are seeing the implementation of a fairer, more equitable industrial relations system that protects the pay and conditions of hard-working Australians and their families. That was an important commitment that was made to the Australian people and it is a commitment that we have started to deliver. We have started to deliver the rollout of Work Choices. We have started to deliver the provision of infrastructure to our schools. We have started to deliver on a range of the commitments we have made to ensure that we do develop a modern economy to meet the challenges of the future.

Why is it that we need to develop this modern economy? Why have we come to a point where we need to make so many changes in priority? It is because we inherited a mess. It is plain and simple: it is a mess. In the last year of the Howard government there was zero productivity growth. There was absolutely not one bit of productivity growth. This was delivered by a party that talked up productivity but did not actually deliver it. The Howard government delivered interest rate rises endlessly for three years and got inflation to a 16-year high. Those are the circumstances that we inherited when we came to power.

Why is it that interest rates have risen so high and why is it that working families are doing it so tough in Australia thanks to the Howard government? It is because of the lax fiscal policy of the previous government. It is because of the record level of expenditure over the last four years of the Howard government. When inflation was going up, all
the Howard government could do was throw money around to try to buy their way back into office. It is little wonder therefore that the only position the Reserve Bank—that independent body that was given its independence by the previous Labor government—could take was to look at tackling inflation by increasing interest rates. Time and time again, organisations like the Reserve Bank, the Business Council of Australia and numerous other well-respected organisations defined some of the challenges facing the Australian economy. What did those opposite do? They just ignored every warning.

We have said that we will look at all forms of expenditure. Our priority is to deliver on our own election commitments that we made to the Australian people, not necessarily the commitments that those opposite may or may not have made and may or may not have budgeted for. We will deliver on our commitments, but we owe it to hardworking Australians and their families to contain and fight inflation and to reform our economy to make sure that it is modern and can meet the challenges of the future.

Ever since I have been in this place we have had a debate about the skills crisis. It has been a well-heralded debate, and there is no doubt the skills crisis is one of the capacity constraints facing our economy—one of the top three. A skills crisis does not suddenly pop up overnight. The skills crisis that we have in the Australian economy is something that the previous government was quite determined, obviously, to deliver to us. You cannot consistently cut spending to training places, training organisations, TAFE and other institutions and then, all of a sudden, 10 or 11 years later, say: ‘Oh dear, we do not have enough skilled labour. I know—we have to import them.’ That is not the way that you build a modern, sustainable economy. What you do is forecast where the demand for skilled labour is going to be and ensure that you fund the training places accordingly so that hardworking Australians who deserve those opportunities are trained for the jobs of the future.

As I said, the skills crisis is something that has taken quite a long time to develop. It has obviously been a determined policy of those opposite. All of a sudden, they discovered that there was a skills crisis—something that senators like Senator George Campbell have been discussing in this place for a lot longer than I have. All of a sudden, when the previous government started to listen to some of the industry bodies about the shortage of skilled labour, what was their solution? Rather than work cooperatively with the states and others, they decided to replicate a TAFE training system but made it a privately provided system.

In my home state of Western Australia, which has a massive challenge in the provision of skilled labour—there is no doubt about that, given the amount of economic growth and development that is going on there at the moment—the previous government granted us two of those private technical colleges. Neither of them have graduated a student yet—not one. We have not seen a graduate from anywhere. Two technical colleges for the whole of the Western Australian economy and not one trained person has come out of either of them, and that is the only contribution that the previous government was prepared to make to the massive need for skilled labour in Western Australia. That is one of the capacity constraints within our economy.

Another capacity constraint is the provision of infrastructure. Infrastructure is something that we have also debated long and hard in this place, but the previous government decided to just leave the big infrastructure needs to the state governments. So our
major capacity constraints are the skills crisis, the infrastructure bottlenecks and the need for reform to have a more cooperative approach in the relationship between the Commonwealth and the state and territory governments. But there are other contributions that we can make in terms of addressing the needs and the development of our modern Australian economy.

One of the things that the Rudd Labor government has said that it is determined to deliver on—and it is in the process of delivering it—in order to increase the vitality of our labour market and increase the participation rate in our labour market, is of course tax reform. Our tax reform proposals—

Senator Bernardi—they are ours.

Senator WEBBER—they are not yours, Senator Bernardi; they are the Rudd Labor government’s tax reform proposals—are specifically designed to increase labour force participation. They are designed to address the inflationary pressures currently evident in the economy, which are a product of the skills shortages and labour shortages more generally. The chronic labour and skills shortages have been reported regularly, as I said, by business as the most significant constraints on their expansion. Our tax reform proposals are designed to assist in addressing that. By introducing those tax reforms, it is our aim that they will not put pressure on wages and inflation. By delivering a tax reform package, we are hoping that is one way that we can actually address some of the inflationary and wage pressures within our economy.

What we have also done to try and address some of the skilled labour shortages in our economy is announce 450,000 new skilled training places, including 25,000 which are being rolled out between now and July this year. The tax reforms themselves will increase the financial incentives for skills formation because they increase the marginal gains associated with higher wages that typically flow from higher skills attainment. When you match that with the roll-out of 450,000 new skilled training places, including 25,000 between now and July, that is a significant step towards addressing one of the key capacity constraints within our economy.

As I said, the other significant issue that we think needs to be addressed in terms of developing our modern economy and addressing some of those capacity constraints is the provision of infrastructure. There has been a debate about the need for the provision of infrastructure within the Australian economy for quite some time, but that is all it ever was under the previous Howard government: it was a debate; it was a blame game exercise. It was not actually a productive, national contribution to huge national projects. That was left to the states, particularly my home state of Western Australia. The infrastructure bottlenecks—bottlenecks that have been defined by many people—have been holding back our export performance. They have been clogging up our cities. And where was the previous government? Just playing the blame game.

The previous government was not interested in any way in the provision of the major public transport infrastructure that has now been provided by the Carpenter Labor government in Western Australia—the Perth to Mandurah train line. There was no federal support for that. There was no federal support for the need to expand our port facilities in regional Western Australia so that we can actually expand our mining industry at a time of booming resource prices. There was no support for that.

So that is another challenge. Labor’s response within the first 100 days was the announcement of the formation of Infrastruc-
ture Australia and the legislation that will establish that body and enable it to work co-operatively with the states, with local government and with business to establish a national framework for what the infrastructure priorities need to be to help develop our dynamic economy. So that is another initiative, another priority, another promise delivered on by the Rudd Labor government to actually address some of the challenges that are ahead of us.

In the meantime, where were the Howard government? Where were they? Where was their policy to fight inflation? Where was their policy to address the significant bottlenecks in terms of infrastructure provision? Where was their policy to address the skills crisis, which took 10 to 11 years of neglect to develop into what is a significant crisis? As I have said before, we have inflationary pressures largely because of the lax fiscal policy of the previous government. In the last four years, the former government had the highest increase in spending over any four-year period in the last 15 years. That is just staggering. When you are looking at the inflationary pressures within our economy, when you are looking at the interest rate rises and when you are looking at the fact that working families were struggling and many of them were having their take-home pay reduced, what was the solution of those opposite? It was to throw money all around the place and to have the highest increase in spending over any four-year period in the last 15 years.

That comes on top of the fact that the previous government ignored the 20-odd warnings from the Reserve Bank about the effect on the inflation rate of the capacity constraints and skills shortages in our economy. It is just staggering that any government could leave us with such a huge skills crisis. So our priority here is to build a modern, dynamic economy and to actually deliver on the commitments that we made to the Australian people and the election promises that we made.

Contrast that with the approach of those opposite at a time when government should have been using the fruits of the mining boom in places like my home state of Western Australia to reinvest in the future, to invest in education, to invest in skills and to provide the leadership so that we had First World infrastructure. That should have been the priority of those opposite, and it was not. Those opposite were quite happy to allow the skills crisis to continue on its merry way. As I say, my home state has an enormous challenge when it comes to the provision of skilled labour. The only contribution the Howard government made was two private technical colleges, neither of which has actually delivered one trained employee or one new skilled worker to the Western Australian labour market. That is just not good enough.

What we need is productivity growth. Productivity growth comes with an increase in the provision of skilled labour. It comes with the rollout of the infrastructure that our education system needs, that our communities need and that the business sector needs to ensure that we train people for the jobs of tomorrow, not just addressing the immediate skills crisis but anticipating where the next demand for skilled labour is going to come from and working hard to address that accordingly.

Of course, our third priority in terms of developing that modern economy and delivering on our promises is to reform the way that the Commonwealth and the states and territories interact with one another. So we end the blame game; we sit down; we talk about the combined resolve that we are going to have to address these significant capacity constraints whilst looking after hardworking Australian families who have had to bear the brunt of the mismanagement of the Austra-
lian economy—the hardworking Australian families who have had to put up with those end-on-end increases in interest rates because that was the only piece of economic response available to the Reserve Bank because of the spending approach of the previous government; the hardworking Australian families who had to put up, under Work Choices, with working longer hours for lower pay and then to pay increased prices for their goods and services.

Our resolve is to actually protect the pay and conditions of hardworking Australians and their families, to help them develop the skills they need for the jobs of the future and to ensure that their children get the education and training they need to be well placed in the future. Our resolve is also to work with the states and territories, with industry and with local government to have a comprehensive plan to deliver the infrastructure priorities that should be worked at across the board to ensure that our economy makes the most out of the mining boom that is coming from states like mine, to take the financial resources out of that and continue to develop the economy by addressing some of the infrastructure bottlenecks. They have to be the priorities. That is responsible economic management and that is what was lacking in the previous, Howard government.

Senator BERNARDI (South Australia) (5.14 pm)—I have to start with an apology to the listeners, to those at home and those in their cars on their way home from work, because I have heard some bunkum in my time but nothing like what has been displayed in this chamber today. What we have is a Labor government that is prepared to completely rewrite history—a history that has delivered unprecedented prosperity to the people of Australia. Let us go through some of the things that the Howard government did and their proud record. They reduced Labor’s $96 billion black hole of debt to zero. The interest on government debt decreased from $8.4 billion a year to zero. The average mortgage rate under Labor was 12.75 per cent; under the coalition it was 7.25 per cent. Small business lending rates were 14¼ per cent under Labor, and under the coalition they were 8.9 per cent.

