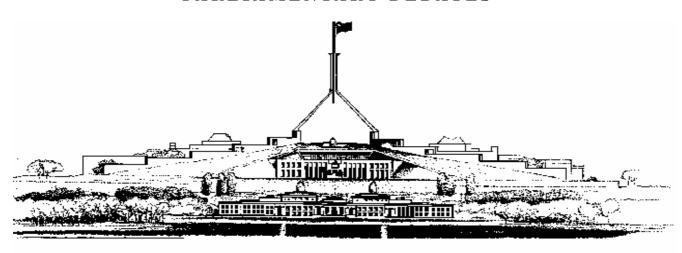


PARLIAMENTARY DEBATES



House of Representatives

Official Hansard

No. 2, 2004 Thursday, 2 December 2004

FORTY-FIRST PARLIAMENT FIRST SESSION—FIRST PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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SITTING DAYS—2004

Month	Date
February	10, 11, 12, 16, 17, 18, 19
March	1, 2, 3, 4, 8, 9, 10, 11, 22, 23, 24, 25, 29, 30, 31
April	1
May	11, 12, 13, 24, 25, 26, 27, 31
June	1, 2, 3, 15, 16, 17, 21, 22, 23, 24
August	3, 4, 5, 9, 10, 11, 12, 30, 31
November	16, 17, 18, 29, 30
December	1, 2, 6, 7, 8, 9

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FORTY-FIRST 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

House of Representatives Officeholders

Speaker—The Hon. David Peter Maxwell Hawker MP Deputy Speaker—The Hon. Ian Raymond Causley MP Second Deputy Speaker—Mr Harry Alfred Jenkins MP

Members of the Speaker's Panel—the Hon. Dick Godfrey Harry Adams, Mr Kim Christian Beazley, Mr Robert Charles Baldwin, Mrs Bronwyn Kathleen Bishop, Mr Michael John Hatton, Mr Peter John Lindsay, Mr Harry Vernon Quick, the Hon. Bruce Craig Scott, Mr Alexander Michael Somlyay, Mr Kimberley William Wilkie

Leader of the House—The Hon. Anthony John Abbott MP
Deputy Leader of the House—The Hon. Peter John McGauran MP
Manager of Opposition Business—Ms Julia Eileen Gillard MP
Deputy Manager of Opposition Business—Mr Anthony Norman Albanese MP

Party Leaders and Whips

Liberal Party of Australia

Leader—The Hon. John Winston Howard MP

Deputy Leader—The Hon. Peter Howard Costello MP

Chief Government Whip—Mr Kerry Joseph Bartlett MP

Government Whips—Mrs Joanna Gash MP and Mr Fergus Stewart McArthur MP

The Nationals

Leader—The Hon. John Duncan Anderson MP
Deputy Leader—The Hon. Mark Anthony James Vaile MP
Whip—Mr John Alexander Forrest MP
Assistant Whip—Mr Paul Christopher Neville MP

Australian Labor Party

Leader—Mr Mark William Latham MP

Deputy Leader—Ms Jennifer Louise Macklin MP

Chief Opposition Whip—The Hon. Leo Roger Spurway Price MP

Opposition Whips—Mr Michael Danby MP and Ms Jill Griffiths Hall MP

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Member	Division	Party
Abbott, Hon. Anthony John	Warringah, NSW	LP
Adams, Hon. Dick Godfrey Harry	Lyons, Tas	ALP
Albanese, Anthony Norman	Grayndler, NSW	ALP
Anderson, Hon. John Duncan	Gwydir, NSW	Nats
Andren, Peter James	Calare, NSW	Ind
Andrews, Hon. Kevin James	Menzies, Vic	LP
Bailey, Hon. Frances Esther	McEwen, Vic	LP
Baird, Hon. Bruce George	Cook, NSW	LP
Baker, Mark Horden	Braddon, Tas	LP
Baldwin, Robert Charles	Paterson, NSW	LP
Barresi, Phillip Anthony	Deakin, Vic	LP
Bartlett, Kerry Joseph	Macquarie, NSW	LP
Beazley, Hon. Kim Christian	Brand, WA	ALP
Bevis, Hon. Archibald Ronald	Brisbane, Qld	ALP
Billson, Hon. Bruce Fredrick	Dunkley, Vic	LP
Bird, Sharon	Cunningham, NSW	ALP
Bishop, Hon. Bronwyn Kathleen	Mackellar, NSW	LP
Bishop, Hon. Julie Isabel	Curtin, WA	LP
Bowen, Christopher Eyles	Prospect, NSW	ALP
Broadbent, Russell Evan	McMillan, Vic	LP
Brough, Hon. Malcolm Thomas	Longman, Qld	LP
Burke, Anna Elizabeth	Chisholm, Vic	ALP
Burke, Anthony Stephen	Watson, NSW	ALP
Byrne, Anthony Michael	Holt, VIC	ALP
Cadman, Hon. Alan Glyndwr	Mitchell, NSW	LP
Causley, Hon. Ian Raymond	Page, NSW	Nats
Ciobo, Steven Michele	Moncrieff, Qld	LP
Cobb, Hon. John Kenneth	Parkes, NSW	Nats
Corcoran, Ann Kathleen	Isaacs, VIC	ALP
Costello, Hon. Peter Howard	Higgins, Vic	LP
Crean, Hon. Simon Findlay	Hotham, Vic	ALP
Danby, Michael	Melbourne Ports, Vic	ALP
Downer, Hon. Alexander John Gosse	Mayo, SA	LP
Draper, Patricia	Makin, SA	LP
Dutton, Hon. Peter Craig	Dickson, Qld	LP
Edwards, Hon. Graham John	Cowan, WA	ALP
Elliot, Maria Justine	Richmond, NSW	ALP
Ellis, Annette Louise	Canberra, ACT	ALP
Ellis, Katherine Margaret	Adelaide, SA	ALP
Elson, Kay Selma	Forde, QLD	LP
Emerson, Craig Anthony	Rankin, Old	ALP
Entsch, Hon. Warren George	Leichhardt, NSW	LP
Farmer, Hon. Patrick Francis	Macarthur, NSW	LP
Fawcett, David Julian	Wakefield, SA	LP
Ferguson, Laurence Donald Thomas	Reid, NSW	ALP
Ferguson, Martin John, AM	Batman, Vic	ALP
Ferguson, Michael Darrel	Bass, TAS	LP
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Member	Division	Party
Fitzgibbon, Joel Andrew	Hunter, NSW	ALP
Forrest, John Alexander	Mallee, VIC	Nats
Gambaro, Hon. Teresa	Petrie, QLD	LP
Garrett, Peter Robert, AM	Kingsford Smith, NSW	ALP
Gash, Joanna	Gilmore, NSW	LP
Georganas, Steven	Hindmarsh, SA	ALP
George, Jennie	Throsby, NSW	ALP
Georgiou, Petro	Kooyong, Vic	LP
Gibbons, Stephen William	Bendigo, Vic	ALP
Gillard, Julia Eileen	Lalor, Vic	ALP
Grierson, Sharon Joy	Newcastle, NSW	ALP
Griffin, Alan Peter	Bruce, Vic	ALP
Haase, Barry Wayne	Kalgoorlie, WA	LP
Hall, Jill Griffiths	Shortland, NSW	ALP
Hardgrave, Hon. Gary Douglas	Moreton, Qld	LP
Hartsuyker, Luke	Cowper, NSW	Nats
Hatton, Michael John	Blaxland, NSW	ALP
Hawker, David Peter Maxwell	Wannon, Vic	LP
Henry, Stuart	Hasluck, WA	LP
Hoare, Kelly Joy	Charlton, NSW	ALP
Hockey, Hon. Joseph Benedict	North Sydney, NSW	LP
Howard, Hon. John Winston	Bennelong, NSW	LP
Hull, Kay Elizabeth	Riverina, NSW	Nats
Hunt, Hon. Gregory Andrew	Flinders, Vic	LP
Irwin, Julia Claire	Fowler, NSW	ALP
Jenkins, Harry Alfred	Scullin, Vic	ALP
Jensen, Dennis Geoffrey	Tangney, WA	LP
Johnson, Michael Andrew	Ryan, Qld	LP
Jull, Hon. David Francis	Fadden, Qld	LP
Katter, Hon. Robert Carl	Kennedy, Qld	Ind
Keenan, Michael Fayat	Stirling, WA	LP
Kelly, Hon. De-Anne Margaret	Dawson, Qld	Nats
Kelly, Hon. Jacqueline Marie	Lindsay, NSW	LP
Kerr, Hon. Duncan James Colquhoun, SC	Denison, Tas	ALP
King, Catherine Fiona	Ballarat, Vic	ALP
Laming, Andrew Charles	Bowman, Qld	LP
Latham, Mark William	Werriwa, NSW	ALP
Lawrence, Hon. Carmen Mary	Fremantle, WA	ALP
Ley, Hon. Sussan Penelope	Farrer, NSW	LP
Lindsay, Peter John	Herbert, Qld	LP
Livermore, Kirsten Fiona	Capricornia, Qld	ALP
Lloyd, Hon. James Eric	Robertson, NSW	LP
Macfarlane, Hon. Ian Elgin	Groom, Qld	LP
Macklin, Jennifer Louise	Jagajaga, Vic	ALP
Markus, Louise Elizabeth	Greenway, NSW	LP
May, Margaret Ann	McPherson, Qld	LP
McArthur, Fergus Stewart	Corangamite, Vic	LP

Barton, NSW	ALP
Cinnal and Vi-	
Gippsland, Vic	Nats
Fraser, ACT	ALP
Banks, NSW	ALP
Pearce, WA	LP
Lowe, NSW	ALP
Eden-Monaro, NSW	LP
Bradfield, NSW	LP
Hinkler, Qld	Nats
Gorton, Vic	ALP
Corio, Vic	ALP
Parramatta, NSW	ALP
Indi, Vic	LP
Aston, Vic	LP
Sydney, NSW	ALP
Chifley, NSW	ALP
Forrest, WA	LP
Sturt, SA	LP
Franklin, Tas	ALP
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	Pearce, WA Lowe, NSW Eden-Monaro, NSW Bradfield, NSW Hinkler, Qld Gorton, Vic Corio, Vic Parramatta, NSW Indi, Vic Aston, Vic Sydney, NSW Chifley, NSW Forrest, WA

Member	Division	Party
Vale, Hon. Danna Sue	Hughes, NSW	LP
Vamvakinou, Maria	Calwell, Vic	ALP
Vasta, Ross Xavier	Bonner, Qld	LP
Wakelin, Barry Hugh	Grey, SA	LP
Washer, Malcolm James	Moore, WA	LP
Wilkie, Kimberley William	Swan, WA	ALP
Windsor, Antony Harold Curties	New England, NSW	Ind
Wood, Jason Peter	La Trobe, Vic	LP

PARTY ABBREVIATIONS

ALP—Australian Labor Party; LP—Liberal Party of Australia; Nats—The Nationals; Ind—Independent; CLP—Country Liberal Party; AG—Australian Greens

Heads of Parliamentary Departments

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

HOWARD MINISTRY

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

(The above ministers constitute the cabinet)

HOWARD MINISTRY—continued

Minister for Justice and Customs and Manager of Government Business in the Senate

Minister for Fisheries, Forestry and Conservation

Minister for the Arts and Sport

Minister for Human Services

Minister for Citizenship and Multicultural Affairs and Deputy Leader of the House

Minister for Revenue and Assistant Treasurer

Special Minister of State

Minister for Vocational and Technical Education and Minister Assisting the Prime Minister

Minister for Ageing

Minister for Small Business and Tourism

Minister for Local Government, Territories and Roads

Minister for Veterans' Affairs and Minister Assisting the Minister for Defence

Minister for Workforce Participation

Parliamentary Secretary to the Minister for Finance and Administration

Parliamentary Secretary to the Minister for Industry, Tourism and Resources

Parliamentary Secretary to the Minister for Health and Ageing

Parliamentary Secretary to the Minister for Defence

Parliamentary Secretary (Foreign Affairs and Trade)

Parliamentary Secretary to the Prime Minister Parliamentary Secretary to the Treasurer

Parliamentary Secretary to the Minister for Transport and Regional Services

Parliamentary Secretary to the Minister for the Environment and Heritage

Parliamentary Secretary (Children and Youth Affairs)

Parliamentary Secretary to the Minister for Education, Science and Training

Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry Senator the Hon. Christopher Martin Ellison

Senator the Hon. Ian Douglas Macdonald Senator the Hon. Charles Roderick Kemp The Hon. Joseph Benedict Hockey MP The Hon. Peter John McGauran MP

The Hon. Malcolm Thomas Brough MP Senator the Hon. Eric Abetz

The Hon. Gary Douglas Hardgrave MP

The Hon. Julie Isabel Bishop MP The Hon. Frances Esther Bailey MP The Hon. James Eric Lloyd MP

The Hon. De-Anne Margaret Kelly MP

The Hon. Peter Craig Dutton MP
The Hon. Dr Sharman Nancy Stone MP

The Hon. Warren George Entsch MP

The Hon. Christopher Maurice Pyne MP

The Hon. Teresa Gambaro MP

The Hon. Bruce Fredrick Billson MP

The Hon. Gary Roy Nairn MP

The Hon. Christopher John Pearce MP The Hon. John Kenneth Cobb MP

The Hon. Gregory Andrew Hunt MP

The Hon. Sussan Penelope Ley MP

The Hon. Patrick Francis Farmer MP

Senator the Hon. Richard Mansell Colbeck

SHADOW MINISTRY

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Deputy Leader of the Opposition and Shadow Minister for Education, Training, Science and Research	Jennifer Louise Macklin MP
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Deputy Leader of the Opposition in the Senate and Shadow Minister for Communications and In- formation Technology	Senator Stephen Michael Conroy
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Shadow Minister for Industry, Infrastructure and Industrial Relations	Stephen Francis Smith MP
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Shadow Minister for Defence and Homeland Security	Robert Bruce McClelland MP
Shadow Minister for Trade	The Hon. Simon Findlay Crean MP
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Shadow Minister for Public Administration and Open Government, Shadow Minister for Indige- nous Affairs and Reconciliation and Shadow Minister for the Arts	Senator Kim John Carr
Shadow Minister for Regional Development and Roads and Shadow Minister for Housing and Urban Development	Kelvin John Thomson MP
Shadow Minister for Finance and Superannuation	Senator the Hon. Nicholas John Sherry
Shadow Minister for Work, Family and Community, Shadow Minister for Youth and Early Childhood Education and Shadow Minister Assisting the Leader on the Status of Women	Tanya Joan Plibersek MP
Shadow Minister for Employment and Workplace Participation and Shadow Minister for Corporate Governance and Responsibility	Senator Penelope Ying Yen Wong

(The above are shadow cabinet ministers)

SHADOW MINISTRY—continued

Shadow Minister for Immigration Laurence Donald Thomas Ferguson MP Shadow Minister for Agriculture and Fisheries Gavan Michael O'Connor MP Shadow Assistant Treasurer, Shadow Minister for Joel Andrew Fitzgibbon MP Revenue and Shadow Minister for Banking and Financial Services Shadow Attorney-General Nicola Louise Roxon MP Shadow Minister for Regional Services, Local Senator Kerry Williams Kelso O'Brien Government and Territories Shadow Minister for Manufacturing and Shadow Senator Kate Alexandra Lundy Minister for Consumer Affairs Shadow Minister for Defence Planning and Per-The Hon. Archibald Ronald Bevis MP sonnel and Shadow Minister Assisting the Shadow Minister for Industrial Relations Shadow Minister for Sport and Recreation Alan Peter Griffin MP Shadow Minister for Veterans' Affairs Senator Thomas Mark Bishop Shadow Minister for Small Business Tony Burke MP Shadow Minister for Ageing and Disabilities Senator Jan Elizabeth McLucas Shadow Minister for Justice and Customs, Senator Joseph William Ludwig Shadow Minister for Citizenship and Multicultural Affairs and Manager of Opposition Business in the Senate Shadow Minister for Pacific Islands Robert Charles Grant Sercombe MP Shadow Parliamentary Secretary to the Leader of John Paul Murphy MP the Opposition Shadow Parliamentary Secretary for Defence The Hon. Graham John Edwards MP Shadow Parliamentary Secretary for Education Kirsten Fiona Livermore MP Shadow Parliamentary Secretary for Environment Jennie George MP and Heritage Shadow Parliamentary Secretary for Infrastructure Bernard Fernando Ripoll MP Shadow Parliamentary Secretary for Health Ann Kathleen Corcoran MP Shadow Parliamentary Secretary for Regional Catherine Fiona King MP

Development (House)

Development (Senate)

Shadow Parliamentary Secretary for Regional

Shadow Parliamentary Secretary for Northern

Australia and Indigenous Affairs

Senator Ursula Mary Stephens

The Hon. Warren Edward Snowdon MP

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Thursday, 2 December 2004

The SPEAKER (Mr David Hawker) took the chair at 9.00 a.m. and read prayers.

JAMES HARDIE (INVESTIGATIONS AND PROCEEDINGS) BILL 2004

First Reading

Bill presented by **Mr Costello**, and read a first time.

Second Reading

Mr COSTELLO (Higgins—Treasurer) (9.01 a.m.)—I move:

That the bill be now read a second time.

Today I introduce a bill to facilitate a thorough and effective investigation by the Australian Securities and Investments Commission—ASIC—in relation to matters arising out of the James Hardie special commission of inquiry in New South Wales. The bill will also facilitate proceedings that may arise from these investigations, which may be brought by ASIC or the Commonwealth Director of Public Prosecutions—the DPP.

There is considerable community concern about the conduct of James Hardie across a number of years and particularly in relation to the separation of subsidiary companies with liabilities via a group restructure, the transfer of key assets offshore in that restructure and the subsequent underfunding of obligations to compensate those victims who have a legitimate claim against James Hardie for asbestos related diseases.

These obligations have recently been estimated at approximately \$1.5 billion. However, the figure could be as high as \$2 billion as the number of victims identified increases. This figure may increase further as the second and third waves of people who have been exposed to asbestos products manufactured by James Hardie contract asbestos related diseases.

The government remains of the view that James Hardie should honour its obligation to compensate those victims who have a legitimate claim against James Hardie for asbestos related diseases.

In addition, a thorough investigation of the conduct of James Hardie, with proceedings brought where misconduct is found, is essential to maintaining community confidence in the Australian corporate regulatory regime.

Mr Speaker, it is the government's view that ASIC must conduct a comprehensive investigation into the conduct of the James Hardie group, its directors and officers, and its advisers. The investigation of possible contraventions of the Corporations Act may be impaired if ASIC and the DPP cannot obtain and use material obtained by the special commission which is subject to claims of legal professional privilege.

It is expected that many crucial documents will be subject to claims of privilege by James Hardie. The transactions that will be the subject of investigation are of a complex nature, and were the subject of extensive legal advice and assistance. Materials documenting this advice may offer critical evidence as to the purpose and nature of certain transactions. Such evidence may be unavailable from any other source.

To address this concern, the bill will expressly abrogate legal professional privilege in relation to certain materials, allowing their use in investigations of James Hardie and any related proceedings. This means that authorised persons, including ASIC and the DPP, will be able to obtain materials that would otherwise be subject to legal professional privilege and use them for the purposes of James Hardie investigations and proceedings.

The bill will confirm a longstanding interpretation of ASIC's investigative and enforcement powers which was cast into doubt by the decision of the High Court in 2002 in the Daniels case. That case created some uncertainty as to whether the 1991 decision of the High Court in the Yuill case would be followed today if a request by ASIC to produce material subject to legal professional privilege was to be challenged.

In the Daniels case, the High Court found that legal professional privilege is not merely a rule of substantive law but an important common law right that cannot be abrogated by statute without express words or an unmistakeable implication. Nevertheless, there are situations in which its abrogation is justified in order to serve higher public policy interests. One such situation is the effective enforcement of corporate regulation.

The bill addresses a number of limitations of recent New South Wales legislation that provided for the transfer to ASIC of all records produced to or created by the New South Wales special commission of inquiry. Even though ASIC requested it, the New South Wales act did not address the legal impediments to the use of those records by ASIC and the DPP in investigations or proceedings. As a result, the Commonwealth parliament will be asked to pass this law to remedy the situation.

In accordance with the Corporations Agreement, I have notified the relevant state and territory ministers about the bill.

The government shares the community's concern about the difficulties faced by the victims of asbestos disease and their families and wishes to ensure that they are treated fairly. We also place great store in ethical behaviour by corporations. We do not condone or support companies that restructure their affairs to avoid their legal liabilities to those people whose suffering is very great and whose lives are shattered by horrible disease. That sort of behaviour is uncon-

scionable and should be prosecuted to the full extent of the law.

I present the explanatory memorandum to the bill and I commend the bill to the House.

Debate (on motion by **Mr Bevis**) adjourned.

WORKPLACE RELATIONS AMENDMENT (FAIR DISMISSAL REFORM) BILL 2004

First Reading

Bill presented by **Mr Andrews**, and read a first time.

Second Reading

Mr ANDREWS (Menzies—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (9.08 a.m.)—I move:

That the bill be now read a second time.

This bill amends the Workplace Relations Act 1996 to protect small businesses with fewer than 20 employees from the costs and administrative burden of unfair dismissal claims. The government remains determined to effect this important change for small business and to free up the jobs that these laws are costing. This will have an enormous benefit for the Australian economy, particularly for those people who are looking for work or who are looking for better work. The wealth generated from these extra jobs will flow through to everyone in Australia.

The parliament and the Australian public know where the government stands on unfair dismissal reform. The proposal advanced in this bill has been a consistent objective for the government and was strongly reiterated in the coalition's October 2004 election policies. The bill reaffirms the government's position advanced in the Workplace Relations Amendment (Fair Dismissal) Bill 2004, which lapsed with the calling of the election.

The government has been returned with a fresh and unquestionable mandate to pursue the passage of this legislation. The people of Australia have the right to expect the passage of the bill. They have voted in favour of the jobs that it will create in the small business sector.

The opposition claims that it will be more business friendly than it has been. This is an ideal opportunity for it to match its actions and words. If it does not support this bill, the ALP's claims to economic credibility will be exposed as a sham.

This bill will require the Australian Industrial Relations Commission to order that an unfair dismissal application is not valid if it involves a small business employer. This provision will only apply to the new employees of a small business. All existing employees who have access to unfair dismissal remedies in their current jobs will continue to do so.

This bill will not exclude employees of small businesses from the unlawful termination provisions of the Workplace Relations Act. It will remain unlawful for any business in Australia, regardless of its size, to dismiss any employee for a prohibited reason, for example, because of their age, gender or religion. In addition, all businesses in Australia will continue to be required to give employees appropriate notice of termination.

This government has produced an environment of sustained jobs growth through sound economic policies, good fiscal management and sensible workplace relations reforms. Australian Bureau of Statistics figures show that over 1.4 million jobs have been created since the government came to office in March 1996. The unemployment rate has fallen from 8.2 per cent to 5.3 per cent, which is as low as it has been for over a quarter of a century. An unemployment rate of below five per cent is now achievable.

Over 96 per cent of Australian businesses are small businesses and around half of Australia's private sector work force is employed by small businesses. To ensure that the small business sector continues to contribute strongly, our workplace relations system must be responsive to its needs.

The current unfair dismissal laws place a disproportionate burden on small businesses. Most small businesses do not have human resource specialists to deal with unfair dismissal claims. Attending a commission hearing alone can require a small business owner to close for the day.