Unemployment was a hideous, destructive 8.2 per cent under Labor. Under the coalition it reached 4.2 per cent, and it is still dropping today. Those are the conditions that this Labor government have inherited. More Australians are in work than ever before. Average inflation over the past 10 or 11 years has been half that which it was under the previous Labor government. So, rather than acknowledging the great things that the previous government did, who do we have playing the blame game now? The spinmeisters of the Rudd-Gillard Labor Party. All of the things that I have listed have benefited Australia’s economy.

Let us look at what the Rudd government have done in their first 100 days. We have seen economic confidence down. We have seen interest rates up. We have seen personal responsibility down, making a mockery of the ‘buck stops with me’ claim which we heard so much about last year. We have heard political rhetoric and spin go up whilst substance has come crashing down. We have heard about government by committee. If you want to talk about bottlenecks, there is a bottleneck for all the Labor apparatchiks to get appointed to one of the many dozens of committees that are going to be running the country pretty soon. We even heard some nonsense from Senator Conroy earlier today about his committee to appoint a committee. Which committee is going to be appointing that committee? It is going to go on and on.

The Rudd government have promised around 100 committees and in the process are actually achieving a goal which we have
hitherto never seen: in their first 100 days they have set up a committee every four days. That is an astounding record. That is eight committees a month or thereabouts or 96 committees a year. Those who are going to be newly unemployed as a result of this government’s policies could actually be appointed to a committee. That would keep unemployment rates quite low—dysfunctionally low.

We have seen backflips, broken promises and a whole range of disgraceful cuts from the razor gang. Mr Rudd of course does not announce these cuts himself, because he wants to maintain his squeaky-clean image; he sends his henchmen out to do it. The henchmen go out and say: ‘We’re going to cut $150 million from Centrelink— a very important service provider—and we’re going to leave maybe 2,000 Centrelink workers unemployed. We’re going to make them redundant.’ That is what Centrelink Chief Executive Officer Jeff Whalan said.

What about the superannuation co-contribution savings? Senator Nick Sherry would not say whether $1.1 billion for low-income families would survive Labor’s razor gang. They have slashed $40 million from arts funding—and this is when they are spending $20 million to get young kids to stop binge drinking. Don’t you think it is important for people who are susceptible to binge drinking to have other outlets? The arts is one of those areas for young people to get involved in—not only in areas like dance, theatre or painting but also in music, which is so important to young people today. But, no, the Rudd government is going to slash $40 million from the arts, which will reduce opportunities for young people to pursue a positive agenda.

I spoke to the Australian Sports Commission during estimates. They were having to revise some of their programs because of budget cuts and constraints. These are things that are going to cut to the quick of Australian society. We have a heartless government that are clearly intent on deceiving the public in as many instances as they can. They put out the spin, they put out the rhetoric and they talk about how apparently heartless the Howard government was—saying that it did not help people and would not go the extra mile. The simple fact is that in the area of carers, which is something that this government was prepared to turn its back on, we provided more funding. We funded more carers. Recipients of the carer payment grew by about 465 per cent over the 11 years of our government. There was a 561 per cent real increase in the amount of money available to carers. They knew they could rely on us and, sadly, they were deceived by this government. The blame game is real and is continuing. Labor are reinventing history in some Orwellian theory that they can control all, rather than accepting and placing responsibility where it fairly and squarely lies—which is the bad economic management of the states.

If you want to know where drunken sailor spending has taken place then have a look at the $40 billion of state deficits that have already been run up. It is expected to be $80 billion in only a couple of years time. Gee, have we got an inflation problem? Maybe a $40 billion injection of credit from wasteful state governments is responsible if that is the case. My question to the Rudd government is: when are you going to accept responsibility? They said to us there was not a sliver between their economic management and our economic management, but there is a chasm. It is as wide as the Grand Canyon because we on the coalition side were effective economic managers. What we have on the other side is something that threatens to destroy the Australian economy; and by destroying the Australian economy they destroy the op-
opportunities for our young people—and the benefits that have been passed on to carers, those with disabilities, and the most vulnerable in our society will disappear.

Mark my words: the Rudd government are actually hoping that things do get worse, because then they can play the blame game. Stand up and be counted. Do not pass the buck, because we know the buck stops with Mr Rudd. It is absolutely time for responsibility to be taken. The public demand it—and I believe the public will wake up to the ruse, to the wool that has been pulled over their eyes. You cannot sit on both sides of the fence, Mr Rudd and the Labor Party. That has never been better demonstrated than by Mr Rudd’s claim that he is a Christian socialist. Where I come from, you cannot be a Christian socialist: one does not support the other. You cannot be an economic conservative and lead a terrible, wasteful Labor government.

We know what we are dealing with; the public are already seeing it. They are slashing and burning money so they can increase their committees. They are slashing and burning real programs that benefit real people, people that need help, so they can establish government by committee. It is a travesty. And, despite their reassessment and realignment of Australia’s economic history and the benefits that accrued over the last 11½ years under the leadership of Mr Howard and Mr Costello and a wonderful team that guided Australia through very difficult waters to be the nation we have today, that good work cannot be rewritten. It should not be undone. You should not rewrite history; you should accept that you were given a great economy and a great opportunity, and already you are squandering the legacy of the Australian people.

Senator FORSHAW (New South Wales) (5.23 pm)—I rise today to speak to this proposed general business motion by Senator Ellison. Frankly, I think this is more an attempt by the opposition to manufacture an air of concern and to shift the blame to the current Labor government, knowing full well that it is their own stewardship of the Australian economy that has put us in the difficult inflationary position we now confront.

I was going to start by dealing with the economy, but I cannot help but respond to the comments made by Senator Bernardi at the end of his speech. He made some reference to the Prime Minister being a Christian socialist and he said you cannot be both. I am not sure what point Senator Bernardi was really trying to make, but I have a reasonable suspicion that this was a cheap shot at Kevin Rudd, the Prime Minister, because he has made it very clear that he is a practising Christian.

I want to remind Senator Bernardi, because he says he comes from the same background and professes the same beliefs, that at the heart of Christianity is the concept of helping one’s fellow man, particularly the poor, the oppressed and the downtrodden. You might want to go back to the New Testament and read the Sermon on the Mount, or read the writings of Thomas Aquinas or those of Saint Vincent de Paul, where they talk about extending the hand of support to those who need it, remembering the words of Christ: ‘When you do it to one of these, the least of my brethren, you do it to me.’ That is, the mark of a true Christian is not to push the downtrodden even further down but to offer support and help. When you look at the history of the previous government and what they did in the area of social policy, you cannot help but think that any notions of Christian values went out the window. They talked the talk but they certainly did not practise what they preached.
I sat on many a committee in—I have to acknowledge—the long years of opposition, along with my colleagues here in the Senate today, Senator McLucas and Senator Webber. Among those committees was the Senate Standing Committee on Community Affairs inquiry into poverty. The committee made a series of recommendations to the government of the day, the Liberal-National coalition government, to address the appalling situation with poverty and hidden poverty in this country, where people could not get access, for instance, to decent dental care or health care; where they could not get access to appropriate financial counselling and assistance because the financial counsellors were overburdened with so many applicants. Everywhere we went around this country, we heard depressing stories about the financial pressures on Australian families. I remember going to the city of Lismore in northern New South Wales and the representative of St Vincent de Paul telling us that they now had to be financial counsellors. Their role had changed over the years because of the incredible financial stress on Australian families. They were doing the job that the government should have been doing. That was a message we heard constantly.

And what was the government’s response to that Senate committee report on poverty? Nothing. I think it took them months and months and months—I cannot remember how long, but it was well past the Senate requirement for the government to respond within three months—and then it was just a paltry dismissal of all of those considered recommendations, recommendations that arose out of the evidence of the organisations working at the coalface in Australian society, looking after the people who needed support. So do not come in here and lecture us about Christianity or socialism or helping the poor or looking after them.

The same thing happened in health care. Senator McLucas and I recall the inquiry into Medicare. We all remember former Prime Minister Howard and his original view on Medicare. I do not think he ever changed his real view. His original view was that Medicare was an abomination and should be got rid of. The opposition took that as a policy to the election in 1993 when they thought they were going to win. They were going to win under Mr Hewson. They were going to get rid of Medicare. They were going to attack working families, industrial relations legislation and they were going to bring in a GST at the time. They were the three great policies on which they went to the 1993 election, which they lost. They lost what, at that stage, probably should have been an unlosable election. The Labor government had been in power for a long time. One of their central policies was to get rid of Medicare, and of course the Australian people were not going to cop that. Australians rejected the Hewson-led opposition, of which Mr Howard was shadow minister for industrial relations at the time, and they rejected their proposals on GST and industrial relations.

So Mr Howard had a change of public position: ‘Medicare is here to stay.’ However, one of the first things they did when they got into government in 1996 was to start to dismantle Medicare. They claimed that they brought a fairer Medicare system about, but they did not. They did nothing about the declining rates of bulk-billing.

Senator Boswell—That is a nonsense.

Senator FORSHAW—It is not a nonsense, Senator Boswell. It is not a nonsense at all. Remember that every month the figures for bulk-billing rates were trending down. Of course bulk-billing was ultimately what assisted people, particularly the low paid, but it was also a fundamental component of Medicare when it first came in.
The then government did so many other things in those early budgets in 1996 and 1997. I remember, because I was here. Senator Boswell was here. I remember what they did in aged care. Do you remember they were going to impose bonds on families when older persons needed to go into a nursing home? That policy lasted only a few months, because the public rebelled. They just said, ‘We’re not having this.’ I remember what they did in terms of funding for universities. I could go on and on. I have a list a mile long. I can remember them all. So do not come in here and lecture us about supposed backflips, ill-conceived proposals and so on.

I will never forget the famous words of Mr Howard after he won the election in March 1996. He said, ‘I want Australians to feel relaxed and comfortable.’ I know how relaxed and comfortable Mr Howard feels to date. He is actually over in the United States—or was last week. Within a couple of months, he has breached one of the fundamental conventions: you do not go overseas and trash your own government. Mr Howard lectured us about that during his term in office, but he could not wait to get overseas and start telling his friends on the far Right in the United States about the supposed evils of the Labor government, because we are going to bring fairness back into the workforce.

Senator Coonan—At least he is not talking down the economy like you are. You should give that advice to Mr Swan; he is the one who is trashing the economy.

Senator FORSHAW—I am sure that Mr Howard is comfortable living the life of an ex-Prime Minister, but hundreds of thousands of Australians were not relaxed and comfortable during the years of the Howard government.

Senator Coonan—And they certainly won’t be after a few years under Labor.

Senator FORSHAW—Let us go to some of the statistics. Let us note that this is the government that lectured us constantly about interest rate rises. What happened with interest rates under the Howard government?

Senator Coonan interjecting—

Senator FORSHAW—They just kept going up and up, and up and up, and up and up. What was it, six times, eight times, that interest rates went up in a row? The Reserve Bank was even required—

Senator Coonan interjecting—

Senator FORSHAW—Mr Acting Deputy President, are you going to bring the rabble on the other side to order so that I can actually hear myself speak?

The ACTING DEPUTY PRESIDENT (Senator Watson)—I am listening to you.

Senator FORSHAW—Thank you. Because I know that what I have to say is worth listening to and I would like to be able to hear it. When the opposition were in government, interest rates went up every couple of months. The Reserve Bank put them up. They needed to put them up because of the threat of inflation. But the Howard government sat back and said, ‘No, no, no.’ They wallowed in the surpluses that they were gaining through the resources boom, threw more money out into the community and hoped that they could buy another election win, just as they did back in 2004. Of course, the chickens have come home to roost.

For the first time ever I think that anyone can remember—certainly that I can remember—the Reserve Bank put up interest rates in the middle of an election campaign. The Reserve Bank, being the independent body they are, felt that even during the election period they had to put up interest rates again, because of the inflationary pressure, which
of course destroyed any semblance of credibility that the Prime Minister may have had, or believed he had, about his great economic record.

The other important thing about rising interest rates is the amount that people have to pay to pay off their mortgage. Even when interest rates were comparatively low—and I acknowledge they were low—the proportion of income that families had to pay on their monthly mortgage, has continued to go up. I will stand corrected, but I think the figure is somewhere over 40 per cent. It grew during all of the years of the Howard government. They kept telling us about how they kept interest rates low, but of course what was happening was that the actual dollars that had to be paid each month kept going up.

That is why we have a housing affordability crisis in this country. The huge increase in housing prices combined with the growing financial difficulties of families that have to meet mortgage payments means that many struggling families live on the edge day to day to meet those commitments. It also means that many people are having greater difficulty today entering the housing market than they did during the years of the Hawke government or previous governments. You do not have to read the economic statistics to know that; you just have to talk to people. I know how much more difficult it is for my kids today—they are at an age when they would be thinking about endeavouring to purchase a home or take out a loan—than it was when I purchased a home back in the seventies. It has got to the point where it is pretty much out of reach for most young people. That is the real legacy of this government.

Let us also look at credit card debt. Not much is ever said about credit card debt—or at least it is not publicised as much as I think it should be. You can talk about interest rates in terms of the rates that are set based on the Reserve Bank’s decisions, which essentially relate to home mortgage rates, but the rates for credit cards are 17 per cent, 18 per cent or 19 per cent. What has happened to credit card debt in this country? It has gone out of control. The figures I have obtained indicate—and I am indebted to the library for being able to produce this for me rather quickly this afternoon so that I could give an update—that in March of 1996 the total debt owed was $6.649 billion. Do you know what it was in November 2007? It was $41.919 billion. That is a massive increase.

We know that today families are using their credit cards for everyday living, and they are running up major debts of $10,000, $20,000 or $30,000 on their credit cards. There was a time when people paid off their Bankcard, their Visa card, their MasterCard or their Amex card each month so that they did not accrue interest. That is no longer the case and these debts are just getting greater and greater. Each time the Reserve Bank makes a decision on interest rates we focus on that, as we should, but there is another area of debt which is crippling families because it just gets rolled over and rolled over—that is, credit card debt.

This motion today suggests that we have no idea how to run a trillion-dollar economy—but get real; get serious! The opposition should treat general business debates with a bit more respect and a bit more seriousness. They have come into this chamber with this bland statement that really says nothing. The Labor government now have the responsibility for managing this economy. The electorate said overwhelmingly last November: ‘We’ve had enough of Mr Howard, Mr Costello and all the others. We want the Labor Party, under Kevin Rudd, Julia Gillard and Wayne Swan, to run this country and run this economy.’ The electorate had had so much of Mr Howard that they kicked
him out of his seat. It is only the second time in the history of the country that that has happened to a Prime Minister. Why? For all the reasons I have given and, of course, because of Work Choices.

Where was the Christian value in Work Choices? There was none. Work Choices was about saying to the mother who was working in the supermarket to earn some extra money for the family: ‘Sorry, you’ve got to work weekends without penalties; you’ve got to come in when we say you have to. We don’t care about your son or daughter’s sport, or your school commitments or whatever; you work the rostered hours now that we tell you or that’s it. You’ll sign this AWA or you don’t get the job—or you don’t keep it.’

Work Choices was about saying to those families on low incomes that relied upon the overtime payments for the extra hours: ‘No longer are you going to get that overtime. You work the extra hours for nothing or we’ll find someone else who’s more desperate than you, or who’s prepared to do it.’ Work Choices was about saying: ‘No, there’s no longer four weeks annual leave or sick leave. We want you to cash that out.’ It was about taking away. There was nothing ever in Work Choices about how we might enhance awards in this country; it was about getting rid of them, about taking them away.

So, when the opposition says that we have to ensure that no Australian will be worse off, I can say this with great confidence: Australians will always be better off under a Labor government than they ever will be under a conservative government, whether it is a merged Liberal-National Party or whatever else they want to call themselves in the future. Just as they have done in every state and territory in this country, the people have now put their faith in a Labor government federally. We will return that faith.
In the last few months the new government has used the time available to it very wisely in a number of ways. First of all, it has used the time to consult with communities. We have heard a lot of criticism from those on the other side about the number of committees that have been established. I do not resile from the fact that, yes, we have set up a number of committees. They are for good reasons. We have shut down a few as well—ones that probably were not providing us with balanced and fair advice. And I take umbrage and offence at Senator Bernardi’s comment that we were stacking these committees with Labor apparatchiks. I am sorry, but there has been a very sensible and balanced approach to ensuring that the breadth of community views is reflected on the number of committees we have established. So I refute Senator Bernardi’s comments about the purpose and membership of committees. It is important to consult. It was good to hear Senator Coonan acknowledge that in her contribution. It is important to consult and to have a number of people who are part of the public debate. That is called leadership. We will not be cowed into not taking the responsible position of ensuring that consultation occurs with committees.

The other thing which is not dissimilar to what happened under the previous government is that we have used this time in the pre-budget period to ensure that assessment of current programs is undertaken, and decisions will be made in the lead-up to the budget. Senator Coonan, as a former minister in this place, will agree that you do not discuss deliberations around the budget in the lead-up to bringing down the budget.

**Senator Coonan**—But you don’t leave people hanging around having no idea what is going to happen to them either.

**Senator McLUCAS**—I am sorry, Senator Coonan, you did exactly the same in government. But let us go to the question of carers. There have been some absolutely spurious allegations made in this place about the commitment of the previous government to carers in the community. For the last four years the former government pulled the rabbit out of the hat every budget and told carers, in a totally patronising way, how important they are and how much they are valued in our community and then said, ‘And for your good work we will give you a one-off bonus of $1,000 if you are a person on the carer payment—

**Senator Coonan**—They seemed to appreciate it!

**Senator McLUCAS**—Let me get to the end of this, Senator Coonan—‘and $600 if you are a recipient of the carer allowance.’ I cannot tell you the number of carers who said to me: ‘Of course we value the $1,000’—or the $1,600, or the $600 if they are a carer allowance recipient—‘but, gee, I hate the way they do it. They make me feel as if I am begging for this money.’ Of course they value that money. Every senator in this place knows how hard it is for people who are on fixed pension-like incomes, like people who are on the carer payment, to make ends meet. It is enormously valuable to get that money. But they were given it as, well, a bribe—and that is what people have said to me, that they felt as if they were being bribed or ought to be grateful for this money. I am very pleased and proud of our government for recognising the reality that carers are now budgeting this money into their annual budgets. They do that, and we know that.

**Senator Coonan**—They like it as a lump sum.

**Senator McLUCAS**—They may like it as a lump sum but they are factoring these one-off payments into their budgets. It always concerned me that, by pulling this rabbit out of the hat every budget, Mr Howard was en-
suring that these people’s budgets were becoming more and more aligned with that money continuing to turn up. There was no surety that that money was always going to be there. Whenever it was announced it was always in the context of Mr Costello patting himself on the back and saying, ‘We’ve done a fantastic job of balancing the budget and we’ve got this bit left over and, because carers are good and fine people, we’ll give it to you.’ That is not a way to have an honest relationship with a group of people who do enormous things for their families and for our community. To make them feel grateful for their one-off payment is simply, I think, an unfair way to work with a very vulnerable group of people in our society.

We have also heard that, because of the way the Labor Party has responded, we somehow lack compassion. I am afraid that there are many people out there in our community who would beg to differ. If you want an example of compassion, I think you should go back to the first week of sitting of the new parliament and have a look at the enormous compassion and leadership that our Prime Minister showed by first of all inviting the local Indigenous people of the Canberra region to do what should have been done many years ago: the traditional welcome to country. This was followed by what I think is one of the most amazing days that I have experienced in this place, and that was the apology to the stolen generations.

I am deviating a little from the motion, but if there is a charge of there being a lack of compassion on this government you simply have to look to that day to see otherwise. It was a momentous day; it was a day that will go down in history—that is an understatement. It is a perfect example for anyone who is doing a bit of study in political science of how leadership actually works. Mr Rudd showed enormous leadership, supported admirably by Ms Macklin, in explaining to the Australian community why this was such an important event. I noted with incredible pride the Newspoll on the following Tuesday which showed that 65-odd per cent of Australians supported the apology that was given. If you had done that same Newspoll about a year ago you would not have achieved that result. That is what leadership is about—leadership is bringing a community with you. The most pleasing part of that Newspoll—if I am wrong, I do apologise but I think it was a Newspoll—was the fact that 70-plus per cent of women also supported the apology and the process the Prime Minister undertook to achieve that.

To make the claim that our government is not compassionate is simply not supported. If you want to go to a lack of compassion and understanding of working families, their day-to-day lives and how the economy and the way it was managed by the former government affects Australian working families, you only have to go to the impact of WorkChoices on the Australian community. I think Mr Hockey got it right on the Four Corners show when he said that he thought all—I think he said all—of his frontbench colleagues did not understand how much WorkChoices was affecting ordinary working people and how it was concerning them.