The time and cost of defending a claim, even one without merit, can be substantial. In fact, according to a study by the Melbourne Institute of Applied Economic and Social Research, the cost to small and medium sized businesses of complying with unfair dismissal laws is at least \$1.3 billion a year.

Many small businesses do not understand unfair dismissal laws. A survey by CPA Australia in March 2002 found that 27 per cent of small business owners thought that they were unable to dismiss an employee even if the employee was stealing from them, and 30 per cent of small business owners thought that employers always lost unfair dismissal cases.

A growing body of evidence shows that small businesses are reacting to the complexity and cost of these laws by not taking on additional employees. A report by the Centre for Independent Studies, for example, indicates that, if only five per cent of small businesses employed just one extra person, 50,000 jobs would be created, and concludes that 'employment in small business would rise significantly in the absence of the unfair dismissal laws'.

Similarly, the Melbourne Institute study found that unfair dismissal laws had played a part in the loss of over 77,000 jobs. Accord-

ing to the report, unfair dismissal laws particularly disadvantage those most in need of opportunities—the long-term unemployed, young people and the less well educated.

The August 2004 Sensis Business Index found that 28 per cent of small and medium businesses had decided not to take on additional employees because of fear of the possibility of unfair dismissal action. The survey also found that if these businesses had put on the additional employees, they would have put on, on average, between two and three additional employees each. This reinforces the finding that unfair dismissal laws are costing Australia very large numbers of jobs.

Workplace relations laws should encourage, not inhibit, job creation. The small business men and women of Australia deserve to be able to grow their businesses without undue worry about the risk of taking on new employees. This bill will remove the impediments produced by these misconceived laws and create thousands of new jobs for Australian workers.

I commend the bill to the House and present the explanatory memorandum.

Debate (on motion by **Mr Bevis**) adjourned.

WORKPLACE RELATIONS AMENDMENT (RIGHT OF ENTRY) BILL 2004

First Reading

Bill presented by **Mr Andrews**, and read a first time.

Second Reading

Mr ANDREWS (Menzies—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (9.14 a.m.)—I move:

That the bill be now read a second time.

The government is committed to continuing a program of workplace relations reform that

will improve living standards, increase jobs, boost productivity and enhance international competitiveness.

This bill fulfils an election commitment to reform the union right of entry laws and to exclude the operation of state right of entry laws where federal right of entry laws also apply.

The right of entry provisions in the Workplace Relations Act confer significant rights and privileges on unions to enter workplaces to represent their members. The government strongly believes that these significant rights must be carefully balanced with the rights of employers and occupiers of premises to conduct their business without undue interference or harassment.

The government also considers that as far as possible a single statutory scheme should apply across Australia. In workplaces where both federal and state right of entry laws apply, confusion about rights and responsibilities may arise. This uncertainty can leave employers vulnerable to abuse of unions' statutory right to enter the workplace.

I turn now to the details of the bill.

The bill will amend the Workplace Relations Act 1996 to expand the Commonwealth system for union right of entry and override state systems within constitutional limits. Where the relevant employer is a constitutional corporation or the premises are in a territory or Commonwealth place, a union will only be able to exercise a right of entry under the new Workplace Relations Act provisions. It will not prevent a state union from entering premises for purposes relating to state industrial laws. The scheme will allow for unions to continue to exercise existing entry rights under state occupational health and safety legislation.

The powers conferred by a right of entry permit are significant and wide ranging. They allow a person to enter premises with a 'shield' against trespass. This is a significant right and should only be enjoyed by persons who exercise it responsibly.

The bill contains measures designed to ensure that more appropriate and stringent criteria must be satisfied before a person can be granted a right of entry permit, so that only 'fit and proper persons' may be permit holders.

The grounds for suspension and revocation of permits will be expanded.

The Australian Industrial Relations Commission will be empowered to make orders where a union, or an official of a union, has abused the rights conferred on them.

The bill seeks to limit inappropriate union entry and to ensure that entry is less intrusive and disruptive when it does occur. For example, the requirement that a union must have reasonable grounds for suspecting a breach of an industrial law or instrument before entering will operate to prevent 'fishing expeditions' by unions which can result in unnecessary and costly disruption to business, while ensuring appropriate access for legitimate investigations.

Permit holders will be required to provide entry documentation to the occupiers of premises. This will assist both parties to better understand their rights and responsibilities regarding union entry. It will also assist employers in being able to determine whether the requirements of the legislation are being complied with.

The bill contains safeguards for permit holders. For example, an exemption from the notice requirements for investigating a breach must be granted if the Industrial Registrar is satisfied that providing advance notice of entry might result in the destruction, concealment or alteration of relevant evidence.

Repeated union entry to the workplace to recruit new members can result in non-members suffering unfair pressure and harassment. Accordingly the bill limits entry for recruitment discussions to once every six months.

To minimise disruption at the workplace, permit holders will have to comply with reasonable requests of the employer regarding the location of interviews and discussions.

The commission will be given the power to make orders if the request by the employer or occupier of the premises is unreasonable. The bill includes protections to ensure that union permit holders are not hindered or obstructed in relation to the legitimate exercise of rights of entry.

The government considers that union access to non-member records should be restricted, consistent with less than one in four employees being union members and the role of unions as membership based service organisations. Unions will only be able to access the records of their members, unless the commission orders otherwise. Similarly, a permit holder will only be able to enter to investigate a breach of an Australian workplace agreement if they receive a written request from the employee party to the AWA.

The measures in this bill reflect the government's continued commitment to improving the current union right of entry framework. By providing clear processes for when permits can be issued and clear procedures for how rights of entry should be exercised, the proposed measures will increase confidence in the right of entry system.

The bill strikes an appropriate balance between the rights of unions to enter workplaces and the rights of employers to carry out their business without unwarranted disruptions.

I commend this bill to the House and I present the explanatory memorandum.

Debate (on motion by **Mr Bevis**) adjourned.

AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY BILL 2004

First Reading

Bill presented by **Mr McGauran**, and read a first time.

Second Reading

Mr McGAURAN (Gippsland—Minister for Citizenship and Multicultural Affairs) (9.21 a.m.)—I move:

That the bill be now read a second time.

The Australian Communications and Media Authority Bill 2004 establishes a new regulatory authority for communications, the Australian Communications and Media Authority (the ACMA). The ACMA replaces the Australian Broadcasting Authority (the ABA) and the Australian Communications Authority (the ACA).

The formation of the ACMA is a response to convergence within the communications industry. Digital technologies are reshaping traditional telecommunications and broadcasting industry sectors by allowing new types of devices and services, which in turn create new market opportunities. Businesses are being forced to respond by restructuring the ways they do business, their offerings to their customers, and their relationships with other businesses. Consumers have significantly different expectations about the types of services available, their costs and availability than they did a decade ago.

New regulatory structures are required to deal with these changes. It is becoming increasingly difficult for two separate regulators, one of which is primarily focused on infrastructure and carriage issues and the other focused chiefly on content issues, to provide a holistic response to convergence. The establishment of the ACMA will enable a coordinated regulatory response to con-

verging technologies and services. The new authority will be better placed to take a strategic view of wider convergence issues.

Benefits to industry will include a reduction in duplication in the compliance process with improvements in the coordination of regulatory functions. A single authority will be better placed to coordinate telecommunications and broadcasting issues in international fora such as the International Telecommunication Union. In addition, a single authority will have the potential to manage resources to enable a timely response to periods of high demand for spectrum planning, and create enhanced opportunities to attract and retain staff and to broaden staff expertise.

The bill establishes the ACMA, and specifies its functions. These functions will essentially be the functions currently undertaken by the ABA and ACA.

The ACMA's telecommunications functions will include the regulation of telecommunications in accordance with the Telecommunications Act 1997 and the Telecommunications (Consumer Protection and Service Standards) Act 1999. It will also undertake other functions as specified in other legislation, such as the regulation of spam, carrier licence charges, numbering charges, and functions specified under part XIC of the Trade Practices Act 1974.

The ACMA's spectrum management functions will include the management of the radiofrequency spectrum in accordance with the Radiocommunications Act 1992, and to undertake other functions such as those provided for in legislation relating to radiocommunications licence fees and taxes.

The ACMA will also have broadcasting, content and datacasting functions. These will include the regulation of broadcasting services, Internet content and datacasting services in accordance with the Broadcasting

Services Act 1992. The ACMA's other broadcasting and related functions include those provided for in legislation relating to the Australian Broadcasting Corporation and the Special Broadcasting Service, interactive gambling, and the collection of radio, television and other licence fees.

The ACMA will also have additional functions which do not fall within the above three categories, including functions relating to electronic addressing.

The minister will be able to direct the ACMA, in writing, in relation to the performance of its functions and the exercise of its powers. However, consistent with the existing directions power applying to the ABA, a direction that relates to the ACMA's broadcasting, datacasting or content functions and the powers relating to those functions may only be general in nature.

The ACMA will comprise a full-time chair, a full-time deputy chair, and from one to seven other members who can be either full or part time. Members are to be appointed by the Governor-General. Each term of membership is to be up to five years. Members may be reappointed, provided the total term of membership does not exceed 10 years.

The bill also allows the minister to appoint associate members to undertake specified matters such as inquiries, investigations and hearings.

The ACMA will be a body corporate, which may sue and be sued in its own name. The ACMA will have powers to do all things necessary or convenient for or in connection with the performance of its functions but it will not have the power to acquire, hold or dispose of real or personal property, and it will not be able to enter into contracts.

In the interests of sound financial accountability and in recognition that the ACMA will be a publicly funded body which collects taxes on behalf of the Commonwealth, the members and staff of the ACMA will be a prescribed agency for the purposes of the Financial Management and Accountability Act 1997 and the chair of the ACMA will be chief executive of the agency for the purposes of that act. The chair of the ACMA, and members and staff acting under delegations from the chair, will be able to enter into contracts on behalf of the Commonwealth—for example, a consultancy contract.

The staff of the ACMA will be engaged under the Public Service Act 1999, and the chair will be the head of the statutory agency under that act.

The ACMA will be able to hold such meetings as are necessary for the efficient performance of its functions. A quorum will be a majority of the members.

The ACMA will also be able to establish divisions. It must determine the matters that a division may deal with and will have power to delegate any of its functions to a division. The ACMA, or a division of the ACMA, may also delegate some of its functions to a member, an associate member, member of ACMA's staff or certain other persons. However, the ACMA or a division cannot delegate powers to make, vary or revoke legislative instruments or powers to do certain things under the Broadcasting Services Act 1992 such as the power to impose conditions on certain broadcasting licences.

The ACMA will be required to prepare a corporate plan at least once a year and provide it to the minister. The ACMA will also be required to prepare an annual report for each financial year.

The ACMA will be able to establish advisory committees to assist in the performance of any of its functions. The bill also continues in existence the Consumer Consultative Forum established under the Australian Communications Authority Act 1997.

The establishment of the ACMA will help Australia remain at the forefront of communications regulation. A single regulator will be best placed to provide for the needs of industry and consumers given the rapid evolution of technologies in the communications sector.

I commend the bill to the House and present the explanatory memorandum.

Debate (on motion by **Mr Bevis**) adjourned.

AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY (CONSEQUENTIAL AND TRANSITIONAL PROVISIONS) BILL 2004

First Reading

Bill presented by **Mr McGauran**, and read a first time.

Second Reading

Mr McGAURAN (Gippsland—Minister for Citizenship and Multicultural Affairs) (9.29 a.m.)—I move:

That the bill be now read a second time.

The Australian Communications and Media Authority (Consequential and Transitional Provisions) Bill 2004 contains transitional provisions and consequential amendments related to the establishment of the Australian Communications and Media Authority (ACMA) by the Australian Communications and Media Authority Bill 2004 (the ACMA bill).

The bill deals with the consequences of the proposed merger of the Australian Communications Authority (ACA) and the Australian Broadcasting Authority (ABA) to form the ACMA.

Schedules 1 and 2 to the bill make a number of consequential amendments to Commonwealth acts. Among other things, these amendments provide for the repeal of the

Australian Communications Authority Act 1997, which establishes the ACA, and provisions in the Broadcasting Services Act 1992 which establish the ABA. They remove provisions dealing with the interaction between the ACA and the ABA that are no longer required as a consequence of the merger of those bodies. They also change references in Commonwealth legislation to the ABA and the ACA to references to the ACMA.

Schedule 3 to the bill will amend references to the ABA and the ACA in provisions of the Postal Industry Ombudsman Bill 2004 that is expected to be reintroduced into the parliament at or around the same time as the ACMA Bill, in the event that those provisions are passed by the parliament, and the Crimes Legislation Amendment (Telecommunications Offences and Other Measures) Act (No. 2) 2004, which will commence on 1 March 2005. In addition, schedule 3 will amend current references to the ACA and the ABA in the Ombudsman Act 1976 which would not be amended by the Postal Industry Ombudsman Bill.

Schedule 4 to the bill contains transitional provisions, including provisions dealing with the transfer of assets and liabilities of the ACA and the ABA to the Commonwealth, given that the members, associate members and staff of the ACMA will be a prescribed agency for the purposes of the Financial Management and Accountability Act 1997. Schedule 4 to the bill also provides for the continuing operation of ACA and ABA instruments after the commencement of the bill.

I present the explanatory memorandum to this bill and eight related bills.

Debate (on motion by **Mr Bevis**) adjourned.

The DEPUTY SPEAKER (Mr Jenkins)—Before we move to the next bill, I indicate to the minister that it is not the incli-

nation of the chair to ask the clerk to announce a bill that is without notice. Having given a tutorial to the minister, I will also give a tutorial to the Chief Opposition Whip. The bills appear on the daily program; they do not appear on the *Notice Paper*. They are introduced and initiated without notice.

TELECOMMUNICATIONS (CARRIER LICENCE CHARGES) AMENDMENT BILL 2004

First Reading

Bill presented by Mr McGauran, and read a first time.

Second Reading

Mr McGAURAN (Gippsland—Minister for Citizenship and Multicultural Affairs) (9.33 a.m.)—I move:

That the bill be now read a second time.

The Telecommunications (Carrier Licence Charges) Amendment Bill 2004, which accompanies the Australian Communications and Media Authority Bill 2004, makes amendments to the Telecommunications (Carrier Licence Charges) Act 1997 to replace existing references in that act to the Australian Communications Authority or ACA with references to the Australian Communications and Media Authority or ACMA.

The bill also contains transitional provisions to provide for the continuing effect of determinations made by the ACA under the act prior to the establishment of the Australian Communications and Media Authority. The bill also contains provisions to provide that a reference to the ACMA's costs for a financial year includes a reference to the ACA's costs for that financial year and repeals part 4 of the act which is spent.

I commend the bill to the House.

Debate (on motion by **Mr Bevis**) adjourned.

TELECOMMUNICATIONS (NUMBERING CHARGES) AMENDMENT BILL 2004

First Reading

Bill presented by Mr McGauran, and read a first time.

Second Reading

Mr McGAURAN (Gippsland—Minister for Citizenship and Multicultural Affairs) (9.35 a.m.)—I move:

That the bill be now read a second time.

The Telecommunications (Numbering Charges) Amendment Bill 2004, which accompanies the Australian Communications and Media Authority Bill 2004, makes amendments to the Telecommunications (Numbering Charges) Act 1997 to replace existing references in that act to the Australian Communications Authority or ACA with references to the Australian Communications and Media Authority or ACMA.

The bill also contains transitional provisions to provide for the continuing effect of transfer notices given to the ACA, and determinations made by the ACA, under the act prior to the establishment of the Australian Communications and Media Authority.

Debate (on motion by **Mr Bevis**) adjourned.

TELEVISION LICENCE FEES AMENDMENT BILL 2004

First Reading

Bill presented by Mr McGauran, and read a first time.

Second Reading

Mr McGAURAN (Gippsland—Minister for Citizenship and Multicultural Affairs) (9.36 a.m.)—I move:

That the bill be now read a second time.

The Television Licence Fees Amendment Bill 2004, which accompanies the Australian Communications and Media Authority Bill 2004, makes amendments to the Television Licence Fees Act 1964 to replace existing references in that act to the Australian Broadcasting Authority or ABA with references to the Australian Communications and Media Authority or ACMA.

The bill also contains transitional provisions to provide for the continuing effect of directions about gross earnings in relation to commercial television licences, which is relevant in calculating the licence fees payable under the act, made by the ABA under the act prior to the establishment of the Australian Communications and Media Authority.

I commend the bill to the House.

Debate (on motion by **Mr Bevis**) adjourned.

DATACASTING CHARGE (IMPOSITION) AMENDMENT BILL 2004

First Reading

Bill presented by **Mr McGauran**, and read a first time.

Second Reading

Mr McGAURAN (Gippsland—Minister for Citizenship and Multicultural Affairs) (9.37 a.m.)—I move:

That the bill be now read a second time.

The Datacasting Charge (Imposition) Amendment Bill 2004, which accompanies the Australian Communications and Media Authority Bill 2004, makes amendments to the Datacasting Charge (Imposition) Act 1998 to replace existing references in that act to the Australian Communications Authority or ACA with references to the Australian Communications and Media Authority or ACMA.

The bill also amends a note consequential upon the ACMA bill and contains transitional provisions to provide for the continuing effect of determinations made by the ACA under the act prior to the establishment of the Australian Communications and Media Authority. I commend the bill to the House.

Debate (on motion by **Mr Bevis**) adjourned.

RADIOCOMMUNICATIONS (RECEIVER LICENCE TAX) AMENDMENT BILL 2004

First Reading

Bill presented by **Mr McGauran**, and read a first time.

Second Reading

Mr McGAURAN (Gippsland—Minister for Citizenship and Multicultural Affairs) (9.38 a.m.)—I move:

That the bill be now read a second time.

The Radiocommunications (Receiver Licence Tax) Amendment Bill 2004, which accompanies the Australian Communications and Media Authority Bill 2004, makes amendments to the Radiocommunications (Receiver Licence Tax) Act 1983 to replace any existing references in that act to the Australian Communications Authority or ACA with references to the Australian Communications and Media Authority or ACMA.

The bill also contains transitional provisions to provide for the continuing effect of any existing election notices given to the ACA by a holder of a receiver licence electing to pay tax on each anniversary of the day the licence came into force, and determinations made by the ACA under the act prior to the establishment of the Australian Communications and Media Authority. I commend the bill to the House.

Debate (on motion by **Mr Bevis**) adjourned.

RADIOCOMMUNICATIONS (SPECTRUM LICENCE TAX) AMENDMENT BILL 2004

First Reading

Bill presented by **Mr McGauran**, and read a first time.

Second Reading

Mr McGAURAN (Gippsland—Minister for Citizenship and Multicultural Affairs) (9.39 a.m.)—I move:

That the bill be now read a second time.

The Radiocommunications (Spectrum Licence Tax) Amendment Bill 2004, which accompanies the Australian Communications and Media Authority Bill 2004, makes amendments to the Radiocommunications (Spectrum Licence Tax) Act 1997 to replace existing references in that act to the Australian Communications Authority or ACA with references to the Australian Communications and Media Authority or ACMA.

The bill also amends notes consequential upon the ACMA bill, and contains transitional provisions to provide for the continuing effect of determinations made by the ACA under the act prior to the establishment of the Australian Communications and Media Authority. I commend the bill to the House.

Debate (on motion by **Mr Bevis**) adjourned.

RADIOCOMMUNICATIONS (TRANSMITTER LICENCE TAX) AMENDMENT BILL 2004

First Reading

Bill presented by Mr McGauran, and read a first time.

Second Reading

Mr McGAURAN (Gippsland—Minister for Citizenship and Multicultural Affairs) (9.41 a.m.)—I move:

That the bill be now read a second time.

The Radiocommunications (Transmitter Licence Tax) Amendment Bill 2004, which accompanies the Australian Communications and Media Authority Bill 2004, makes amendments to the Radiocommunications (Transmitter Licence Tax) Act 1983 to replace existing references in that act to the Australian Communications Authority, or ACA, with references to the Australian Communications and Media Authority, or ACMA.

The bill also contains transitional provisions to provide for the continuing effect of: any existing election notices given to the ACA by a holder of a transmitter licence electing to pay tax on each anniversary of the day the licence came into force; any existing approved forms of the ACA; and determinations made by the ACA under the act prior to the establishment of the Australian Communications and Media Authority. I commend the bill to the House.

Debate (on motion by **Mr Bevis**) adjourned.

RADIO LICENCE FEES AMENDMENT BILL 2004

First Reading

Bill presented by **Mr McGauran**, and read a first time.

Second Reading

Mr McGAURAN (Gippsland—Minister for Citizenship and Multicultural Affairs) (9.42 a.m.)—I move:

That the bill be now read a second time.

The Radio Licence Fees Amendment Bill 2004, which accompanies the Australian Communications and Media Authority Bill 2004, makes amendments to the Radio Licence Fees Act 1964 to replace existing references in that act to the Australian Broadcasting Authority or ABA with references to the Australian Communications and Media Authority or ACMA.

The bill also contains transitional provisions to provide for the continuing effect of directions about gross earnings of a commercial radio broadcasting licensee, which is relevant in calculating the licences fees under the act, made by the ABA under the act prior to the establishment of the Australian Communications and Media Authority. I commend the bill to the House.

Debate (on motion by **Mr Bevis**) adjourned.

BROADCASTING SERVICES AMENDMENT (ANTI-SIPHONING) BILL 2004

First Reading

Bill presented by **Mr McGauran**, and read a first time.

Second Reading

Mr McGAURAN (Gippsland—Minister for Citizenship and Multicultural Affairs) (9.44 a.m.)—I move:

That the bill be now read a second time.

On 7 April this year the government announced changes to the antisiphoning provisions of the Broadcasting Services Act 1992.

With these changes, the government reaffirmed its commitment to the antisiphoning scheme.

The scheme continues to protect the access of Australian viewers to events of national importance and cultural significance by giving priority to free-to-air television broadcasters in acquiring the broadcast rights to those events.

This remains an important policy objective for the government.

With fewer than one in four households having access to subscription television at this time, the rationale for the antisiphoning scheme remains valid.

However, after extensive consultation, the government determined that the antisiphon-

ing scheme did need updating to better reflect the attitudes of Australians and the commercial realities of the sporting and broadcasting sectors.

The government has therefore developed a new antisiphoning list which will protect listed events which take place between 1 January 2006 and 31 December 2010.

On 11 May 2004, the previous minister signed the Broadcasting Services (Events) Notice (No. 1) 2004, which gave effect to these changes.

The government's package of reforms to the antisiphoning scheme also included a decision to extend the automatic delisting period from six to 12 weeks.

This requires a legislative amendment to the Broadcasting Services Act 1992.

And this bill seeks to give effect to that decision.

Automatic delisting of an event currently occurs six weeks prior to the start of the event.

The responsible minister can stop the automatic delisting if, in the view of the minister, the free-to-air broadcasters have not had a reasonable opportunity to acquire the relevant rights.

This bill amends the Broadcasting Services Act 1992 to extend the automatic delisting period from 1,008 hours, or six weeks, prior to the start of an event to 2,016 hours, or 12 weeks, prior to its start.

This amendment will improve the efficiency of the operation of the delisting provisions of the antisiphoning scheme to the benefit of sporting bodies and viewers by allowing subscription television operators a reasonable opportunity to acquire those rights not taken up by the free-to-air broadcasters, arrange coverage and market the programs to viewers.

This change, together with the removal of some events from the antisiphoning list, will provide subscription television broadcasters with access to the broadcast rights for an increased range of sports, to the benefit of both sporting bodies and viewers.