Mr Hockey was perfectly right in making that comment because even now we find denial and lack of understanding from the former government, and the hurt and the betrayal that people felt. People did trust the former government—you had to see it in the polling figures. People did trust the government to look after them, but WorkChoices absolutely betrayed that trust because it was ideologically-driven policy that almost peeled back the covers from people’s eyes so they could see what the government truly stood for. We know that the government had wanted to do that for a very long time. We know that the only reason the government
achieved it was from what happened in the 2004 Senate vote. In some respects, whilst it was a very concerning time for most, and a very distressing time for some who personally bore the brunt of Work Choices in their workplace, it did tell the truth to the Australian community of the always held intent of the Liberal Party, supported by the National Party, in terms of industrial relations in this country.

I hope that Australians in the future do remember and recall what was proposed, and what was delivered to the Australian community in terms of industrial relations. This is what the Liberal Party stand for; this is exactly what they would do if they were ever returned to government. Australians should remember and recall what happened in 2006-07 under Work Choices and the former Liberal-National Party government because that is what it really means when compassion is lost in Australian political dialogue.

I can assure those on the other side that the new Rudd Labor government intends to be prudent and fiscally conservative. It intends to treat taxpayers’ money carefully and wisely. We will not see the regional rorts that we saw in my neck of the woods under this government. We will not see hundreds of millions of dollars being wasted. I thought Mr Albanese’s comments in the House yesterday were another example of an incredible waste of money: a dog-food company—which had never been opened—was given an enormous amount of money, and it sat in their bank for two years. This is the sort of wasteful approach that the former government took to managing taxpayers’ money. It is not the government’s money; it is Australians’ money and needs to be used wisely and to ensure that there will be an outcome for our community. I can assure those sitting on that side who wrote this bit of fluff, that this is what will occur under Labor.

Debate interrupted.

DOCUMENTS
The ACTING DEPUTY PRESIDENT (Senator Barnett)—Order! It being 6 pm, the Senate will proceed to the consideration of government documents.

Great Barrier Reef Marine Park Authority
Debate resumed from 14 February on motion by Senator Nash:
That the Senate take note of the document.

Senator BARTLETT (Queensland) (6.00 pm)—The Great Barrier Reef Marine Park is of course an exceptional, quite incredible, environmental asset for the people of Queensland and indeed Australia. As I have said on the record a number of times, probably the most significant single isolated environmental achievement of the previous coalition government was the decision to significantly expand the areas within the marine park covered by protection. People may not realise it, but the marine park is not 100 per cent protected. There are a range of different zones within the park, and previously the area within the marine park that was fully protected was quite small. That has now been increased—with varying degrees of protection from full protection to intermediate protection—to quite significant amounts. That has meant an extra responsibility on the marine park authority to ensure the full management of those expanded areas of protection. As you increase the number of protected areas you of course increase the need to monitor whether activity within those areas is legal and appropriate.

There is ample scientific evidence to demonstrate that significantly increasing the areas that are protected within a marine park dramatically improves not just the overall ecological health, which is the core aim, but also the resilience of not just the reef but also
the marine park, more broadly, from external factors such as climate change, pollution coming from the land, the impact of tourism and the like. It also, for those who are interested in fish stocks, increases the overall stocks of fish that are available. It was politically difficult for the former government to expand the amount of protected areas within the marine park, and they should be congratulated for having done so. Flowing on from that is ensuring that the resourcing and powers of the marine park authority are adequate to ensure that the full benefit of that rezoning is achieved.

I reinforce the need to look not just to the ecological values of the marine park but also to the cultural values. I am very disappointed that the board of the marine park authority no longer has an automatic requirement for an Indigenous representative. That was a legislative change made in the dying days of the previous government and one that I was very disappointed to see. It was done, I must say, without very much consultation at all. That does not mean that there is no ability for an Indigenous person to be on the board, and I hope that still applies with future appointments to the board. But it also places a greater onus on the authority and related people, including the federal government, to ensure that the authority does better in all its various agencies and consultative bodies in working with traditional owners and Indigenous peoples all the way through the marine park and coastal areas. And, with an area that large, there are very large numbers of different traditional owner groups.

I also once again highlight the arguments that have been put forward by a number of groups, including those that helped provide the intellectual and scientific basis for expanding the protected areas within the marine park, to also look at further expanding the areas and size of the marine park or having a separate marine park in the Coral Sea. I think there is a very strong argument for this. It reflects a private senator’s bill that I and Senator McLucas have put forward in the past to expand the area that is protected through the marine park to expand the zone that is protected from exploitation and from oil and gas exploration. This would create the world’s largest marine sanctuary and would be a valuable ecological contribution. It would further enhance resilience against climate change and would further build on the work that has already been done. So, as a Queenslander, I repeat my call for greater protection not just for the Barrier Reef Marine Park but also for areas further to the east in the Coral Sea. (Time expired)

Senator IAN MACDONALD (Queensland) (6.05 pm)—I also want to make a couple of remarks on the Great Barrier Reef Marine Park Authority and to congratulate the authority for the work that it has done over a long period of time. I also want to draw the Senate’s attention to the significant effort the Liberal Party and Liberal governments have put into saving one of Australia’s iconic natural assets. The reef authority was set up under previous Liberal governments and it was Liberal governments that saved Fraser Island many years ago. So two of the very special natural iconic features of my own state of Queensland are places that have been protected and preserved by Liberal governments in the past. As Senator Bartlett generously mentioned, our government did take a lot of flak—and a lot of flak from our own side, I might say—on some extensions to the marine park that occurred last year. I have some hesitations about the way that was done, and I do not want to rehash things that are now over and finished. The compensation paid to fishermen was appropriate but is getting very large.

All of that aside, we certainly do have a great natural asset in the Great Barrier Reef Marine Park. I would be very interested to
see, now that Senator McLucas is a senior member of the government, whether the marine park is extended into the Coral Sea, as Senator Bartlett just reminded us. I think, as with many things in the Labor Party, it was pretty easy for them to make fairly attractive statements in opposition but now they are in government they have many things to look at. They are finding it much more difficult to actually meet their rhetoric. So I look with interest, Senator McLucas, at your proposal for the extension of the marine park. I will be very interested to see Mr Garrett and the Treasurer bringing that issue forward.

The marine park authority now has a skills based board. I think that the board in recent times has been a very good one. Until recently it was well led by Virginia Chadwick. I wish Virginia well in her retirement. This report that we are discussing today was delivered during her term as Chairman of the Great Barrier Reef Marine Park Authority. I wish Dr Russell Reichelt every success as he now takes on the leadership role in the authority.

The authority does fabulous work in protecting and preserving the reef—not just for conservation’s sake; fishing is still an important industry in the reef area and that should never be forgotten. Of course, the tourism industry in my state of Queensland is, to a very large degree, dependent on the Great Barrier Reef, and huge amounts of employment are created by tourist activities on the Great Barrier Reef. The challenge is always to make sure that you can exploit the Great Barrier Reef in a commercial way through tourism but at the same time ensure that it is protected and preserved, and that the human footprint does not in any way take away from the very fragile ecology of the reef.

There is a concern about global warming and the impact it will have on the reef. I am no scientist but it is certainly something that we have to be very careful of. The reef is a living organism; it is something that I would hope would change with nature. As I say, that is more a matter for the scientists. But I do know that it is a matter that the park authority board are very carefully monitoring at this time and doing what they can to ensure that this great icon of Australia continues in all its glory for centuries to come.

The ACTING DEPUTY PRESIDENT (Senator Barnett)—Senator McLucas, before you proceed, I just indicate to you that you have approximately two minutes before the end of this segment of the Senate proceedings.

Senator McLucas (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (6.10 pm)—Thank you for your assistance, Mr Acting Deputy President. In that case I will just go to one question, and that is the private member’s bill that Senator Bartlett and I moved in this place—and this is for your benefit, Senator Macdonald. The private member’s bill that we moved did not extend the marine park authority area. I am astonished that you have forgotten that, or do you prefer—

Senator Ian Macdonald—I did not take a great deal of notice of your private member’s bill.

Senator McLucas—I am sure the people of North Queensland would be interested to know that you probably still support oil drilling in the area east of the Great Barrier Reef. But let us be very clear: the private member’s bill that was moved by Senator Bartlett and me extended the Great Barrier Reef Marine Park region, not the marine park area. There is a very significant difference in the management regime that would be required if the region was extended, because the region is not an extension of the marine park. That means that an extension to the exclusive economic zone of the Great...
Barrier Reef Marine Park region does not change the management regime in any way. It was purposefully done because it is a very sensible solution to ensuring that the former government could not continue with oil drilling to the area east of Townsville that was proposed under the former Liberal-National Party government—to the very great concern of the tourism industry, the conservation sector and, to be frank, all North Queenslanders. It was a proposal that was well received in North Queensland, and I am sure you know that Senator Macdonald. That is why I need to clarify for the Senate—

Senator Hogg—Correct, not clarify.

Senator McLUCAS—You are correct—not clarify; I need to correct Senator Macdonald’s comments so that the Senate is properly informed.

The ACTING DEPUTY PRESIDENT—Order! The time allotted for this debate has expired.

Senator McLUCAS—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:


Foreign Affairs, Defence and Trade—Standing Committee—Interim report—The changing nature of Australia’s involvement in peacekeeping operations. Motion of Senator Wortley to take note of report agreed to.


Intelligence and Security—Joint Statutory Committee—Report—Review of the re-listing of three terrorist organisations. Motion of Senator Wortley to take note of report agreed to.

PERSONAL EXPLANATIONS

Senator IAN MACDONALD (Queensland) (6.12 pm)—I seek leave to make a very short statement, having been misrepresented in this chamber. I would like to correct the record.

The ACTING DEPUTY PRESIDENT—Is leave granted?

Senator Sherry—No, he can do it on another occasion.

The ACTING DEPUTY PRESIDENT—Leave is not granted, Senator Macdonald.

Senator Ian Macdonald—It is absolutely incredible that the Labor Party—

The ACTING DEPUTY PRESIDENT—Senator Macdonald, under standing order 191 I understand, having been briefed, that you do not need leave. You may deal with that, but please focus very much on the matter in terms of the misrepresentation.

Senator IAN MACDONALD—Yes, I will. I am amazed that the Labor Party would have tried to stop me correcting the record. Senator McLucas just accused me of supporting oil drilling on the Great Barrier Reef. That is a complete fabrication. I have never supported oil drilling on the Great Barrier Reef.

The ACTING DEPUTY PRESIDENT—Order! The Senate will now proceed to the consideration of committee reports, government responses and Auditor-General’s reports.
AUDITOR-GENERAL’S REPORTS
Report No. 10 of 2007-08

Senator BARTLETT (Queensland) (6.14 pm)—I move:

That the Senate take note of the document.