The bill also contains a transitional rule which applies to events that start between six and 12 weeks after commencement of the bill.

The effect of this rule is that events of this kind are delisted upon commencement of the bill

This provision aims to provide certainty to sporting bodies and broadcasters in relation to events that are on the antisiphoning list and that start during the first 12 weeks after the bill's commencement.

I commend the bill to the House and present the explanatory memorandum.

Debate (on motion by **Mr Bevis**) adjourned.

AUSTRALIAN PASSPORTS BILL 2004 First Reading

Bill presented by **Mr Downer**, and read a first time.

Second Reading

Mr DOWNER (Mayo—Minister for Foreign Affairs) (9.48 a.m.)—I move:

That the bill be now read a second time.

The package of Australian passports legislation will provide a modern legal structure to underpin our world-class passports system.

It will replace the Passports Act 1938.

This package was passed by the House of Representatives on 4 August but was not debated in the Senate and lapsed when parliament was prorogued.

The bills reintroduced today are the same as the lapsed bills with the exception of a

few amendments to the Australian Passports Bill 2004, which I will highlight.

In summary, and most importantly, the legislation will ensure Australia and Australian travellers are protected by tougher laws.

The Australian Passports Bill will do this in a number of ways.

It will increase penalties for passport fraud to \$110,000 or a 10-year jail term, up from \$5,000 or two years jail in the current act.

The bill will introduce an improved mechanism for the refusal or cancellation of passports of an Australian in cases involving specified serious crimes.

These crimes will include child sex tourism, child abduction, child pornography, sexual slavery, drug trafficking, peoplesmuggling and terrorism.

This improved mechanism can operate:

- when a person is suspected of being likely to engage in a serious crime;
- when a person has be en charged with a serious crime; or
- when a person has be en sentenced for a serious crime.

As the bill makes clear, in these circumstances it is the responsibility of competent authorities, such as law enforcement agencies, to assess that a person should be prevented from travelling.

The person's passport would then be refused or cancelled to complement the law enforcement objectives.

The bill contains a package of measures aimed at minimising the problems caused by lost and stolen passports.

These measures will complement the arrangements I announced during the recent APEC joint ministerial meeting on trialling a regional movement alert system.

The trial will enable United States and Australian border officials to make immediate checks of passenger records and lost and stolen passport information.

Finally, the bill will enable us to combat identity fraud through the use of emerging technologies such as facial biometrics for e-passports.

I should like to draw attention to an amendment made to the text of the bill since the House of Representatives passed the bill on 4 August.

The provisions of the reintroduced bill now require that the minister's determination for the use of technologies such as facial biometrics must specify:

- the nature of the personal information to be collected—in the case of the biometric, the photograph which is already collected with the standard application; and
- the purpose for which it may be used—
 in the case of a photograph, to assist in
 identifying fraudulent passport applications and detecting fraudulent use of a
 passport.

This amendment is based on constructive discussions with the opposition during the last parliament.

The government has consistently emphasised the need to introduce these technologies in a manner which maintains community confidence in the protection of their privacy.

This change underlines that philosophy.

Another important element in the passports system is children's passports.

In some circumstances, where there is a dispute between parents about whether their child can travel internationally, officers of the Department of Foreign Affairs and Trade are required under the current act to make decisions to resolve the dispute.

The bill proposes that, in such cases, a declaration may be made that the matter should be dealt with by a court.

I should also like to note, for the record, that the government has made some other minor technical amendments to the text of the bill which passed the House on 4 August, in addition to the important change I have already detailed.

The reintroduced bill clarifies that a passport may be cancelled 'administratively' when a replacement is applied for, as well as when the replacement is issued.

Two other changes cover privacy provisions.

The first clarifies arrangements for requesting information from private sector organisations.

The second removes the specific reference to disclosure of passport information for national security purposes.

This ground is specifically covered under the Privacy Act.

A final change more closely aligns the legislation with administrative law principles.

The lapsed bill sets out a detailed regime for notice of decisions, repeating the provisions in the 1938 act.

These provisions have been removed as they overlapped with provisions in the Administrative Appeals Tribunal Act 1975.

I present the explanatory memorandums to this bill, to the Australian Passports (Application Fees) Bill 2004 and to the Australian Passports (Transitionals and Consequentials) Bill 2004.

Debate (on motion by **Mr Bevis**) adjourned.

AUSTRALIAN PASSPORTS (APPLICATION FEES) BILL 2004

First Reading

Bill presented by **Mr Downer**, and read a first time.

Second Reading

Mr DOWNER (Mayo—Minister for Foreign Affairs) (9.54 a.m.)—I move:

That the bill be now read a second time.

Each year the Australian passports system provides one million Australians with passports.

It is important that this substantial operation be put on a sound legal footing.

The Australian Passports (Application Fees) Bill 2004 will establish a simpler structure to deal with changes in costs and validity of passports.

The text of this bill is exactly the same as the bill which passed the House on 4 August.

Debate (on motion by **Mr Bevis**) adjourned.

AUSTRALIAN PASSPORTS (TRANSITIONALS AND CONSEQUENTIALS) BILL 2004

First Reading

Bill presented by **Mr Downer**, and read a first time.

Second Reading

Mr DOWNER (Mayo—Minister for Foreign Affairs) (9.55 a.m.)—I move:

That the bill be now read a second time.

The text of the Australian Passports (Transitionals and Consequentials) Bill 2004 is exactly the same as the bill which passed the House on 4 August. On a practical note, I should make clear that passports issued under the 1938 act will remain valid.

Debate (on motion by **Mr Bevis**) adjourned.

COMMITTEES Membership

Mr McGAURAN (Gippsland—Deputy Leader of the House) (9.55 a.m.)—by leave—I move:

That Members be appointed as members of certain committees in accordance with the schedule which has been circulated to honourable members in the chamber.

As the list is a lengthy one, I do not propose to read it to the House. Details will be recorded in the *Votes and Proceedings*.

Question agreed to.

GOVERNOR-GENERAL'S SPEECH Address-in-Reply

Debate resumed from 29 November, on motion by **Mrs Markus**:

That the address be agreed to.

The DEPUTY SPEAKER (Mr Jenkins)—Order! Before I call the honourable member for Richmond, I remind honourable members that this is her first speech. I therefore ask that the usual courtesies be extended to her.

Mrs ELLIOT (Richmond) (9.52 a.m.)—I feel so honoured and privileged that the people of Richmond have chosen me to represent them in the 41st Parliament. This is made even more special when you consider that I am one of only nine people that they have chosen to represent them in over 100 years. Three of those people were from the same family, so I would like to take this opportunity to thank the Anthony family for the 55-year contribution that they made to the people of Richmond. I am sure that all members will join me in wishing Larry Anthony and his family all the very best for the future.

Being elected to the federal parliament is indeed a very humbling experience. There are thousands of extraordinary people making an incredible contribution to our local community and I am so proud to represent all of them. Over the past year, I have had the privilege of meeting so many of these extraordinary people. These include young families who are struggling to balance the budget and still give their kids a good education and good health care; elderly people who have moved to the Tweed, away from the support base of their family; the home care nurses who, with minimal resources, visit them and help them retain their independence; the volunteers and community organisations; the young and mature-aged people who go out every day looking for work; the people who have been on dental care waiting lists for two years and are still waiting to have their teeth fixed; the many people who have battled illness and won, the families of those who have lost their fight, and those fighting still. It is for them and people like them that I stand here today.

Before becoming an MP, I worked as a juvenile justice conference convenor. This involved mediating conferences between young offenders and their victims. Not unlike this job, it had its challenges. I once asked one of the wonderful people who trained me why people become involved in this area of work. He told me, 'We do this because we have fire in the belly. We want to help others and bring about a change for the better because we have that fire.'

There is no better place to use that fire than right here in federal parliament, representing the people of Richmond. I want to work with all levels of government and within the community to make sure their needs are met. I have always said that I will put the community first. Forget the buckpassing and politics—I am here to do a job, and that is to represent Richmond. So I look forward to working with anyone, in a bipartisan fashion, to find new opportunities and to deliver for the people of Richmond.

The electorate of Richmond is incredibly diverse. This is true not only of its geography but also of its communities. From the hinterland to the eastern seaboard we have a unique and beautiful area. I have not found another place where you can drive for less than an hour and meet so many people who have completely different ways of life—from the urban areas of Tweed Heads and Banora Point to the farming communities, the coastal villages, the many vibrant and artistic communities found throughout the electorate and right down to the world famous Byron Bay. The Bay has become a Mecca for people looking for an alternative, peaceful lifestyle—so much so, it is often less than peaceful, with over a million visitors every year.

I am very lucky to live in Fingal, a great little coastal village which lies just south of Tweed Heads between the Tweed River and the Pacific Ocean. It is a very small community which is rich with diverse characters and has a colourful history. It is a place where you know your neighbours. It is a place where everyone shares in your successes and commiserates with your losses and grief. This is something that is unique to small communities, and the people who live there would not have it any other way.

We often say, 'It's just another day in paradise,' but, of course, paradise has its problems. Keeping our beaches free from the shadow of high-rise buildings is a battle that coastal communities are constantly fighting. Communities like mine are striving to protect their beautiful environments from the ever-increasing pressures of overdevelopment. This is a major issue from Tweed Heads right through to Lennox Head. Many coastal towns are under huge pressure from the region's vast population growth and the impact of rapid development. In Tweed Heads it really is a fight to stop the Gold Coast from spilling over the border. You will

often hear the cry 'We don't want to be like the Gold Coast'—and we don't. Our north coast is a place where families have come on holidays for generations. It is our unique environmental surrounds that attract people to our region. So believe us when we say we do not want to be like the Gold Coast, because we mean it.

As a community we must stand united in the ongoing fight to ensure we have appropriate development on our coastline and in our region. Our spectacular coastline is too important to waste on blocks of concrete. I also want to make sure that my grandchildren, and their children, have access to our public beaches. So I am determined to make sure that our coastline is protected. I want to preserve for families of the future the lifestyle that my family has been lucky enough to have.

Richmond reflects the challenges of an ageing population—20 per cent of people living in Richmond are aged 65 and over. This fact alone means there is enormous pressure on our health and social services. Health services and access to aged care facilities are vitally important to people living in Richmond. I will be making sure that our elderly people get what they need, including access to health care services; an after-hours GP clinic; a bed in a nursing home, if they need one; access to home care services, if they want to remain in their homes; and safe, affordable public transport—in particular, a long-term commitment must be made to the restoration of our XPT train. Many locals are very positive about federal Labor's longterm commitment to restoring the train.

So many couples retire to our region, away from their families and friends. Many people have told me that this can be an incredibly isolating experience. Volunteer organisations such as the Twin Towns Friends Group do a marvellous job of visiting elderly

people in their homes to provide friendship and someone to have a chat with. We need to foster a sense of community pride in taking care of our older Australians. But this has to start here, in this place, by providing desperately needed health and ageing services and nurturing respect for the elderly.

This applies particularly to our veterans. A couple of weeks ago I had the honour of attending the Remembrance Day service in Murwillumbah. This day represents for me a time when, as a community, we reflect upon the past and hope for a peaceful future. I took time to remember my own family—my great-grandfather Don Williams, who fought in World War I in the 4th Light Horse Brigade at the Battle of Beersheba; my grandfather Victor Perkins, who fought in the 6th Division of the Australian Army in World War II in the Middle East; my grandfather Joe Borsellino, who was in the United States Marines and fought in the Pacific in World War II; and my great-uncle Harry Staples of the 8th Division of the Australian Army, who died in World War II as a prisoner of war on the Thai-Burma Railway.

A few years ago I went to the railway in Kanchanaburi in Thailand and walked through Hellfire Pass. Visiting the war graves there highlighted for me how important it is that as individuals, families, communities and a nation we never forget the sacrifices that so many have made, and how important it is that we come together as a nation on Remembrance Day and Anzac Day to recognise those sacrifices. Those days are important, but I believe we should remember our veterans every day by providing adequate home care services and the other unique health and community services that they desperately need.

Remembering the needs of our young people is also vital for the growth of our community. In Richmond, the rate of youth unemployment is 27 per cent. That means more than one in four young people are jobless. That is appalling. The shortage of education and training opportunities is simply adding to the problem of youth unemployment. I am a proud product of the public school system. I believe our public schools should be well funded and well resourced. It is only then that we can make sure our kids have the opportunity to reach their full potential. It is only by making sure that all our schools are fairly and equitably funded that parents will have real choice.

It should not stop there. People at any stage of life should be able to get further training or more education. I have spoken to many local families for whom sending their kids to university has become unaffordable. Increasing fees and the costs of living away from home have put university out of reach for them. Many people have told me that it is just not an option for their family. We have a great university campus in the Tweed but they have the resources to offer only a limited number of courses. That is why regional universities are so important. They give opportunities to people who would otherwise not be able to further their education. The same can be said of TAFEs in regional areas. That is why I want to see adequate funding of TAFEs like Wollongbar and Kingscliff. Without fair and equal access to further education and training, young people become caught on the downward spiral of unemployment.

I was fortunate enough to further my education at a time when it was a readily available option. After completing a Bachelor of Arts in English and history, I knew that what I wanted was a career that was community based and that would allow me to help people at a grassroots level. It is for those reasons that I joined the police force. For seven years I was a general duties police officer. During that time I saw the very worst and the

very best in people. As a general duties officer, my time was spent attending jobs like domestics, fatal traffic accidents, break-ins and assaults. I saw some terrible and horrific things, but I also witnessed true bravery and dedication in individuals. Police across the country do a fantastic job in often stressful and difficult situations.

While I believe that every person is ultimately responsible for their actions, policing taught me that governments must provide the basics for individuals to flourish: access to health care, education and community support. In so many communities, crime and fear keep us behind locked doors. We need to address the causes of crime: poverty, lack of education and lack of access to services. As a community we need to nurture values that discourage crime and provide opportunities for everyone—but particularly the most disadvantaged.

I left policing for two main reasons: to return to university and to have our first child. Looking back, it seems crazy that I did both in a year, completing a Graduate Diploma in Human Resources and Industrial Relations and having our first child, Alexandra. Many families struggle every day with the balance of work and family. My family is the same. I am constantly asked how my young children will cope now that I am a member of parliament. In fact, there has been some local media interest in the fact that my husband, Craig, is the full-time carer for our children—Alexandra, who is six, and Joe, who is four and a half. Families make many choices about their individual situations and we should respect those individual choices. Instead of judgment, what families need is support, accessible and affordable child care and a family tax system that does not penalise them. Raising kids is indeed a challenge. Many people ask me why I am involved in politics when I have young children. That is the reason: for their future and for the future of all our children.

I would not be here today without the love and support of my family: in particular, that of my husband, Craig, whose optimism and enthusiasm has always inspired me; and that of our beautiful children, Alex and Joe, whose love of life always continues to amaze me. I thank the rest of my family for instilling in me so many important values. Thanks go to Polly, Tony, Bob and Jennie, and also to my grandparents, sisters, aunts, uncles and cousins. I also thank my family members who have passed away: Grandpa, Chris, Larry and my younger sister, Jessica, who died so tragically 14 years ago at the very young age of 20.

The campaign was indeed a team effort, because so many people believed so strongly in the issues we were fighting for. I would like to thank every single branch member in Richmond and every supporter who worked so hard to get me here today. My thanks go to our campaign manager, Brian Flynn, for his unwavering belief, his dedication and his friendship. I would like to thank all the people at party office and all those in the labour movement who assisted us so very much. I would also like to thank everyone at EMILY's List. And to Mark Latham and all the shadow ministers who gave me so much support and advice during the campaign, thank you.

Finally, I want to again thank the people of Richmond for their faith and support. It is an honour to represent them. I stood for parliament because I have that fire in the belly. I want to make a difference. So I give the people of Richmond this pledge: your needs will always come first, my door will always be open and together we will make the North Coast an even better place to live.

Honourable members—Hear, hear!

The DEPUTY SPEAKER (Mr Jenkins)—Order! Before I call the honourable member for Parramatta, I remind the House that this is the member's first speech and I ask the House to extend to her the usual courtesies.

Ms OWENS (Parramatta) (10.15 a.m.)—It is with gratitude to the people of Parramatta that I rise today as their newly elected representative in the federal parliament. Parramatta is a Federation seat in the geographic centre of Sydney that is home to around 140,000 people, thousands of businesses in Western Sydney's major CBD and over 3,000 community groups working in their own time for the good of others.

When children learn about early settlement, much of what they learn about happened right there in Parramatta. True, when the First Fleet arrived, they initially set up down on the harbour. But they quickly realised it was not as good as it looked and they could not farm there. So, just a few short weeks later, like so many others, they were already heading west, rowing up the Parramatta River, looking for a better spot. And they found one, at a place that to the English eye looked like parkland.

That spot, where the salt water meets the fresh water and eels were a plentiful food supply for the locals, served as a meeting area for the local Indigenous tribes. The locals had burnt the land to create space for the large gatherings that took place there. The Barramatugal clan of the Darug nation called the spot Burramatta, meaning 'where the eels play'. Australia's first Government House was built on that local Indigenous meeting place and still stands there today in its original grounds.

Burramatta was a meeting place before white settlement, and Parramatta still is—a meeting place for the growing western suburbs of Sydney, for business through a thriv-

ing CBD, for industry, for arts and culture at the Riverside Theatres and the new Roxy, for sporting events at the Rosehill Racecourse, for shopping and for food. But nowadays, of course, when you want to watch the Eels play, you do not go to the river, you go to Parramatta Stadium.

There are some 59,000 homes in the Parramatta electorate and during the campaign I doorknocked just over half of them, near enough to 30,000 homes. When I move from Ermington to Carlingford, from Mays Hill to Winston Hills, I am overwhelmed by the feeling of industry from the people and of suburbs filled with possibilities. For me, my neighbourhood is the engine room of Sydney, where the work of living is donepeople getting on with building their lives, in most cases not seeking wealth or fame or power, just a life well lived: security, dignity, control over their own lives, healthy children with bright futures, owning a home, securing their retirement, just getting on with it.

As the new member for Parramatta, people ask me what I want to achieve: what is my vision for Parramatta? But, at the heart of it, it is not about me; it is about them—the thousands of people, the vision of local business and the chamber of commerce, the concerns of bush care groups in Winston Hills, the dreams of the arts industry, the needs of local community organisations that work with the disadvantaged, and the families, each with dreams of their own.

One of my early teachers told me that true leaders make those around them more powerful and, if really effective, will eventually make themselves redundant. That is an odd idea perhaps for a politician who faces the electorate every three years, but I have lived by that rule. Throughout my career I have been more about empowerment than power and, even in the most senior positions, more of a servant than a boss.

I have worked across a range of functions in the creative sector—production manager for a large opera company producing largescale productions of Aida, La Boheme, Madame Butterfly; several years at the Australia Council developing policy and managing grants programs; several years running my own business; and seven years managing a national small business association—yet it is the time that I spent as a musician that people most often ask about, even though I gave my last professional performance when I was 30. It is probably a fair question, though, because the 20 years that I spent developing my craft as a classical pianist have influenced my thought processes and attitudes to work more than any other part of my life.

I am a musician by trade. I graduated with a Bachelor of Arts (Music) from the Queensland Conservatorium. But I was really born a musician. My father is one, as was my grandmother, who started giving me lessons when I was three years old. I could read music before I could read English—it is my first language. I could play anything by ear even then. I practised every day; my mother tells me she never had to tell me to do it. In fact, I remember that when the piano was in the lounge room with the television I used to annoy my family by practising in the ads until, in a desperate move, they moved the piano to my bedroom. Then I did not watch television at all.

When I performed, of course it was all about the music, but the training, the practice, the preparation is actually all about self. The necessary discipline, integrity, work ethic and control of ego are developed as personal philosophies and honed as skills over at least 20 years of pre-professional training. I wonder sometimes about the fit between that part of my life and my future, and I wonder about how I might be changed by the experiences and pressures of this place.

Always one to hold myself accountable, I am going to put on the record just one of the philosophies that has underpinned my life to date and still does. I had the privilege, while at the Conservatorium, of studying piano with Nancy Weir, one of Australia's greatest pianists and teachers. Over four years she taught me many things about technique, about hands and minds and how they work together. But mostly she taught me about standards, about excellence, about commitment and about the character, integrity and sacrifice that the highest standards require. She taught me that the more difficult the task, the more we stretch the edges, the better we become, the fewer people understand our achievements and the more we are alone. And, if you finally achieve perfection in even one task, when you do what no-one else has done, you do so on your own. While great achievements sometimes bring fame, they rarely bring understanding. Through my time with Nancy, I learnt to value the work, the result, above the recognition. In this world which is increasingly dominated by spin, I hope I can continue to do that.

From 20 years on the business side of the arts sector, across opera, theatre, television, and classical and rock music, I have developed a profound respect for creativity, a love of curiosity and pure research, ideas, things of the mind and people who take a hard path—who try something new, who dissent, who question and who criticise. I bring to my life in politics respect for a range of views and a history of making space for those who think differently from me.

Unlike many of my colleagues on both sides of this House, I come to the world of politics, not from it. I do not even come from a political family. In fact, I am the first person in my family to join a political party, and I think my immediate family are swinging voters. I say 'think' because we do not discuss politics very much. It was Gough Whit-

lam who first woke me up to government, when I was 14 years old. My attraction to the Labor Party then was not initially about social justice or equity, as important as they are to me now. For me, Gough Whitlam spoke the language of growth—of personal and community growth, of valuing and supporting our creative community, of respecting ideas and intellect, of providing opportunities for women, of recognising the potential in us all, of multiculturalism and of engagement with the different regions of the world. It was a government of inclusion that spoke the language of the possible and that revelled in the differences between us.

For many like me in the creative sector, Gough Whitlam pulled back the shades and opened the windows. He let in the light and the air. I learnt from him how powerful it is to feel valued and accepted for your contribution, how strong an act it is when a government recognises and encourages a group, particularly one who is already disadvantaged, already with less personal status. I learnt from Gough Whitlam that governments lead not just in what they do but in national character. What happens in this House influences whether we see the worst in each other or the potential, whether we value and encourage or punish those who are struggling. The Labor Party for me is the party of hope.

My commitment to social justice came a few years later when I left my state high school of Everton Park to study full time at the Queensland Conservatorium. My father was in the Army and we lived in an army suburb in Brisbane. My high school served a working-class and housing-commission area, and I saw bright, intelligent boys and girls who had everything in them that they needed to do well but were held back and down by family circumstances not of their own making.

The Conservatorium was a different world. Entry standards were very high, and you needed a reasonable level of wealth for private teaching and to buy a good instrument to get in there in the first place. I got there because a number of people who believed in me taught me for less than the going rate. But I was the only state school educated person there. My new friends from lives of relative comfort had no understanding at all that they had travelled an easier path and that, for many others, there was no path. I see that same level of incomprehension in the attitudes and policies of my colleagues on the other side of this House.

It is fair to say that in my professional life I have spent over 25 years working with people to develop their dreams. My most recent job as the CEO of the Association of Independent Record Labels was one of the more desirable positions around. I picked up the association in its early years when it had 20 members and worked initially on a percentage basis to grow it into the peak national body that now represents over 95 per cent of the independent recording industry. Its 400 members range from the smallest. self-released artists to the biggest companies that represent artists such as silverchair, AC/DC, Savage Garden, Vanessa Amorosi, James Morrison and, of course, the Wiggles. Several of the smaller companies, like Figoro Music in Winston Hills, are based in my electorate.

Working with AIR gave me the very rare opportunity to work on the development of an industry, together with a board of small business leaders under the chairmanship of David Williams, founder and owner of Australia's largest independent label, Shock Records. We developed export markets throughout the world, with over 200 small businesses attending the major trade fairs in Europe over the seven years with us. Over

half of those did their first international deals on those trips.

Before joining AIR, I had a business of my own producing international festivals and conferences and consulting for television and theatre. I have a passion for small business not just because I ran one or because I represented around 400 of them but because I like the people, the attitude and the challenges of it. And I do not believe you can really 'get' small business if you have not been one. The daily task of bringing in the money and being the place where the buck really does stop, the fragility of it, the small margins and even the volatility draw me to the risk takers that start and operate their own businesses.

For me, small business policy is a local issue and is about much more then competition and price. I see local business as contributing to the fabric and culture of our local community-whether it is the local shop down at Yates Avenue, Dundas that provides a meeting place for people to interact; the movie theatre, coffee shop or skating rink that hold the memories of important moments of our lives; a business that provides years of work for locals, with all the social networks that follow; or a company that grows to be a local icon, an international household name or even an industrial tourist attraction. We as a community need a flourishing local small business sector to keep us connected. The prosperity of the small business sector in my electorate is a community issue as much as it is an economic one.

From decades working with dreamers, I know my country as one of the great creative nations of the world. Whether in scientific research, invention or film, we punch above our weight. Whatever the reason, we compete with the best on a fraction of the resources. Our elite thinkers and creators are as remarkable as our elite athletes but far less known or appreciated. What a lost opportu-

nity the last decade has been. We once aspired to be the clever country, yet since 1996 the government has ignored the need to innovate and to explore. With a 20 per cent decrease in funding for R&D, we are allowing the work done under the Keating and Hawke governments to be eroded. We have an innate ability to grow our businesses and our economy on the strengths of our minds. We need a government that is willing to invest in building the intellectual and creative capital of this country and that is prepared to foster our talent for innovation.

It is, of course, not just businesses that innovate. Our community sector is also creative in its problem solving, and we need a government that is prepared to take a flexible approach to supporting the solutions of the community for the community. Nowhere is that more true than in Parramatta.

The Parramatta region sits within one of the most significant heritage precincts in the country. The history of our early settlement is there: our first Government House, the first female convict factory, the first girls orphanage, the old King's School, the Lancer Barracks—which is the oldest barracks still in operation—and Elizabeth Macarthur's farm. All of these are within walking distance of the Parramatta River and an easy walk from the wharf where the River Cat drops its passengers from Circular Quay. Yet Parramatta earns less than one per cent of its GDP from tourism related industries, considerably less than the Sydney-wide average. We are a community overdue for tourism development. The assets are there, as are the hotels, which are full during the business week but empty on the weekends. With proper support there is significant room in Parramatta for both business growth and jobs

One of the great strengths of Parramatta is its rich cultural diversity. Our multicultural

society is something to be treasured. Parramatta is home to large Chinese, Indian, Arabic, Korean and Tamil communities, among others, and these communities have added to the economic and social capital of our region. In recent years I have noticed a change in the language governments use in relation to multiculturalism, a trend towards the use of the word 'tolerance', or 'tolerating difference'. For me, tolerance is the bare minimum. Tolerance is the level you set for the most racist elements in our society to lift them to the barest acceptable level. For the majority of open-minded, decent Australians, a celebration of diversity is the benchmark.

This would not be a Labor first speech if it did not acknowledge the trade union movement. I know that most people think of unions and industrial relations as being about work. But for me the movement's greatest achievements for workers have been about home. There has been a lot of talk lately by this government about balance between work and family life, but it is the trade union movement that has been the strongest advocate for balance for decades. It argued for the 40-hour working week, for two consecutive days off, for breaks, for paid holidays, for sick leave and for carer's leave, so that workers could separate work and family. It argued for some degree of advance notice on rostering so that families could plan their time together. It argued for conditions that allowed workers to return home from work in a fit condition to spend quality time with their families. In the industrial relations debate over the next year we must remember that, in the context of increasing casualisation of the work force, for workers, and particularly women, industrial relations is about finding a work context that allows for balance between what we give to our jobs and what we give to our families.

I would like to thank the local Labor Party branches and the Parramatta Federal Electorate Council for their work during the campaign. It has been a difficult time for the party since we lost the seat of Parramatta in 1996. For those who have maintained their determination to win this seat back for Labor during this period, I hope that we can continue to work together to strengthen support for Labor in our community. I would also like to acknowledge the contribution of former Labor members for Parramatta Paul Elliott and John Brown. Their time serving the people of Parramatta is still remembered fondly and valued by many in our community. I would also like to thank and acknowledge the support of the Labor councillors on Parramatta City, Holroyd and Baulkham Hills councils.

With my election as the federal member for Parramatta, Labor women have achieved a unique quinella in the Parramatta area, with Julia Finn as Lord Mayor of Parramatta, Maureen Walsh as Deputy Lord Mayor, Pam Allan as the state member for Wentworthville and Tanya Gadiel as the state member for Parramatta. I would like to thank these fine Labor women for their help and support during the campaign. I would also like to thank Barbara Perry, state member for Auburn, and Virginia Judge, state member for Strathfield, for their assistance doorknocking with me and the other valuable advice and support they gave me during the campaign. My very special thanks go to the member for Reid for his advice, encouragement and sup-

I would like to take this opportunity to thank the trade union movement. Australian democracy is stronger because of the role played by unions in the political process. I would particularly like to thank Andrew Ferguson and the Construction, Forestry, Mining and Energy Union; Annie Owens and the Liquor, Hospitality and Miscellaneous Union; Derek Belan and the National Union of Workers; Geoff Dereck and the Financial

Sector Union; and Anthony McLaughlin and the National Tertiary Education Union, for their support during the campaign.

Thanks also to my friends who did not see me for a year—thanks for still being thereand to Tony Ryan, Carol Chan, Paul Barber, Matthew Jenna and Mathew Ferguson, my own A-Team, who doorknocked with me six to eight hours a day for much of the campaign. Thanks to Mathew Ferguson's mum, who sent Mathew over with single-serve packs of lasagne and pumpkin soup to keep me alive; Stuart Woodward, who got up early enough to meet me at the train station at six o'clock in the morning four out of five mornings a week for up to eight months; Lynda Voltz and Sarah Longhurst, who cleaned my house, dropped off my dry-cleaning and turned up from time to time and made me eat lunch; Joan Kirner, who is in the gallery today; and EMILY's List, who supported me through this campaign and my first two campaigns. Thanks to my family and friends, who worried that I would be hurt-I am much tougher than you think. To the Board of AIR, including David Williams of Shock Records, David Vodicka of Rubber Records, David Lawrence of Roadshow Music, Clive Hodson of ABC Music, Philip Mortlock of Origin Music and Andrew Walker of Head Records; and to all the members of AIR that I worked with over the last seven years thanks for putting up with a largely absent CEO for many months early in the campaign, and thanks for all the fish.

Thank you to Michael Gadiel, Jack Sumner, David Voltz, Melissa Collins, Antony Dale, Lisa Lake, Mal Tulloch, Anthony D'Adam, Robert Grieve, Omar Jamal, Jennifer Glass, Ejaz Khan, Debbie May, Pam Smith, Pierre Esbar, The Hon. Henry Tsang, MLC, Jim Hannah and NSW Young Labor—I would not have done it without you. Thanks to the campaign baby, otherwise known as Sam Livingston, who spent six of

his first 12 months in the campaign office—I am sorry, Sam, but you will always be campaign baby to me—and to Kelly Livingston, my amazing campaign director, who kept everyone in the campaign team, including me, on target and well and truly led the push to securing Parramatta.

There are two people in the gallery today who had the greatest influence on my life, and they are my mum and my dad. My mum would disagree. She thinks I was born me and she just stood aside, but that is not true: some of it is definitely her fault! My parents raised me well, and I know what a difference it makes to be well raised. My parents are wise, good people. My mother is one of the most honest people you will ever meet anywhere. I remember that when I was a kid on the way home from the shopping centre she would discover she had received too much change, maybe only 50c, and we would drive all the way back to the shop to give it back. Even now she still does that. They worry about me being in this place, but they have instilled in me, by their example, a set of values that will not easily be put aside.

Finally, to the people of Parramatta—both those who voted for me and those who did not—thank you for giving me this wonderful opportunity to represent you. I will not let you down.

Mr Ruddock—On indulgence, may I congratulate the members for Parramatta and Richmond on their first speeches.

Debate (on motion by **Mr Ruddock**) adjourned.

INDIGENOUS EDUCATION (TARGETED ASSISTANCE) AMENDMENT BILL 2004

Second Reading

Debate resumed from 1 December, on motion by **Dr Nelson**:

That the bill be now read a second time.

Ms LIVERMORE (Capricornia) (10.37 a.m.)—Before the debate on the Indigenous Education (Targeted Assistance) Amendment Bill 2004 adjourned last night, I was speaking about the government's proposal to abolish ASSPA committees based on the review of the IEDA program. The review has some positive things to say about the current operation of the ASSPA program and in no way makes the kind of criticisms that would justify such a drastic proposal as abolishing the whole program. The report gives considerable attention to the factors that contribute to the success or failure of ASSPA committees within schools and what changes are needed to make them more effective across the board. The government's response, instead of getting to work on those factors that could strengthen ASSPA committees, has been to throw the baby out with the bathwater.

The review of the Department of Education, Science and Training states that the way ASSPA operates and its effectiveness vary considerably across school communities. That variation is based on, among other things, the degree of commitment, confidence and skill of the Indigenous parents and caregivers; the level of support provided by the school; the degree of social and economic disadvantage experienced by the local Indigenous community; and the nature and impact of parents' past experiences with the schooling process and education system.

It makes you wonder whether the Minister for Education, Science and Training can explain just how exactly a shift to a competitive, submission based process is going to overcome the significance of those factors and their impact on the success of any scheme designed to increase the participation of Indigenous parents in school life. What happens in those school communities where there is a high degree of social disadvantage or a lack of support from the school? If those factors were holding back the ASSPA com-

mittees at certain schools, does the minister really expect us to believe that the involvement of Indigenous parents in those same schools will thrive under his submission based scheme? You really have to wonder what schools the minister has any direct involvement with. I have spoken to schools in my electorate and the general view on this new scheme is that writing these submissions will just be one more job that the schools will have to do, and it will create a real impediment to that positive involvement of Indigenous parents in the school community. This is something that is well recognised as making a great contribution to both attendance and achievement of Indigenous students at school. This is a real step backwards.

The package outlined by the government does nothing to address the factors identified by its own review as undermining the success of ASSPA committees. It just leaves behind those schools and the students in them. The government relies on the IEDA review to justify the abolition of ASSPA, but where is there a scrap of evidence that the new system it proposes is the way to overcome any shortcomings it found with ASSPA and encourage greater participation of Indigenous parents in their children's schooling?

There is a lot at stake here for Indigenous families. As I mentioned, the statistics show and the expert evidence suggests that involvement of Indigenous parents in their children's schooling has a very positive impact on the child's success at school. At the moment the ASSPA program pays for things such as student excursions, sporting activities and the NAIDOC week celebrations, which is such an important part of a school's calendar and a time of the year when Indigenous students can feel very proud of what they contribute and the cultural diversity they bring to their school community and school life. These are things that ASSPA

committees have certainty of funding for right now. They know that they have per capita funding coming to their schools to create these opportunities for their children and to run these kinds of events. As of February 2005, when the children return to school, the money is not going to be there.

Quite a bit of time in this debate has been spent by members on this side talking about the process which underpinned the IEDA review. Much of our concern was based on the revelations that came out of Senate estimates in June, when the representatives from DEST explained how they had reached the conclusions in the IEDA review about the ASSPA program.

The senators were told that a discussion paper was circulated to 400 out of the 4,000 ASSPA committees nationwide. The department subsequently received 10 responses to that discussion paper. So the development of this policy has been very slapdash for something that affects thousands of schools and many more thousands of Indigenous students across Australia. On the basis of a very questionable process of consultation culminating in a report that stops well short of advocating the wholesale ending of the program, the government is going to abolish a program. That will see schools shutting down important activities like breakfast clubs, homework centres and cultural events. This will add up to Indigenous kids missing out on opportunities they deserve.

Since then, the communication about the proposed changes has been minimal, from what I can gather. Schools and parent groups are going to be left in limbo over the Christmas holiday break and they will come back to find out that ASSPA and the funding they relied on to give their kids opportunities and better integrate Indigenous culture into the school are gone.

I know that staff from my local DEST office in Rockhampton were here in Canberra just at the end of last week to find out about how the new Parent School Partnerships program will work. By the time they get back to Rockhampton and think about how they might get that information out to schools in the region, the school year will be finished—the school break starts on Friday next week—and the opportunity to work constructively with schools and the Indigenous community on implementing these changes will be lost.

The proposed changes to ASSPA are plain bad policy, and the implementation of it to date has been a shambles. We look forward to estimates next year, when the full impact on school communities of these changes can be exposed, because we think they are going to have a very bad impact on Indigenous students and the families that have been actively trying to get involved in schooling under the ASSPA program.

The second program I want to talk about is the newly named Indigenous Tutorial Assistance Scheme. ITAS replaces the old Aboriginal Tutorial Assistance Scheme. Under the former ATAS, Indigenous students at primary and secondary schools who had been assessed by their school as needing extra help could access up to five hours of tuition per week as individuals or in small groups. A number of schools have also trialled the use of tutors in the classroom.

The in-school tuition model forms the basis of this new tuition scheme, ITAS, which was announced by the minister in April this year. The minister's press release states:

The in-class scheme will enable all Indigenous students in remote schools, and most Indigenous students in non-remote schools who do not meet the national literacy and numeracy benchmarks in Years 3, 5 and 7, to access an average of 2.5 hours supplementary in-class tuition per week for a maximum of 32 weeks ...

That all sounds great, but it means that Indigenous students have to fail the benchmark tests in year 3, 5 or 7 to be eligible for help in years 4, 6 and 8. We have real problems with that proposal, as we made clear during the debate the last time this bill was before the House. In fact, I have not found one person with experience or interest in Indigenous education who does support the idea of denying tutorial assistance to Indigenous students until such time as they have failed those benchmark tests. This takes the minister's preoccupation with testing and reporting to illogical lengths. Surely the teachers who are working with Indigenous students in their classrooms day in and day out are in a position to judge when those students need extra help; and when they do make that judgement, help should be available. Under this scheme, those students will have to struggle along until they fail, and who knows what damage will be done to their educational prospects in the meantime. By the time this government deems them eligible for assistance, they will have fallen further behind, and there is a risk of them switching off from school, and learning, altogether.

The department's discussion paper says that the new ITAS model rolls out the pilots of the in-class tutorial scheme which has been operating in some regions since 2001. Currently the in-class tutorial assistance scheme is open to students assessed by their school as falling within the bottom 20 per cent of students in the state or at the school. I have to ask the minister: was that such a bad system? On what basis is the minister stepping in to prescribe when struggling kids should receive extra help at school? Why can't the schools continue to make the assessment as to which students should take part in extra tuition just as they have been doing under ATAS and under the pilot program? I note that the state governments have taken up this point with the minister and that there has been some movement in the past week. The minister has written to the state education ministers offering to allow more flexibility in the use of those tutorial funds. We are pleased that the government has responded to the criticism of its original proposal in this way. Allowing schools to make their own judgments about the students they teach is the only sensible approach and puts the education of Indigenous students first.

Notwithstanding this apparent backdown by the government, there is another problem with ITAS. Funding for students to access additional tuition is available only to those schools in metropolitan areas that have enrolments of more than 20 Indigenous students. This is just one example of how the new programs reflect the government's insistence on meeting the needs of Indigenous people through mainstream programs.

Running through each of the programs funded under this bill is the government's view that funding should be weighted to Indigenous students in remote areas, leaving those Indigenous students living in metropolitan areas to have their educational needs met only through mainstream programs. This package gives effect to a massive redistribution of resources in favour of those Indigenous students living in remote parts of Australia. I guess you could ask: who could argue with Indigenous students in remote Australia receiving more resources toward their education? I certainly would not like to be the one taking on the member for Lingiari in that debate. It is not the fact that Indigenous students in remote areas are getting more that we take issue with, but the way that it is being done. It is not being done by a loading for those students but by a redistribution of resources away from other Indigenous stu-

The government is ignoring the evidence in its own annual report to parliament, which shows that all Indigenous students are disadvantaged, regardless of where they live, compared with the rest of the population. Instead of addressing the problem faced by all Indigenous students by increasing funding for Indigenous education in real terms, the government has chosen to redistribute the same limited resources away from one disadvantaged group to another disadvantaged group. My colleagues—like the member for Watson, who is sitting at the table—who represent metropolitan areas note that the Indigenous students in their electorates can illafford a reduction in targeted assistance when it comes to their education.

It was interesting for Labor members watching the debate on the States Grants (Primary and Secondary Education Assistance) Legislation Amendment Bill 2004 yesterday, and now the debate on this bill, to see that the government has discovered the notion of needs based funding and redistribution of resources when it comes to Indigenous education. Somehow, taking educational resources from one disadvantaged group to give to another disadvantaged group is acceptable, but taking from wealthy schools to give to needy schools is not. Figure that one out.

government's approach is seen throughout the programs announced in April. For example, at least 50 per cent of the Parent School Partnerships money will be reserved for remote schools. Similarly, under the supplementary recurrent assistance component of the Indigenous Education Strategic Initiatives Program, remote students will attract per capita funding at twice the rate of Indigenous students in non-remote areas. The reduction of support for metropolitan students appears to be based on the assumption that Indigenous students in non-remote areas will have their educational needs met through mainstream services. This is an approach that the government believes in but

not one that has demonstrated results for Indigenous people in the past. For example, the New South Wales Department of Aboriginal Affairs has considered the Commonwealth government's assumption and subsequent expectation that Indigenous people in urban centres should have their needs met by mainstream services. The implications are significant, because the latest census data showed that while 25 per cent of Indigenous Australians lived in remote areas the remaining 75 per cent lived in larger centres and cities. The New South Wales department concluded that mainstream services by their nature are intended to meet the needs of the majority of Australians and assume a level of equity of those accessing them—for example, equivalent access to information regarding services, transport to services and an equivalent level of service needed. This mainstreaming approach, however, tends to limit flexibility in meeting the needs of groups with particular needs.

The whole rationale for supplementary funding for Indigenous students is that they achieve at lower levels in the education system when compared with non-Indigenous students. The Commonwealth government provides supplementary assistance in recognition of the disadvantage faced by Indigenous students and the fact that mainstream services have been unable to effectively meet the needs of Indigenous students. Making some Indigenous students more equal than others is not going to bridge the gap that exists between Indigenous students overall and the general population.

As I said at the outset of my remarks, the Labor Party will not oppose the passage of this bill. We think it is important for schools and TAFEs to know that funding will flow to them for their Indigenous education initiatives in 2005 and beyond. But I have outlined—and my colleagues following in the debate will give their own perspective on

these things—our real problems and concerns about these initiatives. The government, through the COAG process and the Ministerial Council on Education, Employment, Training and Youth Affairs, has led the way in saying that Indigenous education has to be a priority for all governments in this country, but it does not really put its money where its mouth is when it comes to this package of measures. There has been a lack of consultation with the Indigenous community and with schools and interested stakeholders who are working at the coalface of Indigenous education. We think that shows a lack of respect, a lack of understanding of the reasons for Indigenous educational disadvantage and a lack of commitment to work with the Indigenous community to find solutions. This is a solution that seems to suit DEST and the government, but it really remains to be seen whether it is going to meet the needs of Indigenous students in this country-and we have serious doubts that it will. Therefore I move:

That all words after "That" be omitted with a view to substituting the following words:

"whilst not declining to give the Bill a second reading, the House condemns the Government for:

- failing to increase real funding to reflect the critical and urgent need to improve recurrent and capital programs in primary and secondary schools for indigenous students and their families;
- (2) introducing major changes to the operation of programs without any effexctive consultation with indigenous communities;
- (3) introducing submission-based funding for ASSPA committees which will create barriers to much-needed funding for the most disadvantaged and resource-scarce schools;
- (4) failing to acknowledge the critical role that the involvement of indigenous parents plays in improving indigenous students' school results and attendance:

- (5) failing to provide strategic intervention in the early years of primary schooling by limiting the focus of tutorial assistance to only those indigenous students who fail to meet national literacy and numeracy benchmarks in Years 3, 5 and 7; and
- (6) fostering instability in funding arrangements for the Supplementary Recurrent Assistance program and failing to recognise the disadvantage experienced by all indigenous students whether they live in metropolitan, regional, rural or remote area of Australia".

The DEPUTY SPEAKER (Hon. A.M. Somlyay)—Is the amendment seconded?

Mr Snowdon—I second the amendment.

Mr BAIRD (Cook) (10.54 a.m.)—It is my pleasure today to rise to support the Indige-Education (Targeted Assistance) Amendment Bill 2004. In doing so, I have listened to the member for Capricornia and the member for Lingiari, who both made some interesting points; I do not doubt the sincerity of their interest in this whole area, but they have given a somewhat guarded endorsement of the proposals coming forward. This legislation represents a significant move forward with additional assistance in education to the Indigenous community. I would have thought that, amongst the rhetoric we heard from the member for Capricornia, we could have had some congratulating of the government for its continued assistance with Indigenous education. There is no doubt that, by any criteria, those in the Indigenous community in Australia suffer in comparison with your average Australian. Whether it be mortality rates or the general standard of health, those in the Aboriginal community are disadvantaged, as they are with the extent of their involvement in education.

I certainly congratulate the minister in the chair, the Attorney-General. As the previous minister for the Aboriginal portfolio, he advanced many welfare programs for our Indigenous community, and I congratulate him for that. But there is always much more to be done. From my former life as shadow minister for Aboriginal affairs in New South Wales, I am aware that you are confronted with the challenge of the situation: how can you assist this community? How can you assist with the very low standard of education, the very low levels of employment, the very high incidence of poor health and the high mortality rates? It is a challenge across all these areas for all of us.

This legislation is a very practical way of dealing with an aspect of reconciliation. I know that the minister, when he was in the portfolio, talked a lot about practical reconciliation and this is an aspect of it. It is a working program about coming to grips with what we can do for our Indigenous community. As someone who represents a city based electorate, I respect those who work day by day with Indigenous communities. My area's Indigenous community is based more at La Perouse; nevertheless, we speak on many things.

This bill addresses the problems of Indigenous education. Indigenous student average attendance remains at two thirds the national average. This means that students miss, on average, 12 full months of schooling before they leave primary school, with a further 12 months missed by the 40 per cent of all Indigenous students who continue education through to completion of secondary school. That clearly is unacceptable and it is why the Minister for Education, Science and Training has moved in this area.

This bill provides for the continuation of funding for Indigenous education programs specifically targeted at increasing the participation and success of the Indigenous community in mainstream education. Instead of simply throwing money at the situation without trying to work out which programs

are the most effective, the minister, his staff and the department have looked at the programs themselves and seen where a more targeted approach is required and what assistance can be given. For example, with the continuation of assistance, the bill allows for renewed funding of the programs offered under the Indigenous Education (Targeted Assistance) Act 2000. These programs share a central aim of improving the education outcomes for Indigenous Australians' continuing efforts to achieve equity and equality in education standards between Indigenous and non-Indigenous Australians. I presume that all members of the House would agree with those objectives.