This report is the Auditor-General’s Performance audit: whole of government Indigenous service delivery arrangements, which was handed over to the parliament in mid-October last year, just before the election. It is an important and thorough document and I will not have time to go through the full details here.

Given the debate last year and some of the debate that has occurred this year regarding the situation faced by many Indigenous Australians, particularly in more remote areas and communities, it is important to look at the adequacy of government service delivery arrangements to Indigenous Australians and to those communities. One of the pluses of the approach by the former Minister for Families, Community Services and Indigenous Affairs, Mr Brough, in regard to Indigenous affairs was that he did communicate a sense of urgency and enhanced focus on problems faced by many Indigenous communities and people. Having called for a greater priority to be given to Indigenous issues I welcomed that focus even though I did not always agree with the particular approaches he gave. That has meant an ongoing focus and a heightened degree of political debate around issues affecting Indigenous Australians, particularly those in remote communities and in the Northern Territory.

One of the less positive aspects in the approach that the former minister, Mr Brough, the former government and the former Prime Minister took, along with increasing the urgency, was politicising the debate in a much more ideologically divisive way than had occurred before and I think that is unfortunate. We are still seeing the legacy of that at the moment. That is not to say that people cannot have different views or different policy positions. I think it is important to have that contest of ideas. The real problem that we saw and continue to see to some extent was that anybody who had a different view about the approach being proposed in regard to the Northern Territory was accused of not caring about children or of being willing to support or enable the continuation of exploitation of children by paedophiles. That accusation then eliminated the prospect of having rational political and public debate. Either you were forced to agree with what had been put forward or, if you disagreed, you were immediately told you were supporting paedophiles or you did not care, or other ideological point-scoring opportunities emerged that we saw far too much of last year and we are still seeing to some extent.

Particularly important in those debates is to try to move away from an antagonistic and divisive approach, and that is advice for all of us from all perspectives. I am not seeking to solely blame only the previous government or minister for taking that approach. I think all sides could try to pull it back down to an evidence base. We also have to look at what works on the ground. One thing that is particularly galling is when there is a lot of chest puffing, lecturing and criticism from the government level about other people’s failures, or failures in Indigenous communities or attacking various individuals or particular organisations.

We see it in examples like this audit report. As with all audit reports they are about as non-ideological as you could get and identify that we are failing on the basics of service delivery. That is where we need to keep reminding ourselves that whatever approach people are putting forward in regard to providing assistance to Indigenous Australians—who have as much right as every other Australian to get services to meet their
needs—if we cannot even work and perform adequately on delivering those services then we frankly have not got much right to go around lecturing other people on their failings.

If there is one job of government that people can expect it is that, whatever services they decide to deliver and whatever service it is that taxpayers are funding, those services are delivered adequately, competently and effectively. I appreciate that is not always easy in remote areas let alone in remote Indigenous communities. But as this audit report shows we are still falling far short of what is adequate in regard to Indigenous service delivery arrangements and the so-called whole-of-government arrangements that were in place previously.

My plea is for all of us not to forget our own responsibilities and as part of the system of government overall for us to keep an eye on the adequacy of service delivery on the ground. We can have our philosophical debates and our different views about what services should be delivered and the legal framework around that, but let us not take our eye off the less exciting issues that are not likely to get on the front pages or where there are not so many political points to be scored. In some ways they are the far more important issues of how adequately those services are being delivered.

This report indicates failures to date and identifies areas for improvement such as the implementation overall of the Indigenous affairs arrangements and the role of the lead agencies including improvement in the whole-of-government governance and accountability arrangements; improvement in collaborative efforts to support effective service delivery including the development of joint funding arrangements; and improvement in ensuring programs respond flexibly to Indigenous need. We hear a lot of lecturing and a lot of pontificating in this place and in the media about inadequate governance and accountability arrangements amongst Indigenous organisations. I am not disputing there are grounds for criticism there. But it makes it a lot harder for any of us to credibly call for improvements in governance arrangements with Indigenous organisations and communities when we are still falling short of the mark ourselves in regard to governance and accountability arrangements according to the Auditor-General.

I also particularly want to emphasise the point the Auditor-General highlights about the need for improvement in the way programs respond flexibly to Indigenous need. This is a crucial area not specifically in the Northern Territory or in these whole-of-government arrangements but anywhere where we are working with Indigenous Australians and providing government services to them to ensure that there is sufficient flexibility to respond to the different needs in different areas.

As all of us here who have had any experience in Indigenous communities know—particularly, to use the example again of the Territory or, in my own state of Queensland, communities on Cape York as well as elsewhere in Queensland—there is incredible diversity in those communities. Even on the cape in Queensland between the west coast, the east coast, the top end and the southern end each community is different. The broad brush of their needs may be the same but the nature of them—the focal points within those needs—can be quite different. The capacity within different communities to work with service delivery agencies is often quite different and can fluctuate over time. Unless we have enough flexibility within the programs that governments are funding and delivering, we are going to continue to fall short. We need to have enough self-awareness to recognise our own failings or the failings of
government agencies and to keep the blowtorch on those a lot more than we do.

I think it is all too easy to blame the obvious problems that exist in many Indigenous communities solely on dysfunction within the communities themselves and not look at the dysfunction that exists within some government departments or on the lack of cooperation between different government departments. This Audit Office report clearly shows that we are falling well short of what is adequate.

Indigenous Australians deserve competent, efficient and adequate services that are the same as for everybody else, particularly at a time when they are being used as a political football by all sides of politics. To some extent I think they have even more reason to expect that the least we can do is to ensure that our own house is in order. This report clearly shows that we have got some way to go.

Senator IAN MACDONALD (Queensland) (6.24 pm)—The Audit report No. 10 2007-08: Performance audit: whole of government Indigenous service delivery arrangements is timely in view of what is happening in many of the Indigenous communities in my state of Queensland, where the state government simply seems uninterested in and incapable of assisting the people in those communities. It highlights again that the Commonwealth has a responsibility and has discharged that responsibility in the only area that it has constitutional power to do so—that is, the Northern Territory—but has been simply kept out of helping in Queensland by the state Labor government for what were fairly crass political reasons. I hope, for Indigenous people’s sake, that the Labor Party, now having achieved power federally, is able to impose on the administration of Indigenous communities in Queensland as it did in the Northern Territory, although I fear that the actions of the Rudd government in winding back the intervention in the Northern Territory are not a good precursor to positive action in my state of Queensland.

I want to highlight the difficulties in one Indigenous community in Queensland, that of Aurukun. It was reported yesterday in the Cairns Post by a reporter, Margo Zlotkowski, that the Aurukun community has spent an unbudgeted $65,000 per month since December on nine security guards who are providing round-the-clock patrols in that community. As the CEO of that community said, ‘We’re going to end up being bankrupt in a year if we keep paying that.’ The CEO went on to say that one of his employees gave notice to leave because she was so terrified after having had rocks thrown on her roof and regular threats made against her that she would cry uncontrollably at night when any trouble flared. He said, ‘One night she fainted. It was just terrible.’

In Australia you have a situation where employees who go to these communities to help are absolutely terrified for their future. There is the recent case on an island in the Torres Strait where a nurse was raped by 10 men and when she called upon the Queensland health department for assistance they said, ‘Oh well, if you can get yourself down to Thursday Island we’ll have a look at the problem.’ The approach of Queensland Health in that particular instance alone is just incredible in a country like Australia.

There are endemic problems in these communities, which the Howard government recognised in the Northern Territory and started to do something about. Not everyone agreed, but it was the first time ever that I can recall—certainly in my time in the parliament—that a government has really taken action instead of talking about it. But within 100 days of the change of government we seem to be going back to a situation where
we will talk about it again, we will have lots of reports, we will have lots of hand-wringing and we will have lots of high-profile media issues like saying sorry and delivering apologies. It makes great media, but what does it do for those on the ground? This Auditor-General’s report shows that we have to do much better in the delivery of services. As I said in my speech on the apology, all the apologies in the world given in this lovely building in this lovely city will not make one iota of difference to the Indigenous people who are living in Third World situations in the north of Australia. I am just so distressed at the fact that Mr Rudd is already winding that back.

We will go back, as I say, to talking about it. We will have lots of little meetings with the intelligentsia—people in Sydney, Melbourne and Canberra will wring their hands and work out strategies—but the Indigenous people will go on suffering because the government seems to be unprepared to continue the firm and real action that was taken by the previous government. I can only hope that in the next three years this government does see some sense in trying to improve the lot of Indigenous people.

You do not improve the lot of Indigenous people by saying: ‘We all accept that pornography is bad. We all accept that it has an influence on child sexual abuse, but rather than cutting it off as the previous government did, we are now going to let the community decide whether they should have it.’ Yes, sure the kids and the women will have a lot of say in that. But that seems to be the proposal from the Labor government. It is legislation that is not yet before this chamber, as I understand. It is yet to come. Perhaps I will have to look at it a bit more closely, but it seems from newspaper reports on that legislation that we are simply turning the clock back to the stages where governments do absolutely nothing.

As with the case in Aurukun, there does need to be firm action taken. Will the Queensland government take it? I cannot imagine they would. Governments of both persuasions have done nothing for the last 20 years—principally Labor, I might say. I think our side did try to do something about it, but not in the same vein as Mr Brough did. Certainly, in the last decade that Labor have been in power in Queensland they have done absolutely nothing. They talk a lot and get their photos taken a lot, but the problems go on.

This situation in Aurukun really does need to be addressed. According to the Cairns Post report, the community is looking at the installation of security cameras so that they will not have to employ a security guard for $65,000 per month. They are looking at installing 14 cameras in key areas such as the council chambers, the store, the tavern, the works depot, the airport and the health clinic and that would cost about $350,000. Seriously, if the Queensland government will not provide that money, I would urge the federal government to see whether there is some way that they can assist with it. Because if you keep spending $65,000 a month just on a security guard, you are going to go broke and the services that these community councils do provide will simply no longer be there because they will not have the money to pay for them.