So really the debate is about whether the funds should be put in a particular program or not. Those who are close to this issue undoubtedly would have their own perspective on it. This bill allows for funding for both the Indigenous Education Strategic Initiatives Program and the Indigenous Education Direct Assistance Program for 2005-08. This will allow these programs to continue to produce the kinds of benefits that, under this government, have seen the increase of literacy and numeracy awareness in Indigenous preschool students to 80 per cent of the national benchmark. We have moved forward. We should not be complacent until we reach 100 per cent of the national benchmark, but we are making progress.

This legislation also provides for the continuation of the away from base payments for Abstudy approved courses, covering such things as accommodation costs, meals and travel costs. This will provide an important step in continuing to build on Indigenous Australians' post-secondary study in 2004. This will build on the doubling of the number of Indigenous students in tertiary education that has occurred under this government, which is indicative of progress being made. These payments are of particular benefit to

those students in remote communities looking to extend their education beyond primary and secondary stage. This kind of education is central to breaking the Indigenous poverty crisis and continuing the reduction of unemployment below 20 per cent.

This bill also provides for the introduction of two new motivational Indigenous youth programs: the Indigenous Youth Leadership Program and the Indigenous Youth Mobility Program. The leadership program provides financial assistance to members of Indigenous communities identified by tribal elders as being potential future leaders. This will allow individuals with the respect of their community to attain the levels of education that their skill and community recognition deserve. That is another very worthwhile program.

The Indigenous Youth Mobility Program provides a major avenue for the relocation of motivated Indigenous Australians from remote communities to those areas where educational, occupational and training opportunities exist. It is a sensible proposal, and from my observations in the past many in the Indigenous community are locked up in areas where no work or training opportunities exist. This program provides real, practical assistance to those who need to move to other areas to get that education and obtain employment. The expansion of financial and motivational assistance for Indigenous youth is important for merging the educational standards and facilities available to Indigenous and non-Indigenous Australians.

The path to the creation of equity in Indigenous and non-Indigenous education must be aided by removing the financial barriers that traditionally exist for Indigenous students, particularly those from remote communities. Those types of programs must have the result of increasing skills vital to employment, thus boosting the ability of In-

digenous individuals to obtain financial security.

Previously, Indigenous education has not had the focused, centralised support it warrants. During the seventies and eighties Indigenous education suffered. A number of overlapping and disjointed organisations have failed to deliver improvements in Indigenous student participation rates as well as in key skills growth in the Indigenous community. In 1988 the Aboriginal Education Policy Task Force identified a series of national goals for Aboriginal education. The central goal was to achieve broad equity between Aboriginal people and other Australians in access, participation and outcomes in education. It has been a work in progress. There have been failures along the way. People have been well intentioned in terms of their objectives, but there has been a shift from financial to motivational assistance. Providing solely financial assistance is one part of it, but providing appropriate motivational assistance is also important.

The community benefits of the policy are widespread. Substance abuse is an issue. The introduction of performance and outcome measures for payments coupled with tighter policing and substance control is important. The practical reconciliation aspects of the policy have ensured that the Indigenous literacy and numeracy levels under this government have been lifted from an average of 69 per cent of the national benchmarks to over 80 per cent in specific areas. So the focus of this program is redirecting resources to programs that have demonstrated improved student outcomes to provide resources to Indigenous students. It also aims to improve mainstream service provisions for Indigenous students in metropolitan areas. I have some such students in my own electorate. This program will provide over \$10.5 million to assist in a flagship program targeting extra tutorial assistance to over 56,000 students.

There are new initiatives in this bill in terms of the young Indigenous individual, including the leadership program and the mobility program. The government is going to continue funding the program through the Indigenous Education Direct Assistance Program, which will be very significant. The use of performance indicators is also important, although I notice the member for Capricornia has said that there really should not be a measure of that—that you should simply have the teachers make that assessment. There is some merit in that, but it is also important that we do have some objective criteria for determining where assistance should be directed.

This is a complementary program as part of the overall assistance to Indigenous Australians. They are a highly disadvantaged group within our community—a community which wants to do more, as do members on both sides of the House. We want to assist them to become part of mainstream Australia while retaining their own particular identity. This bill targets programs and assistance, and is part of the overall program. Further changes will undoubtedly be needed as we review such programs, but I personally believe this is a very significant step forward and that we have had some progress in terms of the level of literacy that has been achieved. I certainly commend these initiatives and this bill to the House.

Mr SNOWDON (Lingiari) (11.05 a.m.)—I am pleased to be able to make a contribution to the Indigenous Education (Targeted Assistance) Amendment Bill 2004, although I have to say I am anything but pleased by the changes that the bill seeks to put in place. I note the member for Cook's contribution. Whilst as a result of his contribution I understand the support he has for

Indigenous education, I do think he needs to understand the parlous state of Indigenous education and the Indigenous communities in remote parts of Australia which are going to be dramatically, adversely affected by this bill. I have made this point in this place in the past, and I will continue to make it. The very people who are the poorest Australians and most disadvantaged in terms of educational outcomes in Australia are going to be adversely affected by this legislation. Frankly, that makes me quite angry.

I have travelled far and wide across my electorate, and let me recount for those who do not know: my electorate is the seat of Lingiari. It comprises all of the Northern Territory except Darwin and Palmerston and covers 1.34 million square kilometres. In excess of 40 per cent of my constituents are Aboriginal Australians. So it is a unique electorate. The majority of these people live in widely dispersed, small communities. Most have some sort of primary school; most-indeed, only one now and there will be four in the near future—provide full secondary programs. There are 3,000 to 5,000 voung Aboriginal people in my electorate who do not have access to any sort of education services whatsoever. This bill will not fix that. Indeed, the changes that it seeks to make in the IEDA area, for ASSPA and for tutorial assistance are going to have a very negative effect.

I have been travelling around the Territory in the last few months since these proposals were first made. I have had meetings with ASSPA committees, parent bodies, school communities and teachers across the Territory, and in the first instance no-one knew about these proposals, and I venture to say there will be many communities where the parents still do not know about them. Of course, it does not apply only to people living in the bush; it also applies to the towns and cities. We are talking about schools in

the urban areas of my electorate where anywhere between 30 and 60 per cent of the school population are Aboriginal kids. They will be adversely affected by these changes—and in a moment I will explain why they will be adversely affected.

I have to say that the minister, before he came into this place, spoke long about the need to tackle poverty and disadvantage and his passion for, particularly, the poor health of Indigenous Australians. Then, in the 2001 National report to parliament on Indigenous education and training, the minister wrote the following:

There can be no higher priority in a complex and broad portfolio than to improve educational outcomes for Indigenous Australians.

I agree, but does he properly understand the implications of the changes he is proposing today for ASSPA and tutorial assistance?

This bill will introduce new funding restrictions on the Aboriginal Student Support and Parent Awareness program, or ASSPA, and replace the highly successful Aboriginal Tutorial Assistance Scheme, ATAS, with a radically different program, the Indigenous Tutorial Assistance Scheme, or ITAS. You have seen and heard the proposed amendments from the Labor Party which go to the question of ASSPA and ATAS. They go to the issue of this bill:

...failing to increase real funding to reflect the critical and urgent need to improve recurrent and capital programs in primary and secondary schools for indigenous students and their families...

This bill does not do it. Introducing major changes to the operation of programs without any effective consultation with Indigenous communities or parents is obscene, frankly. By proposing that small, one-teacher schools in remote communities of Australia have submission based funding—that ASSPA programs be submission based—where do these

people get off? What comprehension, what understanding, do they have of the demands upon these schools or of the capacity of the teachers in those school communities to be able to involve themselves in writing submissions to get program based funding for things they can do already with the current method of funding and where they do not need to go and right submissions to get approval to run programs?

What this scenario will do-and this is what it is designed to do, of course—is unwind ASSPA and defund it eventually, because they know that there will be many communities that will not write submissions. Or, if they do write submissions, a person somewhere in Canberra will make a determination as to whether or not that program is relevant. Never mind what the community might think. Never mind what the parents and teachers together think are the priorities for their school and their community. Those decisions are going to be taken out of their hands. Those decisions will be henceforth made by some faceless person, potentially sitting 3,000 or 4,000 kilometres away from where the decision should be taken.

I have asked the minister before about this and, frankly, his response has been appalling. They are just completely ignoring the fruitful role that these parent committees and the involvement of parents and school communities play in determining school priorities—completely ignored it, put it aside. It is no longer an issue, because the priorities are going to be set by someone else sitting here. And at the end of the day it is the minister, who sits on his backside over there. It is not reasonable, it is not appropriate and it is certainly not fair.

The mind boggles as to what this tutorial assistance program is all about. What the government propose to do is to limit the focus of tutorial assistance to only those stu-

dents who fail to meet national literacy and numeracy benchmarks in years 3, 5 and 7. So you can get tutorial assistance in years 4, 6 and 8. Where did this come from? Did someone in the advisers box come up with this harebrained scheme, or was it from the minister's own brain? It is fundamentally stupid. Anyone with any background in education, any experience of early childhood education, any experience of primary education or, indeed, high school education would tell them it is stupid. Anyone who has had any association at all with bush schools knows it is stupid. You wonder where these people come from. How could they be making this determination?

Three weeks ago I visited a small, oneteacher school 300 or so kilometres northeast of Alice Springs. I was sitting and talking to the schoolteacher. I asked if they were aware of these changes, and he said, 'Yes, and we're really concerned about them.' This schoolteacher—one teacher in a school with about 28 kids on the roll—has tutorial assistance as a result of the current ATAS whereby he can provide special assistance to kids as soon as they arrive in the school. He says: 'What the hell's going to happen next year? I can't provide that assistance anymore. We can't do the early intervention. I can't do it on my own.' After all, this bloke is teaching kids aged from five to 16.

Dr Nelson, sympathetic general practitioner that he might have been, has no idea about classrooms. He has no idea about the need for appropriate interaction between the children and the educationalists and how it might happen. I do not know what sort of development theory he has been following, but I think it is bizarre that the government could even posit the idea that you should not have early intervention, that you should wait for kids to fall through the cracks after years 3, 5 and 7 before you provide special assistance. I would have thought, and I am sure

any reasonable person would have thought, that we would want to avoid this problem. What you do is identify the issues and when you identify them you provide the assistance, regardless of what year the kids are in. That is exactly what the current system allows, and that is exactly what is going to change as a result of the proposals which the government is now putting in this legislation.

The other reason Labor have moved our second reading amendment is that we believe that the government will be fostering instability in funding arrangements for the supplementary recurrent assistance program and failing to recognise the disadvantage experienced by all Indigenous students whether they live in metropolitan, regional, rural or remote areas of Australia. What the government are proposing to do is effectively shift the resources that are currently required by merit into the bush. Yes, the bush needs the resources. What that means is you have to dig into the till and get more, not try to do more with less, which is what the government are trying to do, and they have been pinged.

The proposals they want to put in place are all very well, but the fact is that we know what this is about. It is not about providing better educational outcomes; it is some harebrained scheme that has come up through a review process—which was artificial, to say the least—to give an outcome which the government designed. That is what it is about. It has nothing to do with education. If it did have anything to do with education, you just would not do it. When I raised this situation earlier with the Minister for Education, Science and Training, in response to my concerns he told the House in June:

I would point out to the member for Lingiari that it is his very constituents that I am most concerned about. I am trying to get money out of the northern beaches of Sydney and get it to families in remote parts of the Northern Territory.

The opposite is true. You have just got to think through this. I say to the government: if you have got a genuine concern about improving education outcomes, you will take this back to the drawing board. Throw it out, because it will not work and it will cause communities to suffer. There is a failure to consult. In June I asked the minister about the extent of the department's consultation with communities—and, to understand the background of this, there are 3,800 ASSPA committees, parent committees, across Australia—and he said:

We received 10 submissions from ASSPA committees—

I do not know what proportion 10 is of 3,800, but it will not take too long to work it out; it ain't a lot—

There was consultation with a random selection of 400 ASSPA committees, directors-general of education, the Catholic and independent schools sector, ATSIC and ATSIS, Indigenous education consultative bodies, Indigenous support units in WA, Queensland and New South Wales, and a selection of vocational education and training providers. Three discussion papers and questionnaires informed the review.

Whoopee! But you did not talk to the parents, and there was no attempt whatsoever to talk to these parent bodies—the 3,800 of them across Australia. You send out a note, and they will respond! Of course, they have got the capacity to do all of that! Give me a break. The member for Cook talked about him having a discussion about Indigenous education and living in Sydney. He is right: he knows next to nothing about the subject; nor does the minister. As someone who has worked in the bush for close to 25 years, I can tell you that I know what the circumstances are. As I talk to schoolteachers and school communities across the electorate. they tell me what the situation is and how concerned they are about these proposals. On 16 June 2004 I asked the minister about the

ATAS proposals, and his response to my concerns was:

... the government is focusing on those critical years of 3, 5 and 7 in literacy and numeracy in particular, because that is where we have our national benchmark testing and reporting, and programs are provided in advance in the earlier years to support them in any case.

The logic of that response defies me. I want to quote from a letter which goes to the consequences of these proposed changes. This is from a small school called Amanbidji School near Timber Creek in the far west of my electorate. It is a day's drive from the nearest regional centre, Katherine, or, in the other direction, Kununurra. Mr Robertson, who is a schoolteacher, describes Amanbidji like this:

The community is small and remote. It has very few services. A clinic staffed by one SRN—a general store open part-time and a school. It has one basketball court. There are no police, newspapers, libraries, street names, footpaths, buses, taxis, etc ...

On 28 July 2004, Mr Robertson wrote a letter to the Minister for Education, Science and Training strongly urging him not to proceed with the changes to ASSPA and ATAS. He received no reply from the minister. On 3 November 2004, he again wrote to the minister with a desperate appeal to retain ATAS in its current form. Let me quote from that letter:

[Amanbidji] is a small school. We have a general enrolment of 16 each year. My wife and I have been here for 4 years.

The first MAP benchmark tests after we arrived indicated only one student from years 3, 5 and 7 who achieved the level.

Now in 2004, after consistent, ongoing delivery of the ATAS tutoring by my wife, we have received results from the MAP testing to show 100 per cent benchmark pass in Year 3 and 85 per cent benchmark pass in Year 5. No students were in Year 7.

These results clearly show very positive improvement.

In this small community, without the revision and consolidation on a one to one basis by the tutor (my wife), the results would not have been achieved

Our school has clearly demonstrated how ... ATAS has significantly improved all outcomes measured under the benchmark testing.

Prior to ATAS, this school has no students who reached such levels.

He goes on to say that under the new proposals:

I am at a loss as to how any further improvements in student learning will occur ...

The ATAS hours for next year will be reduced to 25 per cent of the current allocation. I say to the government: go away and do it again, because it is wrong. I seek leave to table the letter from Amanbidji School, dated 3 November 2004.

Leave granted.

Mr SNOWDON—The only approach the government can adopt if it really is genuine about effecting change and improving outcomes for Indigenous kids, regardless of where they live, is to amend this legislation, remove this hideous approach to ASSPA and ATAS and restore confidence in the Indigenous education community.

Mr SLIPPER (Fisher (11.25 a.m.)—Allow me initially, Mr Deputy Speaker Somlyay, to congratulate you on your appointment to the Speaker's panel. I am sure that you will carry out those responsibilities with great diligence and capacity. I am particularly pleased to be joining the debate on the Indigenous Education (Targeted Assistance) Amendment Bill 2004. I would be somewhat remiss if I did not preface my comments by saying that I was somewhat disappointed by the diet of negativity served up the prior speaker, the honourable member for Lingiari.

There is in Australia a broad acceptance of the need to redress Indigenous disadvantage. During its time in office, this government has undertaken practical reconciliation in a broad range of areas. Indeed, the government is spending over \$2.9 billion in the year 2004-05 to redress Indigenous disadvantage. The funding is targeted to health, housing, education and employment-issues which have been recommended as areas for action. This is assistance which really matters to Indigenous Australians. When I was Chairman of the House of Representatives Standing Committee on Family and Community Affairs a number of years ago, I sought and obtained a reference into Indigenous health from the then minister for health, Dr Wooldridge. I was appalled that Indigenous males lived approximately 20 years less than non-Indigenous males and by standards of health, housing and education.

While there still is more to be done, it is important that honourable members on both sides of the House give this government credit for much that has been achieved. The Indigenous Education (Targeted Assistance) Amendment Bill 2004 was introduced during the last parliament, but lapsed when the parliament was prorogued prior to the election. The bill seeks to amend the Indigenous Education (Targeted Assistance) Act 2000 to maintain and enhance the Australian government's effort to improve education outcomes for Indigenous Australians in the 2005-08 quadrennium. The objects of the act are closely aligned with the goals of the National Aboriginal and Torres Strait Islander Education Policy, which has been endorsed by all Australian governments.

You only have to think for a moment to appreciate that, besides the national government, all of the governments in Australia are of the Australian Labor Party persuasion. They all support this particular policy, which continues as Australia's national policy for

Indigenous education. The bill provides for continuation of arrangements under the act for a further four years, whereby agreements authorising the making of payments for the purposes of advancing the objects of the act may be made with education providers or other persons or bodies.

The bill also provides funding for both the Indigenous Education Strategic Initiatives Program and the Indigenous Education Direct Assistance Program for the 2005-08 funding quadrennium. There are a number of other matters which are included in this bill. A significant restructure of existing programs has been made to redirect funding to initiatives that have been demonstrated to work, and to put a greater weighting on funding for Indigenous students facing the greatest disadvantage because they live in remote areas. Important conditions, including attendance benchmarks, will be attached to the funding.

When you look at the totality of expenditure in the area of Indigenous affairs over the last 20 or 25 years, I think you will find that, prior to this government, there has been a tendency to try and solve the problem by throwing money at it. I would be the first to admit that many of the dollars contributed by the Australian taxpayer over that 20- to 25year period have not achieved the desired outcomes. That is why this government's move to the principle of practical reconcilition is very important. It is important to make sure that the money we are spending achieves the outcomes which the Indigenous community wants and which the community at large seeks.

I am a strong believer that, if the government can show—as this government is showing—that our programs are achieving positive outcomes on the ground, out in the communities or out in our nation more generally, then the taxpayers of Australia are more than happy to see money spent on In-

digenous affairs. When we hear these appalling stories that we have heard in the past about money that has been wasted, thrown away or flushed away then there is a community backlash and governments find it difficult to obtain the very necessary community support that is required to spend money on programs to address Indigenous advantage. If we are able to focus funding, as this government is doing, the improved outcomes will be seen as desirable by the general Australian community, and it might be possible for governments over the years to contribute even more to addressing Indigenous disadvantage, given the fact that Indigenous outcomes are particularly positive.

It goes without saying that when children are unable to read, write and count it becomes almost impossible for them to obtain a job. This includes Indigenous children. If we are able to improve the educational results of Indigenous children then they will be better able to take their part as worthwhile, productive members of the Australian community. Job opportunities will open for them because they will be trained and will have the qualifications to do those jobs.

While much more needs to be done, I think it would be appropriate for us to pause and reflect on some of the things that have already been achieved. In 1999, the number of Indigenous students who achieved the year 5 writing benchmark was 80 per cent of the rate for all students; in 2001, that had grown to 85 per cent. In 1999, the number of Indigenous students who achieved the year 5 reading benchmark was 69 per cent of the rate for all students; in 2001, that had grown to 74 per cent. In 1996, the number of Indigenous students aged 15 to 24 years attending secondary school was 66 per cent of the rate for non-Indigenous students; in 2001, that had grown to 73 per cent. Over the years, there has been a justifiable concern that many Indigenous students leave school

before year 12. In 1996, the year that the government came to office, the year 12 retention rate for Indigenous students was 40 per cent of the rate for non-Indigenous students; in 2003, that had grown to 51 per cent. In 1996, the number of Indigenous students aged 15 to 24 years studying at TAFE was 67 per cent of the rate for non-Indigenous students; in 2001, that had grown to 81 per cent. Between 1996 and 2003, the number of Indigenous students doing bachelor degrees and higher level degrees at tertiary institutions increased by 36 per cent to almost 6,000; during that period, the number of non-Indigenous students increased by only 11 per cent. In 1996, the number of Indigenous students aged 15 to 24 years attending any form of education was 58 per cent of the rate for non-Indigenous students; in 2001, it was 61 per cent. In 1996, the number of Indigenous students in vocational education and training was 32,000, or 2.4 per cent of all students; in 2003, it was 58,000, or 3.4 per cent of all students. Between 1996 and 2001, Indigenous employment grew by 22 per centalmost 70 per cent in non-CDEP employment—while non-Indigenous employment grew by around nine per cent.

If one digests all the remarks made by the member for Lingiari, one would think this government was an unmitigated disaster in the area of Indigenous affairs—

Mr Hardgrave—It was his government!

Mr SLIPPER—I am pleased to see the member for Moreton, who is at the table, agreeing with this point. Unfortunately the member for Lingiari is so far off the mark and so far out of touch. I believe it would be far more appropriate for him to stand up and say that this government has done an absolutely great job. If he wants us to do more then he can call for it, but for him to deny the very important effects of practical reconciliation is—and I do not want to use an unpar-

liamentary word—bordering on being dishonest. We are a government which is seeking to achieve and is in fact achieving positive outcomes, and it is eminently regrettable that the member for Lingiari and some of his colleagues are not giving us credit for what we are achieving in these areas.

We are not going to run away from our obligations in this area. This bill improves the situation of Indigenous students very substantially. I have outlined some of the improvements in recent years but there is, of course, more to be done. I reject, as does the government, the second reading amendment moved by the member for Capricornia. Part of the amendment criticised our targeting of assistance under the Indigenous Tutorial Assistance Scheme for students who do not achieve the years 3, 5 and 7 minimum literacy and numeracy benchmarks. The suggestion seemed to be that this appeared to neglect the needs of students from kindergarten or equivalent to the year 3 cohort, and maybe the needs of other students as well.

I think that the member for Capricornia ought to understand that the Indigenous Tutorial Assistance Scheme is but one of the means by which funding and effort is focused towards improving educational outcomes for Indigenous students. The targeting of ITAS to students in particular years complements-it should not and does not substitute for-effort contributed by other funding that is available, including: jurisdictions; own source; mainstream; Indigenous specific; Australian government general recurrent schools grants; Australian government supplementary recurrent assistance under IESIP; and the Australian government literacy, numeracy and special learning needs program being introduced from 2005 to replace SAISO to target disadvantaged students.

Education providers have a responsibility to provide quality education to all students, including Indigenous students. The in-class tuition intervention is a strategic, targeted Australian government response to assist those Indigenous students who do not meet literacy and numeracy benchmarks in years 3, 5 and 7.

This bill also provides funding for the Indigenous Youth Leadership Program. This was an election commitment. It will provide some 250 boarding school and university scholarships and structured study tours for Indigenous students from remote areas. The program will be supported by an Indigenous elders advisory group and a commitment of \$10 million over four years. The Minister for Immigration and Multicultural and Indigenous Affairs, Senator Vanstone, has indicated a continuing personal interest in this initiative. This is a very important step forward for the government, in addition to delivering on one of our election promises.

The Indigenous Education (Targeted Assistance) Amendment Bill 2004 is a very important initiative. It is a bill which indicates our ongoing commitment to positive Indigenous educational outcomes. I would hope that the House does not take too much notice of the member for Lingiari, that the second reading amendment moved by the opposition is defeated and that this bill in fact passes. The sooner it becomes part of the law of Australia, the sooner we will find that Indigenous people—particularly Indigenous youth—will achieve improved educational outcomes. I am very pleased to be able to commend this bill to the House.