It is the sort of issue that a government which is serious could actually do something about in a practical way. Do not get up and talk about it, do not wring hands, do not get photos taken, but put some money into it and address the root cause of the problem. One would hope that you would not need security cameras or security guards if the real, underlying problems were attacked, but in its first 100 days this new government has not shown any inclination to get involved in the job that has to be done.
Senator BOSWELL (Queensland) (6.33 pm)—I will pick up on what Senator Macdonald was saying, although he was speaking mainly about Aurukun and I want to speak about Mabuiag Island. What happened last week was unbelievably shocking and the insensitivity of the Queensland health department knows no bounds. One really has to query how a nurse could have been treated in such a shocking way when she phoned the health department on Thursday Island and was told—I think the words reported were—‘It’s an unfortunate incident, you being raped, but get over it and catch the next plane to Thursday Island.’ She was not able to do that because the police were coming over by boat and in the long term her fiance had to hire a helicopter to get her out and take her over to Badu Island.

This was reported by Mr Tony Koch, a very reliable and knowledgeable reporter, particularly on Indigenous affairs. I think Australia owes Tony Koch a lot because he has exposed what has been happening, sometimes very sympathetically towards the Indigenous people. He has opened the debate on what has been going on in some of these Indigenous communities. Only a month or two ago he raised the issue of a 10-year-old girl being raped and the perpetrators of the crime being given a warning. His exposure of what happened on Mabuiag Island in the Torres Strait last week really put a chill down everyone’s spine. A nurse was sent to an island—I suppose the island would have 100 people living on it. Her quarters had no locks, no airconditioning and no blinds and she was left there exposed to what eventually happened.

I raise this issue because I have read that the federal government will appoint a commissioner to take some interest in Queensland Health. If this is the case then I think one of the first priorities for the federal government should be to investigate people who are put in these positions on islands or in communities and have no security, whether they be policemen, nurses or doctors.

Unfortunately, I have not been to the Torres Strait for a number of years, but I used to go there fairly frequently, and I could never believe that this sort of behaviour would take place. It certainly would not have taken place 10 or 15 years ago. But I think, as Senator Macdonald has said, that with the porn, the booze and the drugs that have gone in there the whole ethics of the islands have changed. This would never have happened 10 or 15 years ago, and I cannot believe that it has happened now—but it has. A woman, a nurse, was left alone to look after the community, to serve the community. It is a great hardship to be treated like that.

We can pour scorn on the health department—and they deserve every bit of scorn that could be poured on them—but where I am coming from is looking at a more positive aspect of this. If the federal government is appointing a federal health commissioner to liaise with the health department in Queensland, then surely this has got to be a priority of this government to take some action on.

We are also seeing the unwinding of the intervention. People in the communities will be asked whether they want pornographic literature and pornographic movies to be allowed in. If you allow that sort of stuff in, you are going to suffer the consequences. The consequences happened at Mabuiag Island last week. For everyone’s sake, no-one wants to override Indigenous people, but we cannot just allow this to continue. All Australian people want the Indigenous communities to succeed, but everyone realises the talkfests are over. They have been going on for 20 or 30 years and it is time to finish them. The Howard government realised that and took action. Yes, it was unpleasant for some peo-
ple, but overall it did have overwhelming support. I am appealing for none of that to be watered down. It is necessary. It is absolutely necessary when you go into these Aboriginal and Islander communities.

So I say to the people on the opposite side who have some influence with the federal government: if a federal health commissioner is appointed to liaise with the Queensland health department, for goodness sake make it the commissioner’s first priority to see that the people in these remote communities do have some security and somewhere that they do not have to lock themselves in, if they have locks on the door. Give them some sort of peace at night, which they do not have. I take this opportunity to make those few remarks.

Question agreed to.

Consideration

The following orders of the day relating to reports of the Auditor-General were considered:

Auditor-General—Audit report no. 26 of 2007-08—Performance audit—Tasmanian forest industry development and assistance programs—Department of Agriculture, Fisheries and Forestry. Motion of Senator Abetz to take note of document called on. On the motion of Senator Wortley debate was adjourned till the next day of sitting.

Orders of the day nos 2 to 4 and 6 relating to reports of the Auditor-General were called on but no motion was moved.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Barnett)—Order! There being no further consideration of committee reports, government responses and Auditor-General’s reports, I propose the question:

That the Senate do now adjourn.

Australian Political Parties for Democracy

Senator FORSHAW (New South Wales) (6.42 pm)—Tonight I wish to provide to the Senate a report on Labor’s Australian Political Parties for Democracy, APPD, work. Over the past two years my colleague Senator John Faulkner has reported on our APPD schemes in his capacity as Chair of the International Party Development Committee, the IPDC. This was the committee that the Australian Labor Party established to oversee our international projects. Senator Faulkner resigned from the IPDC last December to take up appointments as the Special Minister of State and Cabinet Secretary in the Rudd Labor government. As Chair of the IPDC, Senator Faulkner guided the creation of the international projects unit within the national secretariat and observed keenly the growth of our APPD programs.

Also resigning from the IPDC is Robert McClelland, who has been replaced on the committee by the Minister for Foreign Affairs, the Hon. Stephen Smith. The Hon. Robert McClelland, of course, has been appointed as Attorney-General. Other changes to the committee include Melissa Parke, the new member for Fremantle, who replaces Carmen Lawrence, who retired from politics at the last election. Ms Janelle Saffin, the new member for Page, is replacing Senator Faulkner. A sitting member of the International Party Development Committee, Mark Butler, now the member for Port Adelaide, has been appointed as the new Chair of the IPDC.

As ALP International Secretary, I remain a member of the committee. Also continuing as members of the committee are former senator and former deputy president Sue West, who is currently the Vice President of Socialist International Women; Richard Marles, the new member for Corio; Greg Sword; and Tim Gartrell, the Australian Labor Party National Secretary. Dr Michael Morgan will continue as the secretary of the committee and Director of International Projects. The high calibre of our committee members—
those who have left the committee, together with all other members and new members—demonstrates how seriously we take these tasks. We wish the retiring members the best of luck in their new roles and thank them for their service on the committee.

The Australian Labor Party is committed to using the Australian Political Parties for Democracy program for a range of international activities, including consolidating democracy in our region and building public diplomacy programs with like-minded political parties around the world. Through the programs overseen by the IPDC, the international projects unit has become a focal point of campaigning expertise, party building and democracy assistance in our region and has facilitated broad-reaching party-to-party links.

With the time remaining tonight, I want to report on a selection of these activities. Over the past two years we have maintained friendships with UK Labour, New Zealand Labour and the US Democrats. In 2007-08, we have consolidated these friendships with a range of exchange and observer programs. We will continue to build meaningful international networks with progressive political parties in the coming years. Our counterparts in Asia and the Pacific were greatly interested in the 2007 election, and we organised a series of programs to coincide with the Rudd Labor campaign. In November 2007, a high-level delegation of political party campaigners and strategists from eight major Indonesian political parties undertook a study mission to New South Wales and Queensland. Our people provided training and advice on the use of ‘campaign positioning’ to address themes of message development, party building, campaign structure, campaign logistics and communication strategies. The delegates observed at close quarters our leader Kevin Rudd and Labor’s successful campaign when they undertook field visits to the seats of Griffith, Page and Richmond, amongst others. This visit capped off a year of intensive democracy-building activities in which we provided technical assistance to the 10 major Indonesian political parties.

Mr Phil O’Donoghue, a senior member of our evaluation mission to Papua New Guinea in 2006, was loaned to the US-based National Democratic Institute for International Affairs, the NDI, for their evaluation team in Indonesia in September 2007. Following the success of Mr O’Donoghue’s mission to Indonesia, and building on the achievements of the past two years, the international unit has committed to providing democracy assistance programs to Indonesia’s political parties as they prepare for the 2009 legislative and presidential elections. International projects will focus on providing multi-party training programs and individual party-to-party consultations on a range of issues to promote and strengthen Indonesia’s burgeoning democracy.

Continuing with our theme of multiparty programs, we have launched two major initiatives for the region. In the first week of the campaign, we provided an intensive course to the region’s women political campaigners in Cairns and Brisbane. International projects course director Dr Lesley Clark—formerly the member for Barron River in the Queensland parliament—and her team delivered a world-class campaign and party-building school for women campaigners from Asia and the Pacific. The intake included some 20 women from Timor-Leste, Papua New Guinea and the Solomon Islands. The second major initiative was the launch of the political advisers course for Asia and the Pacific. This is a collaborative program designed and delivered in partnership with the University of Sydney’s Graduate School of Government, GSG. The GSG offers a premier learning environment for current and future lead-
ers in public administration. Working with former Western Australian Premier Geoff Gallop, professor and director of the Graduate School of Government, international projects has developed a course tailored to the specific needs of political advisers in Asia and the Pacific. We received over 100 applicants from all around the world for the 15 scholarship positions. Two positions were also offered to self-funding applicants.

Having successfully launched these Australian based programs, we will continue to deliver programs on the ground in Asia and the Pacific in the coming year. Reports on all our programs can be found at our website: www.ip.alp.org.au. I look forward to reporting on our programs in future reports to the Senate.

Wheat

Senator BOSWELL (Queensland) (6.49 pm)—I rise tonight to respond to the ministerial statement on wheat. The statement was laid down this afternoon and it is an attempted defence of deregulation which has obviously been cobbled together for the minister at the expense of the Australian working wheat grower families. The minister even tabled supporting statements from the grain corporations: GrainCorp, CBH Ltd and the Australian Barley Board. Why the minister felt the need to make a statement on this is quite unknown to me. There is nothing new in the pages. Does he perhaps feel pressed by the opposition of thousands of growers to his plans to dismantle the single desk arrangements that have stood the industry in good stead for over 60 years? I would have been most interested in the minister’s response to the Prime Minister’s following statement. The Prime Minister said in a letter:

It is essential that the debate over whether the single desk is the most appropriate arrangement for Australian wheat marketing is not overwhelmed by the wheat-for-weapons scandal and the revelations that came out of the Cole Inquiry. That statement was made by the Prime Minister Kevin Rudd in a letter to a wheat grower dated 8 February 2007. It is totally at odds with his performance yesterday in question time when he blamed his deregulation on the ‘wheat for weapons’ inquiry.

In the same letter, the Prime Minister—then Leader of the Opposition—wrote:

The Australian Labor Party has supported the single desk wheat marketing arrangements for over 65 years since 1939. During that period Labor has been a strong supporter of the current single desk marketing arrangements and it remains Labor policy that the single desk should remain in place while ever these arrangements have support from the growers and the community as well as delivering a benefit to Australian wheat growers.

That is what Labor said when they were in opposition. Now that they are in government, everything is different. The minister for agriculture, Tony Burke, is rushing to dismantle the same marketing arrangements that Kevin Rudd said only last year would remain because Labor supported them. In that letter, the Prime Minister went on to justify why Labor believed in the single desk. He was a real single desk convert. He quoted a study by Econtech that found:

The single desk captures a premium of between $15 and $30 a tonne. The total annual value to Australian growers of this premium on Australian premium white is $80 million. On all grades the average premium attributed to the single desk is $13 a tonne and the total annual value of the premium on all grades is $200 million.

So he was very fulsome in his praise for the single desk when he was writing to wheat growers. Contrast these admirable arguments with this in the ministerial statement today:

Supporters of the single desk argue that the monopoly power extracts a price premium on the world market and this is passed onto growers. The evidence to support this theory is lacking.

There is about a 180-degree turn there.
This is the complete opposite of what Mr Burke’s leader, the Prime Minister, said just over a year ago. A year ago, the Labor Party told working wheat-growing families that they supported the single desk. They get into power and what do they do? They rush to wipe out every last feature of the current wheat export marketing arrangements. The Labor Party have shown themselves to be hostage to the interests of the powerful multinational grain traders, when their first duty should be to working wheat-growing families here in Australia. Wheat growers across Australia face the most radical overhaul of the structure in its history. They face the dismantling of over 60 years of a marketing system that was built around them and for them. Wheat growers who sow their crops today do not know what tomorrow will bring.

Today I had an email from Mr Terry Fishpool. He listed for me a number of benefits that would go when the wheat market was deregulated. There are about 20 of them, so I will not go through them all. But I will go through some of them because he took the time and the energy to email me some of the benefits that wheat growers would lose. With deregulation, there would be: no financial security for growers at point of sale or after; no buyer of last resort; nobody to manage supply when necessary for growers’ benefit; no quality control system for overseas markets; no classification system growers can rely on; no mechanism for stopping Australian wheat competing against itself, to growers’ detriment; no farmer cooperatives allowed to sell wheat overseas under your model; no reason for any company to sell Australian wheat if a greater profit can be attained selling grain from another source; extreme market volatility; no market stability; major losses, as in 2007, for hedging due to failure of production; and no sharing of risk across national pools to share gains and diminish losses.

As I speak, there will be very early grain being planted—in a couple of weeks, at least, but maybe now for some growers there will some grain going in. The impact of deregulation is going to be unbelievable. I am pleading with the government. I believe that a government has a right to implement a policy. It is a bit dubious that they told the people what the policy was and have done a 180-degree switch since they have come to power. But all this deregulation is going to take place in the next 12 months. The crop that is going in over the next three or four months will be subject to this deregulation. It is a brave new world out there. No-one knows how it is going to work. No-one knows who is going to supply the ships. The road transport operators have said, ‘Don’t rely on us, because we haven’t got enough trucks to shift it.’ The growers who normally hedge through the Australian Wheat Board do not understand how to do it properly now, and there have been a lot of financial fingers burnt in hedging in rural commodities.

It is absolutely necessary that the government calms down. If you want to implement a policy, that is your decision and your prerogative. But do not rush into this and try and do it overnight. Remember: these people were promised by a conservative government that if we were to win the election we would retain the single desk; they were also promised by the Rudd opposition that they would retain the single desk. One hundred days later, they find that they are in a completely deregulated market and if they look around they see uncertainty wall to wall. If the government want to implement this policy, I call upon them to not do it for this crop.

Senator Sherry—What is the opposition’s policy?
Senator BOSWELL.—I am telling you the policy that the wheat growers have. What the Labor Party did was to tell the working wheat-growing families that they would listen to them and help to implement their policy. They have now found that they have been deserted by the Labor Party. They should have known that they would be, because the Labor Party does not have a great deal of affection for farmers. Wheat growers have been completely let down. They do not know where they are going. They do not know how they will finance a crop, because the estimated pool returns are not there. They cannot go to the bank and tell the bank manager what price they will get for their wheat. The bank manager is not going to take an estimate or a guesstimate. He is going to say, ‘I want to know what you’re going to get for that wheat before I come up with the $200,000 or $300,000 for planting.’ (Time expired)

International Women’s Day

Senator BOYCE (Queensland) (7.00 pm)—Tonight I would like, somewhat belatedly, to acknowledge International Women’s Day, which occurred on 8 March 2008, as you would be aware. The celebrations this year, I believe, were somewhat muted. I would like to talk about a couple of reasons as to why I believe that was the case. This year was in fact the 80th anniversary of the first rally in Australia on International Women’s Day, but I do not know that there is still a lot to celebrate. Eighty years ago, amongst a number of other issues, women were protesting about the lack of equal pay for equal work. I think there is now an ongoing realisation—and this was well expanded by Elizabeth Broderick, the Sex Discrimination Commissioner from the Human Rights and Equal Opportunity Commission—that this is absolutely a battle that has not been won. There are many other subtle battles that also have not been won. Some of the very worst forms of discrimination, as we all know, have gone. Women can now be financially independent. They can work after marriage and they do have choices. The results of earlier discrimination continue to be with us. For instance, women who, until even the very late sixties, had to leave work when they married are retiring now with very little superannuation and very little in the way of resources to back them up other than the age pension. So some results of that discrimination are still here and I think there are some very serious changes that need to be made.

I encourage young women to get active and, if need be, to get angry about the lack of assistance out there with many of the issues that continue to be a problem for women. The only really good recognition of International Women’s Day that I saw was an article by Stephen Lunn in the Australian. He made the point that young women today often do not want to be identified as feminists. We have a proud tradition of feminism, but a group of people have succeeded in turning ‘feminism’ into a negative term. What young women need to understand is that, just because they have a job and they can get promotions these days, this does not translate to all women in the workforce. There is still not equal pay for equal work. For example, on average, women earn 17 per cent less than men doing the same jobs. We have a few high-profile exceptions to the rule. There are women premiers, we have a woman as Deputy Prime Minister and there are women governors. Despite the fact that women can now get to those positions, they are still the exception, not the norm. If you look at the figures, you see that across the board we are still in a very poor situation. Australia has, in fact, fallen to number 30 in the world in the number of women representatives in the parliament. By any stretch of the imagination, we are not up with many of the developing countries.
In the top 200 companies in Australia, only 12 per cent of executive positions are held by women. On average, women get less pay for the same job. That even applies at the top executive level. Only three per cent of Australia’s CEOs in the top 200 companies are women. Of the top earners in the top 200 companies, only seven per cent are women. Senior women managers across the board in those top 200 companies—CEOs, CFOs, operating officers, et cetera—receive between half and two-thirds of the wages that their male counterparts get for the same job. We certainly have some structural problems that need to be fixed. I do not think these will be fixed until we can analyse them carefully.

Some of the structural problems go back to the fact that women often choose to work part time. They may have gaps in their employment while they have children. We need to look very sensibly and carefully at maternity leave and at the current superannuation system. I have some serious concerns about any proposals for maternity leave to be paid for by private enterprise. That is not going to happen in the real world. The real world is going to say that, if there is an extra cost in employing young women, they are less likely to employ young women. We can say what we like about whether or not that is discrimination, but employing young women is not going to happen.

We need to get away from the idea of paid or unpaid maternity leave and talk more about parental leave, to bring men into the conversation in a genuine way, to discuss flexible work arrangements that work for families not against families. It should not be seen as the woman’s business to organise how the work schedule fits around the family. I admit I have been somewhat disappointed, given the rhetoric that preceded this discussion, of the role model established by the current Prime Minister. He has been referred to by the media and certainly by some departmental people as ‘Kevin 24/7’, indicating that this man works around the clock. This might look very good to the taxpayer who feels they are getting value for money from the Prime Minister, but it involves large numbers of departmental staff working the same hours. It involves people not having weekends with their families. It involves people coming to work before the sun is up and not getting home until midnight. This is not the example which a modern Prime Minister should be setting in the current climate, to assist in the development of the view that it is families who should take responsibility for the work-family balance, not just the wives of the families. So I very much encourage women to get angry, to get active and to get involved—young women in particular.

I would also like to talk about what I see as some of the deeper structural problems going on with the current government. In response to a question today, Senator Evans made what was meant to be a disparaging remark about the coalition. He spoke about the ‘gentlemen’ of the former government. He was not talking about male ministers; he was talking about the previous government. There were some excellent female ministers in our government. That comment was not just a slip of the tongue; it was a subconscious slip that says it all about the behaviour and attitudes towards women.

I would like to expand on that a bit by referring to the current cuts that are being proposed by this government. If you look at the people who were kept in suspense for five days, the other groups being targeted, in the main, involved women. The majority of aged pensioners are women. The majority of carers are women. The majority of Centrelink and child support agency customers are women. Yet these are the groups that have been targeted by the razor gang of the Labor Party. More and more examples are coming
out, one after the other. One that came out today which Senator Nick Sherry spoke on was the scrapping of any funding for a telephone hotline for a group called Bonnie Babes, which provides grief counselling to women who have had a miscarriage or a stillborn child. Senator Sherry dismissively suggested that these people could be looked after by Lifeline. Lifeline is an excellent organisation, but guess who trains the counselors that Lifeline uses in this area? It is Bonnie Babes. Guess who Lifeline refers their specialist grief cases to? It is Bonnie Babes. This is yet another example of the still very serious and endemic structural problems in the treatment of women, and I urge this government to look at its attitude towards women and work to ensure that women are not just soft targets that any cuts can be directed at.

Pollie Pedal

Senator BARNETT (Tasmania) (7.10 pm)—I stand tonight to pay tribute to Diabetes Tasmania and in particular to highlight the wonderful success of the Tasmanian Pollie Pedal for 2008. The Pollie Pedal in Tasmania has been held since 2006, so this is our third Pollie Pedal. It is organised by Diabetes Tasmania in collaboration with my office. The inaugural Tassie Pollie Pedal was held in March 2006. In the last two years we have raised over $86,000 to support diabetes education and community awareness and activities in Tasmania and we have had very good success. This year has been not only successful but the best ever. This year we are pleased to report that we raised over $45,000 for community awareness of and education on diabetes for the people of Tasmania.

In past Pollie Pedals in Tasmania we have enjoyed the best that Tasmania has to offer. We have had detours to wineries, cheese factories, chocolate factories and special places of interest not only to the riders but to the general community. We have had community events with schools, special service organisations and community groups. This year was no different. The aim of Pollie Pedal is to provide funds for Diabetes Tasmania to carry out its education and community health promotion activities to raise community awareness, to demonstrate that physical activity is important and can be fun and to basically maximise the fun for all the participants.