Mr HATTON (Blaxland) (11.39 a.m.)— Thank you, Mr Deputy Speaker Adams, for sitting in for me in the chair so that I could make this speech. I would also like to acknowledge the fact that in the gallery today there are students from Condell Park Christian School, which is in my electorate. They are very welcome. They have seen me not only in the chair for a while but also now speaking in this important debate on Indigenous education—one of the most significant areas of difficulty for Australia.

There are a number of worrying aspects to what the government has put forward. The member for Capricornia and the member for Lingiari have rightly stressed that the manner in which the government has presented the elements of the Indigenous Education (Targeted Assistance) Amendment Bill 2004 means that in the future these proposals and programs could founder. That is because it has been done completely from the top down. The people who are supposed to be the beneficiaries of what is involved in these programs, the Aboriginal students in primary and secondary schools, have not been part of the decision-making process in regard to this, either through the agencies of their schools or the agencies of their parents.

You would have to ask, as the members for Capricornia and Lingiari have both asked, how you could present a series of programs across the whole of Australia, but in particular across Australia's northern regions—the Northern Territory, Western Australia and Queensland—and not properly consult with the Aboriginal communities in those areas. Indeed, the member for Lingiari pointed out that in the parliamentary recess last week he visited a number of communities in the Territory and discussed with them the elements of this bill, and they did not know anything about it at all.

And yet the government in its proposals says that there needs to be discussion between the government, government entities and agencies in order to make sure that these programs will work. One of the fundamental keys to the success of that will be the responsibility that Indigenous parents take for their

children and their desire that they should be being better educated than they currently are. Nothing will be achieved by leaving them completely out of the picture. I fully support the amendment that has been moved. It is a clear, sound, sensible and reasonable argument and it goes to the core deficiencies in this bill. I want to return to them towards the end of my discussion of these matters.

Some of the provisions in this bill are welcomed. There are new funding proposals. There are attempts at initiatives to redress specific targeted problems. But we find the general approach, as I have indicated, to be particularly deficient. You cannot have success in broadscale education programs unless you involve everyone, not just government agencies and decision makers appointed by the government. You need to involve the schools, the principals, the teachers, the parents and the students if you expect to get broad success.

I know that as a teacher. I taught English and history in the Catholic system for just on 10 years, non-systemically at Christian Brothers Lewisham and then at my old school, De La Salle Bankstown. I also taught in the TAFE system for half a decade or so, teaching people in the equivalent of year 11 and year 12, DE1 and DE2. In teaching one of the fundamentals needed for success—our prime language, English—I learnt that you cannot get very far with children who have significant problems unless you involve their fundamental support base, and that is their parents.

I taught students who had gone right through the education system and reached year 9 and were incapable of reading. I taught a very bright boy who had managed to get right through his schooling up to year 9 without being identified as someone who had significant reading problems. He had been able to skip through the system. People

thought he was just somewhat lazy and did not really want to work hard. He was bright enough, but they could not understand what his key problem was. The problem was that he could not read, and reading is the fundamental key to educational success. And for parents in remote communities, not having access to proper literacy and numeracy programs and not being able to get to that base level is a fundamental problem.

In terms of what this bill proposes, we have a particular problem with one initiative to start with, which the member for Lingiari spoke to—the Parent School Partnerships program. That was formerly the Aboriginal Student Support and Parent Awareness program or ASSPA. The funding is there, but its whole method of operation has changed. It now requires parent committees and school councils to compete for funding. This is a competitive funding model taken from other areas of the economy and imposed on these remote communities, pitting them one against the other: may the best committee win. I do not think this is at all an appropriate process to put in place for Indigenous communities who are applying for these funds.

It is no wonder that those changes have caused widespread concern among Indigenous communities. The limited consultation that there has been on this, and the fact that the communities are unaware of those changes and unlikely to go about applying, is another example of the government putting up window-dressing, saying they are concerned about practical solutions to problems that Indigenous communities face in health and education, but then making the application for funds so difficult that not all the money will be taken up—only a proportion of it-because they are leaving out of it the very people who need to be the beneficiaries. We do not think that is at all sensible.

There is also the Indigenous Tutorial Assistance Scheme, which provides targeted tutorial assistance for children in years 3, 5 and 7 who have not met basic literacy and numeracy standards. Again, the member for Lingiari quite properly asked, 'Well, what does all that mean? How is this really supposed to work in practice?' If you look at schools within the member for Lingiari's electorate, which comprises most of the Northern Territory, and at the underprovision in the number of teachers and the amount of resources available to people in primary and secondary schools, you see the reality that needs to be addressed. But you will find nothing in this legislation that will sort out the problem. That is another significant problem with this bill.

There are also new programs. The first is the Indigenous Youth Mobility Program. Over the quadrennium, the four-year period, there is a cost of \$19.5 million. This has been somewhat contentious, and I want to talk about this at a little bit of length, call on some of the insights of Noel Pearson and reflect on the debate that occurred after he made his comments on some of the associated problems. According to the second reading speech, the purpose of this program is to help young Indigenous people 'relocate to capital cities or major provincial centres to take up employment and training opportunities targeting apprenticeships and other occupations such as nursing, accountancy, business management and teaching'.

Worthy as this program is for those students who are able to take it up, there is a significant problem that has not been addressed, as I just said—that of providing adequate assistance at primary and secondary school levels, a problem which has properly been identified by our shadow minister and by the other Labor speakers as the key failing of this bill.

As the shadow minister indicated, Labor will support this bill, but we have very deep concerns, because you cannot move entire populations from their communities, no matter what significant problems those people have in situ. You cannot simply move those people from remote Australia into provincial towns or into cities and expect that, if you provide education there, that will work. You actually need to do a number of things at once. You need to focus on better targeting assistance to make sure that the fundamental educational system is working better.

It is at this intersection that we should look at the debate that occurred after Noel Pearson made some comments about his experience in Cape York—the very problems that are at the centre of what the state government has been grappling with in health, education and social issues. Part of his approach to these, and his answer, is about what he sees in front of him now, but it is also partly about his previous experience. That is why he is inclined to support the provision in the bill for \$191/2 million to help people go to schools within the major cities—because he did. He was one of the few people in his community who did, and he is now taking a leading role within that community, trying to put something back into that community and trying to build up community capacity. He is currently the director of the Cape York Institute for Policy and Leadership, in Cairns.

Noel Pearson has argued that almost all of the Indigenous people from remote Australia who have succeeded in their education and gone on to make leading contributions on behalf of their people were educated at boarding schools. He was—at St Peters Lutheran College in Brisbane. He only got there because the Lutheran Church and the then federal government assisted him in making that transition. The current policy in Cape York Peninsula, he argues, is to grant scholarships to 'high-quality, high-expectation secondary schools down south'. He says it is a fallacy to suggest that you can provide quality secondary education in remote communities. He has a much stronger view on this than we in the Labor Party would accept in terms of the generality of problems across Indigenous education, and it seems to reflect his particular experience within the Cape York area.

He argues that there is not sufficient scale, that the teachers and specialisations required to provide a proper secondary education are impossible with small student populations. That is true if the scale is so small; that would be true not only in Cape York but also in the middle of Sydney. You cannot provide the full suite of secondary education choices if your numbers are low. He goes on to argue that it is only in regional centres that you can put a credible case together for providing secondary education facilities, but they would need to be reformed, like the Thursday Island State High School.

Our policy response has highlighted the fact that this federal government has not assisted the states and the territories to put adequate teaching resources and funding towards primary and secondary education in remote communities and in those provincial centres. The very fact that has not been done makes it so much harder and, I think, gives rise to the comments Noel Pearson has made. There was somewhat of a kerfuffle over his first comments about this. He argued that there was a concern—naturally brought up, given the debate over the stolen generations—that, if policy were directed towards taking children out of their communities, where there is support from their parents and the community, we could be in another situation where the cultural loss and deprivation would be so significant that children would be in a very difficult position.

Noel Pearson says that education allows a better understanding and appreciation of both history and language; that, in the Cape York Peninsula, Aboriginal communities are disintegrating socially and culturally because of passive welfare and substance abuse; and that high-expectation education offers opportunities for people to get out of that. So he has funded one girl from his community through her education out of his own resources, and he is in fact going on to fund other people progressively. He wants those people to put their capacity back into Aboriginal communities and slowly build up the resource of more-educated people within the Cape York Peninsula.

Noel Pearson also makes the point that the principal driver of low retention rates in boarding schools and secondary schools generally is the fact that the students entering secondary school at year 8 are not up to standard. While nominally they have completed year 7, in fact their literacy levels are around year 3 or year 5 at best—just like the student I had who had reached year 9 yet could barely read at all. For these students, having a much lower literacy level than the people they will be competing against is the fundamental shackle that keeps them from achieving what they should relative to others, and it is the spur for moving out of education as soon as possible. It is the reason for the very low completion rates not only in secondary school but also in year 12.

Whilst driving in Sydney last week, I heard an interview with Noel Pearson that was different to the arguments of his that I have put forward here but that I think is entirely apposite. He was attempting to answer the fundamental questions of why school retention is so bad now and why the results of schooling are so poor when compared to past experience—that is, why the nature of schooling in the shattered communities that he has been speaking about extremely vigor-

ously for the last five years or so is so different from what he experienced as a child and from what he can remember of people in the context of station life, who were relatively well educated. He made the point that, in his experience, virtually everyone of his age and older who had gone through another education system—very different to the one we have now—had an ability to read that was as good as or better than most people in the general community. There was no cultural aspect holding people back; he could see the ability to read and speak English fluently—and, indeed, with distinction—throughout his community.

There is no fundamental reason why people should be locked out of achieving what they can. The core problem is that, as the manners and methods of teaching have changed over the last 30 years or so, there is now some key issue for Indigenous communities in Australia—as there is for other students Australia-wide—with the appropriateness, or inappropriateness, of those methods. This is a key and critical problem for Indigenous communities now. Given what Noel Pearson has argued, from his experience, about relative capacity, there has to be a lot in the idea that part of the real way to fix the problem with retention rates is to teach people to read properly in the first place. If you can increase their literacy rates, you have the key that will open the lock to their future education and to people becoming apprentices or trainees, achieving trades and being able to build worthwhile careers, whether in higher education, nursing, business or whatever else. They are completely locked out of that at the moment, so we need to look very carefully at that to see just what the drivers

As I indicated at the start, I want to go to the parts of the amendment that we have put. I think they are very strong. It is unlikely this government will take much notice of them; we know that. But, in this particular area, when you get it wrong you just add to the deprivation and loss of those communities time after time. The first part condemns the government for:

... failing to increase real funding to reflect the critical and urgent need to improve recurrent and capital programs in primary and secondary schools for indigenous students and their families—

and they are culpable as a result of that. The second part condemns them for:

... introducing major changes to the operation of programs without any effective consultation with indigenous communities.

This leaves them completely out of the picture, as the member for Lingiari has suggested. The third part says:

... introducing submission-based funding for ASSPA committees which will create barriers to much-needed funding for the most disadvantaged and resource-scarce schools.

You cannot have competition policy operating in Aboriginal communities for this funding. It is completely ridiculous and should be utterly abandoned. The fourth part condemns the government for:

... failing to acknowledge the critical role that the involvement of indigenous parents plays in improving indigenous students' school results and attendance.

The fifth part condemns the government for:

... failing to provide strategic intervention in the early years of primary schooling by limiting the focus of tutorial assistance

There are a number of measures here that will improve things but, by and large, this is an absolutely deficient approach to a major and significant ongoing problem. The government have to do a lot better.

Ms MACKLIN (Jagajaga) (12.00 p.m.)— There is no question that Indigenous Australians remain the most severely educationally disadvantaged people in Australia. The dis-

crepancies between the educational outcomes of Indigenous Australians and those of non-Indigenous Australians are nothing short of a disgrace. Young Indigenous Australians are twice as likely as non-Indigenous people to have left school before completing year 10 and half as likely to have completed year 12. Indigenous Australians aged 18 to 24 are less than a quarter as likely as their non-Indigenous counterparts to go to university. Almost half of 15- to 17-year-old Indigenous Australians in the labour force are either unemployed or on CDEP. Not only are Indigenous Australians dropping out of school at almost twice the rate of other students but their rates of literacy and numeracy are far below national standards, and, shamefully, the number attending university has gone backwards since 1999.

All this points to a crisis in Indigenous education. We know that access to a decent education is absolutely fundamental for improving the lives of all Australians, but this is particularly the case for Indigenous people. This government should have been improving Indigenous education and should have it at the top of its list of priorities. The government should be working as hard as it can to reduce the shocking discrepancies in the educational outcomes of Indigenous Australians.

Against this very bleak background, the Indigenous Education (Targeted Assistance) Amendment Bill 2004, which is before us today, can only be described as a very bitter disappointment. The bill provides funding for the next four years for education and training of Indigenous students through two programs: the Indigenous Education Strategic Initiatives Program and the Indigenous Education Direct Assistance Program. The bill also establishes funding for two new, very small programs for Indigenous youth, provides a continuation of the away-frombase element of Abstudy and outlines ac-

countability arrangements for Indigenous education programs.

There is no question whatsoever that Indigenous Australians are desperately in need of the resources that will be provided by this legislation, so Labor will not stand in the way of the flow of funds to schools and vocational education and training institutions. But we are dismayed at the lack of commitment contained in this legislation, which was best summarised in the minister's second reading speech—highly unusually with a bill of this kind, he did not mention a single dollar figure. That is also pretty unusual for that minister; the education minister is usually very quick to trumpet funding levels, but there was no such boasting with this bill. It is no wonder, because the funding for Indigenous education is so woeful that it barely keeps pace with inflation.

Furthermore, except for the Supplementary Recurrent Assistance program, the funding does not keep pace with the continued growth in the number of Indigenous students of school age. That is a shocking indictment of the Howard government's priorities when we know there is already a crisis in Indigenous education. We have a growth in the number of children of school age, yet the money does not even keep pace with that growth.

As part of his schools funding system, which we debated yesterday, the minister is delivering the biggest general funding increases to the wealthiest schools in the country. By contrast, in this bill we see that funding for special programs for Indigenous education barely keeps pace with inflation and does not keep pace with the growth in student numbers. Compare that with the resources available to some of the wealthiest schools in this country, which are getting huge increases from the Howard government. I am sure people have seen the

traordinary facilities at these schools, at least on television. Compare those to the conditions that, unfortunately, we do not see on television. With the member for Lingiari, I was fortunate enough to visit Elcho Island earlier this year. We visited a school there, we went out to one of the remote schools nearby and we went to a school in Oenpelli. There is no question that these schools are desperate for resources and rebuilding. One of the schools was built out of tin-imagine the heat that the children are learning in. Yet this government is not providing funding for schools on the basis of need, and in these special programs it is not prepared to provide additional funding where it is so desperately needed.

This lack of priority is very clear from this legislation. As I said, although the minister's second reading speech was very short on dollars, it was very strong on bureaucracy. It seems that this government is all about making sure we have more accountability but not more money. That seems to be the hallmark of this government—the greater the need, the greater the accountability. Of course, the reverse is the case for the most wealthy schools in the country. They get 200 per cent increases and very little requirement for accountability. We are not opposed to accountability or information on program achievements, but fair is fair. It is not good enough to have greater and greater accountability from the most disadvantaged people in this country with nowhere near enough funding.

The bill includes a new requirement for school authorities to report on how they intend to advance improved outcomes for Indigenous students from their own sources of funding, other than federal funding. It is as if the minister has never been to one of these communities. I do not know where on earth the community of Elcho Island is supposed to get this additional funding. The way in which this bill has been constructed is yet

another example of this government's dysfunctional relationship with the states and territories—there is yet more shifting of blame onto them.

Unfortunately, the bill is very silent on some of the insidious things the government wants to do with the management of Indigenous education. These are left to administrative guidelines which none of us have seen yet, and we will have to wait until after the parliament rises. The government will put them out and there will be no parliamentary scrutiny of them, and this will happen after the legislation is passed. We will certainly be scrutinising these administrative guidelines when they are released and holding the government to account if they are not in the interests of Indigenous students.

One of the most shameful developments in this bill is the playing off of Indigenous people in remote and non-remote localities. The increased weighting for remoteness in the IEDA program has not been accompanied by increased funding. This can only mean that Indigenous students in non-remote locations—in metropolitan areas, for example—will receive less funding than previously. There is nothing about a 'no losers' policy here. The government has a no losers policy for when wealthy schools might be faced with losing money but certainly not for needy Indigenous students in metropolitan areas.

I accept that the government will pay the per capita supplementary recurrent assistance funding at the 2004 rate for those schools with students who have been reclassified under the 2001 census as 'non-remote'. Very needy students in many of our metropolitan schools and large country towns should not be losing funding just because the minister wants to give additional support to remote students. There is no question that remote students need more assistance. The schools I

have been to demonstrate that students in these remote areas are desperate for increased assistance. Their reading levels are shocking. There is no question about that. The minister needs to go to more schools with Indigenous students in metropolitan areas and country towns to see what an outrage it is to take money away from them and their having to cope with even less.

The minister was very quick to criticise Labor's policy for schools, where we were taking funding away from some of the wealthiest schools in the country and giving it to more needy schools. He is now attempting to justify an internal redistribution of funding with one of the most-if not the most—educationally disadvantaged groups in this country. The minister should come clean and advise the parliament when he responds to this bill today about how much will be taken away from Indigenous students in metropolitan schools and larger country towns. He was asked this question at a forum during the election campaign and he dodged it then. He should answer it now. The minister is also proposing major changes to the tutorial assistance program. Once again, none of these changes are outlined in the bill. The changes are going to be in administrative guidelines which will be released after the bill has gone through the parliament.

The minister has announced that money will be provided for in-class tuition and, of course, we support that. We support individual tutorial assistance for young Indigenous students when they are in class. The minister has foreshadowed, in a very confusing way, that this funding will be targeted at those students who have not achieved national literacy and numeracy benchmarks. The minister, in his press release on Indigenous education funding, said:

The key component of this program is the provision of in-class tuition for year 3, 5 and 7 children—

and this is the critical bit—not reaching the basic literacy standards.

The minister's press release then goes on to say:

The in-class scheme will enable all Indigenous students in remote schools, and most students in non-remote schools who do not meet the national literacy and numeracy benchmarks in Years 3, 5 and 7, to ... supplementary in-class

This advice is extremely ambiguous. When the minister comes back to the table could he answer the following question: does it mean that all Indigenous students in remote schools will be eligible for in-class tuition, whether or not they fail to meet national benchmarks, but that only 'most' students in non-remote schools who have failed national benchmarks will be eligible? Or does it mean that eligibility requires students to have failed the national benchmarks, but that only 'most' Indigenous students in non-remote schools will be eligible? Either way, it is a shocking mess and is going to be very unfair to those students who miss out.

When we debated this bill before the election, I raised concerns at that time about the change in focus in tutorial assistance from prevention to testing. I pointed out that the government's own discussion paper advised that we already know-there would not be a person in this parliament who does not know-that we have unacceptably high numbers of Indigenous children who are at risk of failing standard tests in reading—we do not need tests to tell us that we have so many children failing these reading standards—around one in four in year 3 and one in three by year 5. The 1999 review in the Northern Territory found that just four per cent of Indigenous children achieved the national benchmarks. I do not think that it is right for us to wait until those children are in year 3 before we give them any support.

One out of every 25 Indigenous children growing up in the Northern Territory meet basic reading standards. These children cannot afford to wait to be tested and then wait another year before there is any action. The funding should be available even as early as preschool to make sure that we get the best in-class tuition if that is what is needed. We do not want children to have to wait, because we know that they will just fall further and further behind. If it is the case that this money will be available as early as possible, from preschool on if that is what teachers say is necessary, then I am pleased. But at the moment it is just very confusing. We certainly hope that the minister will see sense and allow a much more flexible approach that is just based on the reading needs of children.

The government is also proposing major changes to the Aboriginal Student Support and Parent Awareness program, known as ASSPA. These changes once again are not specified in the legislation. They are going to be contained in separate guidelines which we will find out about later. These changes have been foreshadowed by the minister and there certainly are some very serious concerns. We are going to see a move from a formula based to a submission based allocation method. Instead of students being entitled to support based on need, we are going to have to have parents putting in submissions. There are very serious concerns about this effectively disenfranchising many Indigenous parents.

Of course we strongly support the building of effective parent-school partnerships in the interests of Indigenous children and young people, but it has to be on the basis of need. How many of these parents can, themselves, read and write? The idea that parents have to put a submission in writing to get this support is ludicrous. Those in need should be entitled to support, and the com-

munity should then be supported to develop effective programs. Many Indigenous communities have complained—as I know the minister is aware because they have written to him—about the lack of consultation on these very important changes. The Indigenous parents argue that the government's low regard for the process of consultation certainly does not bode well for the future of this program. It is supposed to be about improving communication between schools and communities.

The government is also introducing two new programs for Indigenous youth: the Indigenous Youth Leadership Program and the Indigenous Youth Mobility Program to support young people who leave their communities for education and training. It is going to be very important for these programs to demonstrate positive gains and to support communities as well as individual students. We certainly hope that the scholarships for boarding schools are as broadly based as possible.

Unlike this government, the Labor Party took policies to the last election that demonstrated our very serious commitment to Indigenous education. Our schools policy included an additional \$179 million in targeted support for Indigenous school students. That is over and above the money that we are talking about today and over and above the allocation for Abstudy. Also, Labor's fairer, needs based funding system would have delivered more funding to needy Indigenous schools and stopped this government's policy of freezing funding to schools like the Aboriginal college at Gnangara in Western Australia. That school, like many other nongovernment needy schools whose funds have been frozen by this government, has significant educational and financial requirements and Labor would have made sure that those schools were properly funded.

Labor's policy included programs to improve school attendance and basic skills. We wanted to support the development of culturally relevant curricula, teaching materials and multimedia. We wanted to support Indigenous languages in schools. Our approach of supporting education and training through mentoring is also very important in Indigenous communities. Our policy included special support for Indigenous teachers. We know that Indigenous people want more of their own people teaching their children and young people. I have no doubt that it would have an enormous impact in communities to see the leadership from Indigenous communities in their classrooms. We also know that Indigenous teachers and teacher education students need support, especially if they are to return to their own communities.

We had included in our policy \$46 million for new pathways for Indigenous teachers and professional support for those teachers, including the building of networks to recruit and support them. Labor's policy included \$87 million to improve capital and ICT infrastructure for Indigenous students, including funding for the development and building of new schools in areas where access to schooling is non-existent—as I am sure the member for Lingiari has pointed out. These were substantial commitments on top of the current levels of funding.

Labor will support this legislation in order to make sure that Indigenous students get at least this funding, which is needed for their education and training; but, as I said, we are dismayed with the government's lack of commitment, lack of growth and lack of increased funding to these important programs when the need is so great. I ask the House to support the second reading amendment moved by the shadow Parliamentary Secretary for Education.

Dr NELSON (Bradfield—Minister for Education, Science and Training) (12.19 p.m.)—I thank all of the members who have contributed to the debate. Unfortunately, some of it was ill-informed and some was, understandably, driven by philosophical objections to some of the things we are trying to achieve with this legislation. The bill maintains and enhances the Australian government's efforts to improve educational outcomes for Indigenous Australians-which, by any standard, have a long way to goover the 2005-08 funding quadrennium. The bill provides a \$2.1 billion package of measures aimed at improving educational outcomes for Indigenous Australians over the next four years. It is a 20 per cent increase, about \$351 million, over the current quadrennium and is driven largely by the increased Indigenous population that will benefit from this. The bill provides \$642 million for the Indigenous Education Strategic Initiatives Program, or IESIP, and \$281 million for the Indigenous Education Direct Assistance program-known as IEDA-for the 2005-08 quadrennium.

The bill also provides for a continuation of the away from base element of Abstudy for the 2005-08 funding quadrennium. As members have discussed in scrutiny of the bill, there is a further \$10 million over four years that will be provided for the Indigenous Youth Leadership Program, which will provide 250 boarding school and university scholarships and structured study tours for Indigenous students from remote areas. This is consistent with some of the arguments put recently by highly-respected Cape York based Indigenous leader, Noel Pearson. The bill provides \$9.5 million for a new Indigenous Youth Mobility Program, which will assist young Indigenous people who, with the support of their communities, choose to relocate to capital cities or major provincial centres to take up employment and training opportunities.

I do understand some of the criticisms that have been put by some of the members opposite in relation to this, and criticisms have also been put to me—to a small degree but, nonetheless, a degree to which naturally you would take note—about some of the changes that we are proposing over the next four years. First of all, it needs to be understood that what is in this legislation to support the education of Indigenous students is in addition to everything else that is provided by federal and state governments and Aboriginal parents. This is in addition to everything else that is provided.

There is another important thing that I think we all here accept. I do not care where you live or where you are born in Australia or what your family's circumstances are; if you are an Aboriginal or Torres Strait Islander Australian, the challenges that you face in life are more difficult than for those of us who are non-Indigenous. Obviously I am a non-Indigenous Australian, but I have to say that the disadvantage faced by Aboriginal and Torres Strait Islanders in the most remote parts of the country is, by any measure, far greater than that faced by even Indigenous people in regional communities and certainly by those in suburban communities.

I recently had the privilege of going through the Block with Mick Mundine and Trevor Davies, who is a terrific bloke, and I had a look at the challenge facing, in this case, Indigenous Australians in an urban setting. At least if you live in a city the roads are sealed, you can turn on a tap and water comes out—water that you can rely on—there is a school down the road, there is generally a hospital reasonably nearby and you have emergency and other support services. Yet in remote parts of the country these are things of which in some cases Indigenous

people can only dream—and, I might add, non-Indigenous people.

Secondly, it is important to understand this: while we might be emotionally attached to some of our programs it does not mean that they are efficacious, that they actually work. With these significant but still relatively subtle reforms, we are trying to unashamedly focus these additional resources into the areas and to the Aboriginal people where the need is greatest. My argument and the government's argument is that the need is greater in Mutijulu, Brewarrina, Burke, Docker River, the Kimberley, the Pilbara, anywhere in the Northern Territory outside of Alice and Darwin and in most parts of the cape than it is in suburban Sydney and Melbourne.

Thirdly, with this legislation we are also giving effect to focusing our resources on things that work. Just because we feel good about something does not mean that it actually works and delivers better educational outcomes for Indigenous students.

Another thing we are determined to do is to leverage mainstream funding. One thing staggered me when I first came into the portfolio. I went through a couple of days of briefings from the department and spoke to the person who was then responsible for Indigenous education in the department, who had presented what should be, for any person, sobering reading in terms of literacy and numeracy and educational performance for Indigenous Australians. I asked him what the breakdown was between remote, regional and urban and he was not able to tell meand I must say that I was staggered. So one of the many features of the legislation is to require the state and territory education departments to set benchmarks for what we want as achievement and to measure outcomes and give us real information about the resources that are being invested at a state and territory level as much as at a Commonwealth level and what outcomes we are delivering from them.

The main area of reform has been in the IEDA program, which has been restructured to consist of two core elements: \$179 million for the Indigenous Tutorial Assistance Scheme for students in schools, vocational education and training, and higher education. That is \$105 million targeted at students who do not meet years 3, 5 and 7 national benchmarks in literacy and numeracy, and about 45,000 students over the quadrennium will benefit from that. This has been a very successful initiative which we have piloted in the last couple of years. It brings predominantly, of course, Indigenous people into classrooms to tutor an Indigenous student who is struggling in the course of the day-today teaching that is occurring in the classroom.

One theme of the criticism that has been made—it has been made by, I think, many speakers on the other side—is 'Oh, it's too late; by the time you provide in-school tuition to a year 4 student who has failed the year 3 benchmark it is too late,' and similarly in year 6 and then year 8. But it should not be forgotten that the primary responsibility for education is that of the state and territory governments.

Ms Macklin interjecting—

Dr NELSON—I hear the member for Jagajaga laughing and I think Hansard can record what is being said.

Ms Macklin—You're always blaming someone else.

Dr NELSON—I go back to what I said at the start: this money and these programs are in addition to everything else that is provided. Of course the critics are right in saying that we have to focus on children before they even get to school and certainly in prep and years 1 and 2. But somewhere along the

line we have to do something to focus on the kids that have slipped through that. This legislation is saying, 'Right, we are going to target those kids who do not meet those national benchmarks, but we are also going to allow the schools and the systems the flexibility of using the money allocated to them for their in-school tuition in a way which enables them to deliver the in-school tuition in a way that they think will best meet the needs of those students who fail the benchmark.' Of course there needs to be that sort of flexibility in it. But the priority needs to be for those students who really do not meet those national benchmarks, because I do not need to paint a picture of where those children will end up if that is not addressed.

We are also targeting years 10, 11 and 12 with \$41 million, which is basically for mentoring students-and there will be about 11,500—who are at risk of leaving school or not making that transition from school to a job, to TAFE, to an apprenticeship or indeed on to higher education; and \$31 million will be targeted at tertiary students. The other area which has been the subject of some debate is the \$102 million for the 'whole of school intervention strategy'. This includes \$62 million for projects to underpin parentschool partnerships, which replaces of the formula funding for the recurrent Aboriginal Student Support and Parent Awareness committees, the ASSPA committees, at least half of which are in remote areas, and \$37 million for homework centres. I just say to the critics of this stuff that there are a lot of non-Indigenous people, who might even be listening to this, who listen to these programs and say, 'I wish I could get that for my son; I wish I could get that for my daughter'—a homework centre, in-school tuition. The reason the government has focused on this is that these Indigenous students, as I said earlier, have particular and specific needs.

It is interesting—when I first came to the portfolio I had a look at these ASSPA committees. I discovered one thing which was a bit of a bugbear for some people. I went to a school catering for Indigenous and non-Indigenous students. It was a very good one in a regional community. One of the parents said: 'We live in the same public housing block as the Aboriginal families. How come they get funded to go on a trip to the Opera House and my kids don't?' That was a very good question, so I made it my business to have a look at these ASSPA committees. In 2003 we funded 3,811 committees, and there were about 86,000 Indigenous students in the schools and preschools that had ASSPA committees. These are basically committees of Aboriginal parents, and the very good intention is to try and get parents more involved in the education of their childrenwhich is one of the six key indicators of a successful school.

What I discovered was very interesting. The first thing was the grant range of the schools. One school got \$215 in ASSPA committee money while another school at the other end was getting \$140,000. Interestingly, when I looked at it I found there were 700 school committees for schools where there were fewer than four Indigenous students. I then discovered that 1,400 schools with committees had fewer than 10 Indigenous students at the school. Needless to say, most if not all of those schools were in suburban settings. So, being privileged to be the member for Bradfield on Sydney's upper North Shore, I asked: 'Why have we got ASSPA committee money going to two or three Aboriginal students on the northern beaches of Sydney? Shouldn't we be concentrating that money on Indigenous students in the middle of nowhere?

Ms Macklin—Who can't read and write and won't be able to put in submissions.

Dr NELSON—That is what this is about. In terms of submissions, listen to this—

Ms Macklin interjecting—

Dr NELSON-What kind of maturity is reflected in the way the Deputy Leader of the Opposition is behaving at the moment? Regarding these ASSPA committees, which we intend to reform, one principal said to me: 'I basically write the submission because the parents are not engaged. I write the submission, I get one of them to sign off on it, and we run a barbecue twice a year.' Average working Australians—truck drivers, shop assistants—are paying for that, and I do not think they mind. In fact, I think they strongly support the idea of helping Indigenous students. But let us make sure the money goes where it in some way actually benefits the educational outcomes of the students. We are saying: 'Right, we will have a school community that actually applies for funding tell us what it wants to do, why it wants to do it and how that is going to improve the education of the Indigenous students in its school community. We will then identify those schools in non-metropolitan areas that do not apply, because that sends up a red flag. We think: what is going on there? This is a much more sensible approach to trying to use ASSPA money to get good educational outcomes for Indigenous students.

There has been a lot of criticism about process and consultation. There was a lot of consultation for this. In fact, reflecting exactly what I have just said, only 10 ASSPA committees actually made a submission to the review when asked to do so. So I strongly believe that the direction in which we are going with these reforms is the right way to go. There are a number of other points that need to be made. The review found:

 while there are a wide range of activities being funded by the ASSPA Program, including cultural and educational activities and resources, parental activities, various support programs and capital equipment items that were aimed at encouraging educational participation, it is believed that ASSPA activities should more directly target educational goals and outcomes.

Only last night I was here when the Deputy Leader of the Opposition was wanting me to have written into legislation that school funding would be about delivering educational outcomes. Not wanting to embarrass her further than she was embarrassed on *Sunrise* on Sunday morning, when nobody could recognise who she was, I did not point out that the title of the legislation was actually about improving educational outcomes. The review further found:

 the future direction of ASSPA should be directly targeted towards improving student educational outcomes by linking the program to school development plans.

That is what it has to be about, and that is why we are moving in that direction.

A couple of other things need to be said. During the recent election campaign the Labor Party had a policy, which I gather has now been reaffirmed as caucus has decided it is sticking with the policy. I think I am correct in saying that the policy was that there would be a national resource benchmark of \$12,000 at a secondary school level and \$9,000 at a primary school level. What that basically means is that, once your fees, state and federal government support and so on hits \$9,000 for a primary school or \$12,000 for a secondary school, your level of indexation—the rate at which your funding is increased—is dropped by about a half, from what is called average government school recurrent cost to a composite of the wage cost index and CPI.

The King's School in Sydney is frequently mentioned in this House, generally in the process of demonising it. I think they charge about \$16,000 or \$17,000 in fees. I point out to the people opposite that Worawa Aboriginal College in regional Victoria attracts nearly \$15,000 a year in public funding.

Mr Laurie Ferguson—And the point is?

Dr NELSON—The point is that under the opposition's policies they would have their money reduced.

Ms Macklin—Why have you frozen Nyangatjatjara?

Dr NELSON—The question is asked, in the most immature way: why is the money to Nyangatjatjara frozen? Schools are funded according to their socioeconomic status score-their SES-which draws on the education, occupation and income of the families from which the children come. The economic profile of the families sending their children to that school increased, and under the SES system they would otherwise have had their money cut. But this government has a policy of not cutting the funding to any child in any non-government school, unlike the opposition, which has a hit list. That is why the funding is where it is. In fact, it will increase again next year. We refused to cut it, even though the socioeconomic profile of the families had increased.

The last thing I would like to comment on is the measure in the bill regarding funding that will be provided for the Indigenous Youth Leadership Program via the \$10 million for 250 boarding school and university scholarships. Noel Pearson has recently argued that there should be programs for Aboriginal children from remote areas to be sent to boarding schools in the cities. I must say that it should be of concern to all of us that Aboriginal grandparents are often more literate than their grandchildren, but, whilst the government is supporting this in a very limited way with 250 scholarships that will be driven largely by elders from remote communities, the real challenge is to address the

question: what are the problems in remote schools?

In order for a school to be successful, it requires inspired leadership in the school and a culture of learning which is deeply rooted in a belief that every child, no matter what circumstances they are in or what baggage they bring to school, can actually learn. It requires a performance culture. Going to Braitling Primary School in Alice Springs is an education in itself—to see how the performance culture permeates everything that happens in that school, which takes kids from town camps through to the sons and daughters of local business men and women. It also requires parental participation, which, indeed, is what the reforms to the ASSPA committees are in fact about. It also requires teachers that are well trained and actively involved in professional learning, and a school community that brings identity to the life of a child. The real challenge is to address the question of what the problems in the remote schools are. It is those six things that need to be addressed rather than simply saying, 'We'll put up the white flag and send the children off to boarding schools in the cities.'

Question put:

That the words proposed to be omitted (Ms Livermore's amendment) stand part of the question.

The House divided.	[12.43 p.m.]	
(The Deputy Speaker-	—Mr Hatton)	
Ayes		82
Noes		<u>53</u>
Majority		29
AYES		
1 A T	1 15	

Abbott, A.J.	Anderson, J.D.
Andrews, K.J.	Bailey, F.E.
Baird, B.G.	Baker, M.
Baldwin, R.C.	Barresi, P.A.
Bartlett, K.J.	Bishop, B.K.

Dichon II	Broadbent, R.
Bishop, J.I. Brough, M.T.	Cadman, A.G.
Causley, I.R.	Ciobo, S.M.
Cobb, J.K.	Costello, P.H.
Downer, A.J.G.	
	Draper, P.
Dutton, P.C.	Elson, K.S.
Entsch, W.G.	Farmer, P.F.
Fawcett, D.	Ferguson, M.D.
Forrest, J.A. *	Gambaro, T.
Gash, J.	Georgiou, P.
Haase, B.W.	Hardgrave, G.D.
Hartsuyker, L.	Henry, S.
Hockey, J.B.	Hull, K.E.
Hunt, G.A.	Jensen, D.
Johnson, M.A.	Jull, D.F.
Keenan, M.	Kelly, D.M.
Laming, A.	Ley, S.P.
Lindsay, P.J.	Macfarlane, I.E.
Markus, L.	McArthur, S. *
McGauran, P.J.	Moylan, J. E.
Nairn, G. R.	Nelson, B.J.
Neville, P.C.	Panopoulos, S.
Pearce, C.J.	Prosser, G.D.
Pyne, C.	Randall, D.J.
Richardson, K.	Robb, A.
Ruddock, P.M.	Schultz, A.
Scott, B.C.	Secker, P.D.
Slipper, P.N.	Smith, A.D.H.
Somlyay, A.M.	Southcott, A.J.
Stone, S.N.	Thompson, C.P.
Ticehurst, K.V.	Tollner, D.W.
Truss, W.E.	Tuckey, C.W.
Turnbull, M.	Vaile, M.A.J.
Vale, D.S.	Vasta, R.
Wakelin, B.H.	Washer, M.J.
Windsor, A.H.C.	Wood, J.
NOES	

NOES

TOEB	
Adams, D.G.H.	Albanese, A.N.
Beazley, K.C.	Bevis, A.R.
Bird, S.	Bowen, C.
Burke, T.	Byrne, A.M.
Corcoran, A.K.	Crean, S.F.
Danby, M. *	Edwards, G.J.
Elliot, J.	Ellis, A.L.
Ellis, K.	Emerson, C.A.
Ferguson, L.D.T.	Ferguson, M.J.
Fitzgibbon, J.A.	Garrett, P.
Georganas, S.	George, J.
Gibbons, S.W.	Gillard, J.E.
Grierson, S.J.	Griffin, A.P.
Hall, J.G. *	Hoare, K.J.

Irwin, J.	Jenkins, H.A.
Kerr, D.J.C.	Lawrence, C.M.
Livermore, K.F.	Macklin, J.L.
McClelland, R.B.	Melham, D.
Murphy, J. P.	O'Connor, B.P.
O'Connor, G.M.	Owens, J.
Plibersek, T.	Price, L.R.S.
Quick, H.V.	Ripoll, B.F.
Roxon, N.L.	Rudd, K.M.
Sercombe, R.C.G.	Smith, S.F.
Swan, W.M.	Tanner, L.
Thomson, K.J.	Vamvakinou, M.
Wilkie, K.	

* denotes teller

Question agreed to.

Original question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Third Reading

Dr NELSON (Bradfield—Minister for Education, Science and Training) (12.50 p.m.)—by leave—I move:

That the bill be now read a third time.

Question agreed to.
Bill read a third time.

AUSTRALIAN SECURITY INTELLIGENCE ORGANISATION AMENDMENT BILL 2004

Second Reading

Debate resumed from 17 November, on motion by **Mr Ruddock**:

That the bill be now read a second time.

Mr McCLELLAND (Barton) (12.51 p.m.)—I rise to speak in support of the government's Australian Security Intelligence Organisation Amendment Bill 2004. The bill forms part of a regime for the regulation of ammonium nitrate and arises essentially from agreement reached between the Commonwealth and the states in June of this year. There is a point of clarification that the opposition will be seeking to make by way of a minor amendment, which I understand my

office is making available to the Attorney-General's office, probably as we speak, for the Attorney-General to consider. Certainly we will endeavour to have that occur during the course of the debate, and I will outline it shortly.

As I mentioned, on 25 June 2004 at the Council of Australian Governments' review of hazardous material it was agreed that a national approach was required to control access to and transportation of ammonium nitrate other than for specifically authorised uses. Regrettably, we would all be aware that ammonium nitrate is a readily available substance that has a track record in terrorist bombings. Ammonium nitrate was used in Oklahoma, in North Korea and against Australian citizens in Bali. From reports, ammonium nitrate was in the prevented massive explosion attempted in Singapore. This is a big issue in Australia. Australia produces around 900,000 tonnes of ammonium nitrate per year. It is readily available and commonly used in the mining industry and as a fertiliser in the agricultural sector.

The Council of Australian Governments recognised the clearly obvious threat that this ready access to ammonium nitrate can cause, but resolved that a balanced approach was required to balance security needs of all citizens on the one hand and the needs of industry on the other. As I understand it, in that context the regulatory regime will apply to 'security sensitive ammonium nitrate', those substances that have 45 per cent or more ammonium nitrate content.

The Attorney-General indicated on 12 January this year that the Commonwealth would develop a model scheme based on Queensland initiatives. In June this year the states indicated that they would use their best endeavours to have in place by 1 November this year the legislative underpinning for state provisions as part of this national

scheme. Regrettably, that deadline has only been met by two states: Queensland and Victoria. While, inevitably, I will give the Commonwealth government a serve in the course of this speech, I think I am also entitled to give the states a bit of a whack for not moving more quickly in the context of a very serious issue.

Obviously, a scheme to protect Australian citizens from the potential misuse of ammonium nitrate will be effective only at a national level. There is no point having a scheme partially implemented through only being implemented in some states, with the result that ammonium nitrate could simply be purchased in other states or, indeed, purchased in small quantities from various states over time to then be consolidated for a bombing attempt. Again, we would like to see this bill move along more quickly.

I pause at this point to address some criticism to the Commonwealth and to point out that it has taken the view that it is essentially a matter for the states to regulate the sale, storage and transportation of ammonium nitrate. With respect, I think that is too narrow an interpretation of the potential Commonwealth power in this area. We have seen legislation based on or consistent with a whole range of some 11 anti-terrorist related international treaties. I do not think it would have been difficult to find a constitutional authority under section 51(xxix) of the Constitution: a foreign affairs head of power to underpin a national legislative scheme. In particular, I would have regard to the International Convention for the Suppression of Terrorist Bombings. While that proposes quite a specific criminal regime, in article 15 it refers to state parties taking preventative measures. I would have thought that it would not have been difficult to expand on that concept for the purpose of introducing federal legislation.

In that context I note the general view, which I think is correct, that the federal legislation needs to be a reasonable and appropriate means of giving effect to the objectives of a treaty. Advice to the Senate legal and constitutional committee in 2000 from the Attorney-General's Department was to the effect that it may not even be the case that a national obligation imposed by a treaty is necessary for there to be effective Commonwealth power. Rather, Commonwealth legislation could be consistent with recommendations of international agencies and further international objectives even if those objectives have not been reduced to binding obligations under a treaty.

By way of comment I believe that we could be more proactive at a federal level. It is always good to regulate these things by way of consensus, if it can be reached. I will go through a bit of the history of the regulation of ammonium nitrate shortly, but I think it is fair to criticise the overall approach of not only the Commonwealth but also the states that have had a pace that is all too leisurely, given the potential consequences for the Australian public.

Perhaps by way of an aside, but again in the context of preventative measures against possible terrorist attacks, I note that the National Security web site confirms that Australia is a party to 11 of 12 international treaties aimed at combating terrorism, which is appropriate. But the web site notes that Australia is not a party to the international Convention on the Marking of Plastic Explosives for the Purpose of Detection that was signed in Montreal in 1991. Plastic explosives are something quite distinct from ammonium nitrate, but nonetheless the government is now at a point in time when it should be explaining to the Australian people why we have not entered into that treaty.

I think Senator Sandy Macdonald said, about two months after September 11, that the government was looking not only at that treaty but at two treaties which we have subsequently entered into, one relating to financing terrorism and the other, which I have referred to, regarding terrorist bombings. He expressed the intention of the government to also enter into the treaty relating to plastic explosives. Given the time that has elapsed since that statement of intention, it is now the point in time when the government should be re-examining entering into that treaty and explaining to the Australian people why we have not done so. Having levelled some criticism at the federal government, again I call on those states who are yet to implement their legislative regimes as part of this national scheme to regulate the storage, transportation and general handling of ammonium nitrate to redouble their efforts to do that as quickly as possible.

I note that the bill as drafted—and this gets into the area of the amendment—has been drafted to assist in the regulation of substances that may in the future be identified as being dangerous in the sense that they may potentially be used as part of a terrorist act or a criminal act. Again, that is sensible and appropriate. We agree with that approach. We note that COAG in particular has recently commenced examining at least two substances for that purpose.

We also note that this legislation is enabling in the sense that it enables ASIO, having been called upon by states, to assist states to conduct a security check in respect of someone who may apply for a licence. In other words, the states are quite clearly in a position where they can check the criminal records or potential criminal records of a person who applies for a licence, but they will require the assistance of ASIO to conduct a broader security check. Currently section 35 of the ASIO Act enables ASIO to

provide security checks in respect of a place or in respect of information. While ammonium nitrate will obviously be stored at a place and in that sense could be the subject of ASIO providing security advice, the reality is that there will be a whole range of activities—including importing, exporting, transportation, storage, sale, purchase and so forth of ammonium nitrate—that are not encompassed within the term 'place', and are certainly not encompassed within the term 'information' as currently contained in section 35 of the ASIO Act. Similarly, section 39(2) of that act clarifies that the Commonwealth can by other measures restrict, on a temporary basis, a person's access to a place or to information if they receive interim advice that there may be a risk factor. I have somewhat paraphrased that term as it is set out in section 39(2).

In summary—and, while it is perhaps pedantic, it is quite central to the bill—the inclusion of the term 'thing' in addition to 'place' and 'information' is appropriate in the sense that obviously ammonium nitrate is a thing. The term 'thing' will also enable the future regulation of, or schemes for the regulation of, other dangerous substances. Undoubtedly, people who may be affected by this legislation, or at least by the regulatory scheme that these enabling provisions are part of, may be concerned at the width of the term 'thing'. As was pointed out by the Attorney-General in his second reading speech, the term is actually to be read in the context of other provisions of both section 35 and section 39 which require a person's ability to perform an activity in relation to or involving a thing to be, as the legislation says, 'controlled or limited on security grounds'-in other words, controlled or limited by some other legislative or regulatory regime that is quite separate and distinct from the ASIO Act.