In Tasmania, sadly, we have one of the highest rates of diabetes in Australia. Diabetes is a chronic disease. It is serious, it is getting worse not better and it leads to potentially lethal complications. In Tasmania, it affects approximately 7.8 per cent of the adult population above the age of 25. This is the highest rate of any state or territory in the country. I will point out that the north-west coast of Tasmania has the highest rate of any part of Tasmania. It is a public health risk and not only does it present significant emotional, health and social concerns but it is an economic cost to the Tasmanian and, indeed, the Australian community. On average, seven people living in Tasmania are developing diabetes each day and 15 Tasmanians per day are progressing from being overweight to obese. Certainly the obesity epidemic is getting worse not better and Australia remains one of the four fattest nations on earth. We need to do something about it and Tasmania’s Pollie Pedal in 2008 certainly assisted in that regard.

I want to pay tribute to our sponsors, who have been terrific—in particular our platinum sponsor, Medtronic. I want to thank Jamie Stanistreet, Deb Davis and Marco Fragiaccomo for their support. Medtronic specifically has been tremendous. I want to thank Medibank Private and Novartis, who supported us as gold sponsors. Eli Lilly and GlaxoSmithKline have provided wonderful support, and I likewise thank Novo Nordisk and the MAIB in Tasmania for their support.
A whole range of politicians and riders were involved in the Pollie Pedal this year. There were 20 to 30 people each day—on average, about 25. Amongst the politicians there was the Hon. Tony Abbott, who flew down to be with us and to kick it off on Friday, 29 February. Tony, of course, leads the national Pollie Pedal, which is a 10-day ride in or out of Sydney. This year it is going from Melbourne to Sydney in about a month or so. Tony has demonstrated great leadership in that regard and this year will mark the 11th Pollie Pedal at the national level. Thank you, Tony Abbott, for being with us in Tasmania.

My thanks also go to Greg Hall MLC, who, like me, has ridden every kilometre of the Tassie Pollie Pedal to date. To Ivan Dean MLC: thank you for your support and riding. Jim Wilkinson MLC was an apology this year. I want to recognise Bertrand Cadart, the Mayor of the Glamorgan Spring Bay Council, for providing support on his motorcycle. He was our riding marshal, as it were, at the front of the pack or at the back of the peloton. Thanks to Mayor Douglas Burt, the Mayor of Georgetown. And special thanks to Mayor Mark Shelton, the Mayor of the Meander Valley Council, and to Helen Burnet, an alderman of the Hobart City Council who supported the Pollie Pedal. A special acknowledgement to Simon Cocker of Unions Tasmania. Yes, we differ on a whole range of issues, but we support and are united in our efforts to combat the diabetes epidemic in Tassie and further afield. It was good to ride with Simon and have his support.

The other riders included Marco Fragiacomo and Lyn Nash, from Medtronic; Martin Cross, who has been a good supporter over a number of years, and John Engel, from Novartis; Tim Edgecombe, Jeremy Norton, Patrick Chanin and Kirsten Gorton, from Medibank Private; and Kellie Howe and Therese Ryan, from Eli Lilly. Mark Tate, from GSK, is a wonderful support for the team; likewise, Grant Young, from MAIB, who has consistently supported the cyclists in a whole range of areas during the tour. Paul Lindsay, from Sanofi-Aventis, worked very hard on the Pollie Pedal and was a great support for all of us and a good friend. It was also great that Andrea Schiwy, a board member of Diabetes Tasmania, was with us again this year, and also Helena Griggs, who is a diabetes educator from Diabetes Tasmania. The other interested riders were Ken MacRitchie, who is a long-time supporter of the Pollie Pedal, and Wayne Griggs, Tom Kleyn and Sonia Free.

A special tribute goes to Diabetes Tasmania for their organisation and leadership. I want to specifically thank Caroline Wells, who is the CEO of Diabetes Tasmania and is providing excellent leadership. She was supported this year, as in past years, by Leanne Clark, who was a real trooper. Thanks to Jonathan Jones, our photographer and all-round supporter, and of course Liz Makin from Medibank Private. Thanks also to my own office staff—we do this in cooperation with Diabetes Tasmania. I thank Barry Prissmall, Caroline Donaghy, Mary Dean and Clare Stewart for their wonderful support for the Pollie Pedal.

We had a three-day journey, over the Friday and then the weekend. We started at the Evandale Primary School. Grant Maynard, the chaplain there, gave us a prayer of safety and a blessing, and I think it worked because we did not have any injuries of significance over those three days. He is a penny-farthing enthusiast and he led the Pollie Pedallers, with Hans, on that first day at the school, with the support of Marilyn Murray and the wonderful students. We proceeded to the Ravenswood Neighbourhood House Community Centre—they gave a wonderful morning tea—then along to the Lilydale Primary School and through to Scottsdale, where we were met by the Lions Club and
Tanya Rattray-Wagner MLC, the local legislative councillor, who was so supportive with that local community group. We had a wonderful barbecue there. We were exhausted—there are a lot of hills between Launceston and Scottsdale. Day one was particularly tough and gruelling, so congratulations to all cyclists who got there.

On the next day we travelled from Scottsdale to Bridport and Barnboogle, which is an excellent golf course. I can commend it to all golfers all around Australia. It is outstanding. Then it was on to Pipers Brook—and thank you to Paul de Mohr for the wonderful lunch stop that we had on that occasion, and also to Gail, who was so vibrant and welcoming. Then it was on through George Town to the pilot station at Low Head that evening. We returned, on the final day, to Launceston via the Batman Bridge and Beaconsfield—where we visited the Beaconsfield Mine Museum, and Mayor Barry Easther gave us wonderful support with Kerry Finch MLC—and then Seahorse World and the Velo winery. At our final destination, Mayor Albert Van Zetten was there to welcome us and to say thank you, on behalf of the City of Launceston, for what we were doing.

All in all, it was an excellent Pollie Pedal 2008. I thank all those who participated and all those who enjoyed it. In particular, I thank the community for the support we received along the way from families, men, women and kids, who gave us a cheer and gave us some funds to support the work of Diabetes Tasmania.

Bonnie Babes Foundation

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (7.20 pm)—I want to take the opportunity to briefly rebut the comments from Senator Boyce as I was in the chamber when she spoke on the adjournment this evening. Senator Boyce alleged that the razor gang of the Rudd Labor government is proposing to make cuts to funding to the Bonnie Babes Foundation, which is a group that assists families who have lost babies through miscarriage. She made the allegation in question time and she made it again here this evening. You cannot cut a program if no current payments are being made or were promised to be made. You cannot cut if no payments are being made and no promise was given to make a payment. A promise was made by the former government and the former Prime Minister to Bonnie Babes, but no such promise was made by the then Labor opposition. As I have said, no current payments are being made for the telephone call service for which they have received assistance. I make that point first of all.

Secondly, Senator Boyce alleged that I was dismissive in my reference and my attitude in reference to Lifeline. I do not consider I was dismissive in my response at question time and I totally reject that assertion by Senator Boyce. What I did do during question time was refer to other organisations who offer a like or similar service that may require similar sorts of funding, such as Lifeline. I do not believe I was dismissive in making that reference. I think it was a legitimate reference to a similar type of service that is offered by another organisation.

Senate adjourned at 7.22 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 July to 31 December 2007—Statement of compliance—Department of Broadband, Communications and the Digital Economy.
Return to Order

The following document was tabled pursuant to the order of the Senate of 25 March 1999, as amended on 18 September 2002:

Australian Competition and Consumer Commission—Report to the Australian Senate on anti-competitive and other practices by health funds and providers in relation to private health insurance for the period 1 July 2006 to 30 June 2007.

Tabling

The following documents were tabled by the Clerk:

Financial Sector (Collection of Data) Act—Explanatory statement and Financial Sector (Collection of Data) (Reporting Standard) Determinations Nos—

31 of 2008—Reporting standard ARS 320.1 Debt Securities Held [F2008L00454].
32 of 2008—Reporting standard ARS 320.2 Equity Securities Held [F2008L00455].

Fuel Tax Act—Road User Charge Determination 2008 (No. 1) [F2008L00713]*.

National Health Act—Instruments Nos PB—

31 of 2008—Amendment determination—pharmaceutical benefits [F2008L00692]*.
32 of 2008—Amendment determination—responsible persons [F2008L00696]*.
33 of 2008—Amendment—price determinations and special patient contributions [F2008L00698]*.
34 of 2008—Amendment determination—conditions [F2008L00699]*.
36 of 2008—Amendment Special Arrangements—Highly Specialised Drugs Program [F2008L00701]*.
37 of 2008—Amendment Special Arrangements—Chemotherapy Pharmaceuticals Access Program [F2008L00702]*.
39 of 2008—Determination—drugs on F1 [F2008L00703]*.

* Explanatory statement tabled with legislative instrument.

Departmental and Agency Contracts

The following document was tabled pursuant to the order of the Senate of 20 June 2001, as amended:

QUESTION ON NOTICE

The following answers to questions were circulated:

Healthy and Active Transport Policy Proposal
(Question No. 4)

Senator Allison asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 12 February 2008:

With reference to the Healthy and Active Transport (HEAT) policy proposal, developed by national and state cycling organisations, including the Bicycle Federation of Australia and the Cycling Promotion Fund, which proposes that $200 million be committed by the Commonwealth Government to local government, over a 4 year period, to assist the provision of cycling infrastructure and facilities: does the Minister intend to provide funding to the HEAT program; if so, can details be provided of the Government’s commitment; if not, are there any other Government plans in place to support the growing number of cyclists and cycling organisations.

Senator Conroy—The Minister for Infrastructure, Transport, Regional Development and Local Government has provided the following answer to the honourable senator’s question:

The Government has received a copy of the Healthy and Active Transport (HEAT) policy proposal in response to the Treasurer’s call for community submissions for this Government’s first budget. The Government is currently giving consideration to this proposal.

Casualties of Telstra
(Question No. 268)

Senator Stott Despoja asked the Minister for Broadband, Communications and the Digital Economy, upon notice, on 12 February 2008:

(1) Does the Minister intend to reconvene a working party with a view to settling the remaining 16 Casualties of Telstra (COT) cases from the late 1990s.

(2) What support, if any, is the Minister offering the remaining 16 COTs.

(3) Will the Minister arrange an independent loss assessment for the remaining 16 COT cases so that full and final settlement can occur.

Senator Conroy—The answer to the honourable senator’s question is as follows:

(1) No.

(2) The Commonwealth Government has endeavoured to facilitate outcomes for the Casualties of Telstra (COTs) over a number of years. It appears there is nothing further the Government can do.

(3) No.