The ASIO Act, in this context at least, simply empowers ASIO to provide a service to an agency by conducting security checks pursuant to a request made under one of these schemes. Nonetheless, there is some concern in the community that the expression 'thing' may be too broad and indeed as currently framed may result in the situation where a state, a territory or perhaps some other Commonwealth agency decides for security reasons to regulate something that may not generally find acceptance in the community, or at least requires further debate.

For that reason the amendments that we will be proposing for sections 35 and 39 which I will communicate to the Attorney-General—clarify the term 'thing' by substituting the term 'proscribed thing'. In the definitions in section 35, after a phrase which already exists there, 'prescribed administrative action', we propose to simply include a definition for 'proscribed thing'. The definition we will propose is: a thing proscribed by regulation under this act. We believe that gives the Attorney a very broad power to act urgently, if required, to identify a substance or, literally, a thing, but it would be the subject of consideration by the parliament in the context of it being a disallowable instrument. We think that would go some way to ensuring that urgent action could be taken by the Attorney-General, which would be appropriate, but it would provide for at least some degree of oversight or debate as to whether the listing of the substance or thing was appropriate. As I said, that is a proposition that we will be putting to the Attorney-General.

By way of concluding my remarks, I say that we also have concerns regarding other areas where the Commonwealth has direct responsibility in respect of transportation generally, but specifically in respect of the transportation of ammonium nitrate. For instance, it was pointed out to a Senate committee that on the day that the Maritime Transport Security Bill 2003 was introduced, 18 September 2003, a foreign ship called the Henry Oldendorf, which carried over 10,000 tonnes of ammonium nitrate, as well as 100 tonnes of diesel fuel—a potentially lethal cocktail—was transporting these substances around Australia's coastline. It was a flag of convenience vessel. It was registered in Monrovia and was presumably operating under a single voyage permit issued by the federal government. Apparently, amongst the crew of 27 there were different nationalities: Indonesian, Indian, Filipino, Ghanaian, Egyptian, Turkish and Maldivian-an international crew on board this flag of convenience vessel. But we cannot be naive. The potential for a terrorist incident—particularly with crew coming from areas where, regrettably, there can be extremist organisations present—is a concern indeed.

We believe that there is a conflict between the need to regulate the transportation, and in particular the transportation by sea, of dangerous substances and the government's encouragement—and we believe it amounts to encouragement—of foreign-flagged vessels plying their trade on Australia's coastline. We think in these heightened security times that such dangerous substances should, in the national interest, unless exceptional circumstances exist, be desirably carried by Australian shipping, with Australian seafarers on board. Indeed, in these heightened times of security, we believe that the greater the number of Australian eves and ears that we have around the Australian coastline the safer we will be.

In that context, and just specifically while it is relevant to ammonium nitrate being a dangerous substance clearly carried by sea, I do not propose to reopen the debate—because I would meet with some objection—as to whether or not Australia should appro-

priately have a dedicated coastguard. At the very least, I believe the government needs to look at the concept of sea marshals. The government has introduced air marshals, but the reality is that tremendous damage can be done to a port-for instance, to port facilities, the population around a port and, indeed, a national economy—by a potential terrorist activity involving a ship. I have visited the United States to be briefed on the activities of the sea marshals in the United States. If there is a vessel that is carrying a dangerous substance or, alternatively, a vessel about which some intelligence has been received, four sea marshals will board that vessel: two will take charge of the bridge and two will take charge of the engine room. Their brief, after conducting at least a cursory inspection and identification of any suspect crew and so forth, essentially is to ensure that they supervise the movement of that vessel and, if anything untoward happensfor instance, the boarding of that vessel by terrorists—to literally stop that vessel, both engine room and bridge, to enable a special forces response team to board and take charge of that vessel before it enters a port. Currently in Australia we have vessels often carrying dangerous substances, including, relevant to this debate, ammonium nitrate, entering deep into Australian ports before even a cursory security assessment is undertaken.

I note that there can be occasions when officers from the Australian Maritime Safety Authority can go out and board a ship to examine the seaworthiness of the ship, how the cargo is stored and so forth, given the nature of the cargo, but there can be no suggestion that those officers are trained to or expected to conduct anything of the same order as the response the United States sea marshals undertake. Prior to the last election, we costed what we believed would be a viable program in Australia. While these things are always subject to debate, in the overall scheme of things it was not a great expense. So again we would sincerely say that that is an aspect of policy that the government should reexamine.

As I said, we are concerned that it has taken such a long time to implement a regulatory scheme for ammonium nitrate. We were aware most horrifically after the bombing in Bali of the awful consequences of the misuse of ammonium nitrate. Certainly press reports throughout 2003 documented the ease with which this fertiliser could be used to make a substantial bomb. Indeed, in the time that it has taken to introduce a regulatory scheme—in fact just one month after the COAG meeting determining that a national scheme was needed-we learned that two tonnes of ammonium nitrate were stolen from the Virginia area north of Adelaide over the course of a 12-month period. Earlier in the year, South Australian police admitted that they might never find some 3.5 tonnes of ammonium nitrate reported stolen.

To put that in context, while we would hope that that ammonium nitrate is being used for fertiliser and is now being watered into the ground somewhere with wheat or some other crop growing in it, we have to bear in mind that it is reported that the Bali bombers used only about 150 kilograms of ammonium nitrate. When you are talking about 31/2 tonnes that have not been accounted for, it is of concern. Computer modelling of a five-tonne fertiliser bomb detonated in the heart of one of our capital cities has predicted the potential loss of life of 900 people, with literally thousands more potentially injured. So it is a very significant issue requiring decisive action, and we believe it needs more urgent attention than it has been given-regrettably perhaps by all governments around Australia.

I note, for instance, that in February 2002 the then Attorney-General, Daryl Williams, for whom I always had quite some respect, was asked during a radio interview about the consequences of someone endeavouring to buy two tonnes of ammonium nitrate. He said, 'Obviously that would start alarm bells and you would want to find out why they wanted to buy the explosives if they obviously weren't a farmer or if they're an urban dweller.' It has obviously taken too long until now, when we are talking about a federal aspect of a national legislative scheme. Indeed, I note that COAG first raised the issue of the potential misuse of ammonium nitrate in December 2002. I think on 12 January 2004 the Attorney-General promised the development of a national licensing regime. He said that such a scheme was developing according to program.

While we recognise that some negotiations have been necessary, we think the delay all around, quite frankly, has not been good enough. In that context we also express concern that COAG has only recently commenced conducting a review of other potentially hazardous material. Over three years have now elapsed since the September 11 attacks in New York and Washington and nearly a decade since we witnessed the consequences of the Oklahoma bombings. We think that all governments in Australia have an obligation to redouble their efforts to regulate these potentially hazardous and dangerous materials.

In summary, I am concerned that we are walking through upgrades to our security, but the reality is that when terrorists strike they certainly do not walk. I think we need to take these issues far more seriously than we do. We cannot afford to be neutered in this area by our federal system. It is an area that does require federal leadership and direction, as the Attorney threatened—and we agreed with him—with respect to defamation laws. This

is an area where we believe the Commonwealth should be prepared to use the full extent of its potential legislative powers.

Mrs VALE (Hughes—Minister for Veterans' Affairs) (1.20 p.m.)—The purpose of the Australian Security Intelligence Organisation Amendment Bill 2004 is to expand and clarify the circumstances in which the Australian Security Intelligence Organisation, ASIO, can conduct security assessments for federal and state agencies. A security assessment is defined in part IV, division 1, section 35 of the ASIO Act 1979. It is less formal and less comprehensive than a security clearance. In plain language, it is an ASIO opinion whether a particular person is or is not a security risk in a particular situation.

At the moment, ASIO can provide security assessments to federal agencies only in relation to specified actions that are defined under section 35(b), called 'prescribed administrative action'. In this context, the specified action is access to sensitive security information or to the place where it is stored, controlled or limited on security grounds. Until this bill, this is the only prescribed action which can give rise to a security assessment, although ASIO can also provide a security assessment for states and territories proposing to do something that impinges on the security concerns of a federal agency.

By way of example, before a Commonwealth agency can grant a security clearance for people being considered for certain designated positions, it is required to assess candidates' general suitability for access. This includes obtaining a security assessment from ASIO which advises whether a particular person should have access to national security information or to secure locations. This amendment bill proposes to expand the circumstances giving rise to an assessment request, from access to information or location to also include:

... a person's ability to perform an activity in relation to, or involving, a thing (other than information or a place), if that ability is controlled or limited on security grounds ...

I also note that this bill, properly reflecting the uncertain world in which we find ourselves, also amends the act to allow a federal agency to take urgent pre-emptive action on the basis of preliminary advice from ASIO.

The amendments in this bill have become necessary to complement a new regulatory regime for ammonium nitrate agreed by the Council of Australian Governments in June this year. Following discussions on a number of significant counter-terrorism issues, one of which was a review of hazardous materials in COAG's National Counter-Terrorism Plan 2004, the states and territories agreed to act cooperatively so that access to ammonium nitrate products with greater than 45 per cent ammonium nitrate content, described as security sensitive ammonium nitrate, would be banned for other than specifically authorised users.

The Council of Australian Governments decided to create a nationally consistent and integrated approach to control access to security sensitive ammonium nitrate and limit its access to only those with a legitimate need. COAG also decided that accountability at all stages of the ammonium nitrate supply chain was vital to allow security and safety concerns to be addressed. It also saw wisdom in establishing a framework for control which may also be appropriate for other materials of security concern which might arise in the future. To this end, certain important principles were established by COAG. An authority from a state or territory would be required to import, manufacture, store, transport, supply, export, use or dispose of security sensitive ammonium nitrate.

The licensing scheme will ensure that persons seeking an authority will be required to demonstrate a legitimate need for access; will provide safe and secure storage and handling procedures; will report any loss, theft, attempted theft or unexplained discrepancy to the regulatory authority and police in each jurisdiction; will undergo background checking; will be a minimum of 18 years of age; and will provide verification of identity and, if a company, details of that company. Under this new licensing scheme, applications from users would need to be assessed by the relevant jurisdiction and background checking must include police and ASIO checks. Principle 4 of the COAG agreement states:

(a) As a minimum, background checks will be required for the person responsible for the security of SSAN—

security sensitive ammonium nitrate—

at a workplace ... as well as for any person who has unsupervised access to SSAN.

- (b) The owners and directors of companies which are not publicly listed will also undergo background checking.
- (c) Police checking should be done regularly.
- (d) ASIO checks need only be done once, provided ASIO is notified of the change of name of a person who is subject to security checking.

It was through the COAG consultation process that it became apparent that the provisions under which ASIO could provide security assessments were too narrow to assist the states and territories in implementing their licensing regime. It became clear that amendments were urgently needed to the Australian Security Intelligence Organisation Act 1979 to expand the circumstances in which ASIO could furnish the required security assessments to the state and territory jurisdictions.

As I said in the beginning, this bill will expand and clarify the circumstances in which ASIO can furnish security assessments to the states and territories and will ensure that the new licensing scheme is fully and effectively implemented. This bill is also proactive in that the new definition of prescribed administrative action is broadly drafted to cover, as far as possible, issues that may arise in the future such as a person's ability to perform an activity in relation to or involving a thing—for example, other hazardous materials—where that ability is controlled or limited on security grounds.

Amendments are also designed to allow for circumstances in which ASIO can undertake security assessments without explicitly specifying them. This is a wide warrant but there is provision for appeal. Some may argue against the broad definition, but it is important that the governments of all Australian jurisdictions can rely on appropriate flexibility with the act, particularly in our changing security environment. This government also continues its consultation with the states and territories about the form of the legislation by which they intend to administer the new licensing regime. I understand that a publication from the Queensland Department of Natural Resources and Mines, entitled Frequently asked questions about security sensitive ammonium nitrate, indicates that an ASIO assessment will be:

... a check of a name against a data base to ensure that someone is not of known security concern. It is not an investigation into a person's past or their political activities.

By way of background to the need for this amending legislation: a series of alarming events over recent years demonstrated a cause for concern for COAG and the subsequent need for this bill. These events evolved from the relative ease by which the fertiliser ammonium nitrate could be acquired and accumulated and the ease of turning it into a

high explosive. When these facts are added to the potential presence of radical extremists and their callous willingness to use it to maim or kill, it became clearly apparent to both federal and state governments that stricter controls were demanded here in Australia. In a positive exercise of sound federalstate cooperation in the national interest, the state governments have moved to establish controls to license the use, manufacture, storage, transport, supply, import and export of ammonium nitrate. While there has been some discussion about banning this product altogether, its widespread use by the mining industry and farmers across Australia made that response impracticable.

Through strict licensing controls on all aspects of the handling of ammonium nitrate the Council of Australian Governments hopes to balance the legitimate needs of Australian farmers and industry with the sensitive concerns of our national security. The implementation of the states' new licensing regime will vary from state to state. I understand Queensland has been accepting licensing applications since November this year. Tasmania will begin to do so in the autumn of 2005.

That this amendment is necessary is a reflection of the uncertain times in which we live and the issues that uncertain times raise for governments. We here in this place understand that the first priority of any government is the security and protection of its people. Events here and overseas in recent years have alerted and drawn the attention of COAG and subsequently highlighted the real need for this amendment. Ammonium nitrate was the principal substance used in the terrorist bombings of the World Trade Centre and in Jakarta and other significant world capitals. In 1995, a bomb made from ammonium nitrate killed 168 people in Oklahoma City. It is well known that ammonium nitrate is a favourite explosive of terrorists.

In April this year, the ABC reported an armed raid on a quarry in the south of Thailand in which 10 men stole more than 1,300 kilograms of ammonium nitrate, 58 sticks of dynamite and 170 blasting caps. It was reported that one of the thieves was a relative of the Bali bombing mastermind, Hambali, the al-Qaeda member arrested in Thailand last year. Another report this year related to a series of dramatic police raids in London in which eight Islamic terrorist suspects were rounded up in possession of half a tonne of ammonium nitrate. Closer to home, in April 2004 the 7.30 Report showed just how easy it is for anyone here in Australia to access ammonium nitrate simply by purchasing it and other necessary bomb-making materials from a local hardware store. This report illustrated the ease with which a purchase of 50 kilograms of ammonium nitrate could easily be made from the local hardware store.

However, it should be noted that while ammonium nitrate is the material favoured by terrorist bomb makers, by itself it is not an explosive. It is used by the agricultural sector as a fertiliser. It is when it is combined with fuel oil that it is used as an explosive. especially in Australia in mining and quarrying activities. According to the Queensland Department of Natural Resources and Mines, approximately one million tonnes of ammonium nitrate and ammonium nitrate products are used in Australia each year. Queensland is the largest user, with approximately 500,000 tonnes of explosive grade ammonium nitrate being circulated and used around the state per year. Oueensland manufactures approximately 490,000 tonnes and imports over 30,000 tonnes per annum. As a matter of fact, I understand that most ammonium nitrate in Australia is used to make explosives. In Queensland, 98 per cent is consumed by the mining and quarrying sector and only two per cent by farmers and horticulturists.

The states' new regulatory structure has been framed to provide a flexible approach so that all user categories are considered. Farming use does vary widely—broadacre farms have different use patterns to market gardens, and these differ from ordinary horticultural use. Farmers will be able to license the activities that they require and they will now have to secure the storage of this product to guard against theft. Because it is so widely available in Australia it can be acquired without drawing attention to the purchasers or their intentions. It is costeffective, being about one per cent of the cost of an equivalent amount of traditional explosives. As a cheap, effective and available explosive it has been used to cause the deaths of hundreds of innocent people and to cause damage to personal and public property worth hundreds of millions of dollars around the world. Further, there have been occasions of very large-scale accidental explosions of ammonium nitrate both here in Australia and overseas.

The ease of access to local unrestricted purchase was the subject of a further 7.30 Report investigation on ABC TV on 25 August 2003. In January this year, a 28-year-old electrician in Western Sydney made a bomb at home using, amongst other compounds, the chemical fertiliser ammonium nitrate. He exploded his device in a paddock in Doonside, in the western part of Sydney, destroying an abandoned motor vehicle and making a crater five metres wide and two metres deep. This incident again raised the question of how much was being done by Australian authorities to properly control access to such products, which can so easily be turned into murderous explosive devices.

This is an important amendment bill. It represents a serious and important step in the government's determination to provide for the safety and security of the people of Australia. The introduction of the new licensing scheme for the control and regulation of the use of ammonium nitrate by the states and territories is an excellent example of these jurisdictions working in partnership with the Australian government on the vital issue of national security. Working in close cooperation and harmony with the states and territories, we act to assure our fellow Australians that we are serious in our counter-terrorism efforts. I commend this bill to the House.

Mr KERR (Denison) (1.36 p.m.)—I commend the member for Hughes for her thoughtful contribution and I thank the Attorney-General for the manner in which he has presented the Australian Security Intelligence Organisation Amendment Bill 2004 to the House. I also say that the response by the shadow Attorney-General, the member for Barton, shows the constructive willingness of the opposition to engage in a piece of legislation that is sadly necessary.

I guess the starting point that we all ought to reflect on when we commence a debate of this nature is to realise how sad it is and how extraordinary it is that we are building into our law a framework that will permit, and in some instances require, security checking of folk who are going about their normal business using agricultural fertilisers and lowgrade explosives in mining operations. But, as the member for Hughes has said, we have seen so many instances in the recent five years where ammonium nitrate has been used as an explosive. If it is perhaps not the most devastating material that can be used, certainly it is commonly available. There have been a number of instances where copycat uses of ammonium nitrate have occurred. So a response that puts around that readily available material a proper net of concern in ensuring its safe and secure storage and, to the best ability, in ensuring that those who handle it are people who are not going to misuse it is a reasonable approach for this parliament to endorse. However, I

start out with a proposition about how extraordinary it is and how unfortunate it is that that is the case.

I do want to support the minor amendment that the shadow Attorney-General has proposed to the House to change the term 'thing'-which would be of very wide import—to 'proscribed thing'. The reason that this is important is twofold: firstly, it keeps within the control of this parliament the range of things which will be the subject of potential security checks. In other words, it makes certain that this parliament has an oversight, because a regulation of that nature needs to be tabled and it is open to members in this House and in the Senate to move the disallowance of such a regulation if indeed it is thought that there is some overreach. I say that this is an unlikely circumstance.

As we have witnessed in the way in which the debate about national security and counterintelligence has emerged in Australia, there have been instances where the Australian Labor Party has been rightly critical of overreach in legislation that has come before this place. In a number of instances the legislation has been amended in wavs which have made certain that potential abuses could not occur. We have, I think so far, seen no demonstration in this country of overreach in terms of the way in which the agencies responsible for national security have conducted themselves within the framework of the legislation we have passed. But, in a world where fear and reaction can sometimes lead people to take precipitative steps and to propose precipitative steps and where debates about law and order readily whip up fears and passions in our community, it is important for this parliament to keep some kind of potential check in place so that we do not add too greatly to the number of Australian citizens over whom the security check by the intelligence agencies is run. We do not want to be a country where to do the work of an ordinary citizen requires a person to be vetted, security checked, by our intelligence services. We want to restrict that requirement to the minimum that is necessary to promote the very interests that the government has articulated today—that is, the basic safety and security of our fellow citizens. We also do not want to provoke paranoia and fear that these powers may be overreached.

I was in this House after the Port Arthur massacre when legislation which required the licensing and control of firearms was introduced in all the states and territories. I supported that but I know that many, even within this House, felt discomfort with those measures. They went along with what the Prime Minister proposed. The opposition supported those measures. But we should not pretend, even though that regime was introduced nationally, that there are not still some in the community who promote what I believe to be extremely paranoid views about that particular process. Strictly, the way this legislation is drafted, firearms would be controlled and limited items already under state regimes and potentially could be the subject of a requirement for ASIO security checking for ownership. We do not need to have those kinds of divisive debates re-emerge in our community. We do not need to foster those kinds of quite paranoid concerns in relation to those already settled issues where there is a regulatory framework, where the states and the Commonwealth have put that in place and where a balance has been sought to be struck between the entitlement of the citizen who has gone through the proper licensing regime to have access to firearms and the general rule that firearms should not be readily available in the community. But we do not want to create another debate about fire-

Equally there are a large number of other things which, for very proper reasons, the states and territories already have controlled or limited access to. We should not leave a very large open door to a kind of creeping incrementalism where, in order to go about ordinary business, superadded to those existing regulatory arrangements is an obligation to be security vetted by ASIO. I understand from what the member for Hughes and, I think, the Attorney have said that the process that is going to be followed is largely light touch. The security vetting, as I understand it, is directed to a number of issues we would all regard as relevant—certainly not to political affiliation and not to a whole range of things which we would regard as being improper. Nonetheless, our starting point as parliamentarians ought to be that, unless there is a demonstrated and absolutely clearcut case for why we should require security vetting of another citizen, we ought not to authorise it, because it runs against the fundamental freedoms that we all ought to be able to pursue as members of our commu-

Having an obligation for any new thing be it plastic explosives, nuclear waste material or what have you—to come within this regime simply to be made the subject of a regulation so that members of this parliament can potentially move for disallowance is a cautionary check on the executive. It simply means that the power is not readily used without thought. Parliamentarians on both sides of the chamber who feel that there has been a move towards overreach can raise that issue. Largely, the measure prevents that issue from arising, because it makes people think before they go too far. So I would strongly commend to the Attorney-General the adoption of the quite minor amendment proposed by the shadow minister for defence.

I also join with the shadow minister for defence in his concern about the delay since COAG first identified the problem of ammonium nitrate. It was not difficult, I imagine, for that problem to be identified, after the bombing in the basement of the World Trade Centre and then the Oklahoma disaster, where a right wing extremist, Timothy McVeigh, drove a truckload of explosives alongside a federal government building in the United States, and caused hundreds of deaths. The need to put in place a regulatory regime in relation to ammonium nitrate became absolutely, transparently clear. So there is an issue of delay. The shadow minister is absolutely right in not only congratulating the government on eventually acting but also in drawing attention to the delay.

That is the broad framework of the opposition's response and my own particular concern that we move cautiously in this area and maintain the right of the Australian parliament always to supervise the actions of the executive. We should not move any further with a regime that either authorises or requires security vetting of Australian citizens beyond that which is demonstrated to be necessary, but at the same time we must make sure that those agencies have the full range of powers and capacities that they require. I am happy to join with the shadow minister for defence in supporting this legislation. It has been considered by the Labor caucus and will be supported. But I also commend to the House the amendment which has been proposed. I thank the House.

The DEPUTY SPEAKER (Mr Jenkins)—Order! The question is that this bill be now read a second time. I call the honourable member for La Trobe.

Mr Price—It was privilege!

The DEPUTY SPEAKER—If the Chief Opposition Whip has a problem he can raise it in his place. He cannot do it by interjection. There is a question before the House. I will seek advice.

Mr Latham—On a point of order, Mr Deputy Speaker Jenkins: I had made some

arrangements with the Speaker to raise a matter of privilege so that we did not delay question time at two o'clock.

The DEPUTY SPEAKER—My advice was that it was to be done just before question time.

Mr Latham—That opportunity is now. The next speaker has 20 minutes available. It was said that after the member for Denison's speech was the most appropriate opportunity.

The DEPUTY SPEAKER—The Leader of the Opposition has the call.

PRIVILEGE

Mr LATHAM (Werriwa—Leader of the Opposition) (1.50 p.m.)—Mr Speaker, I wish to raise a matter of privilege. Yesterday a senior member of my staff received a threatening telephone call from Ms Christine Jackman, a journalist with the Australian newspaper. She issued a number of threats in an attempt to unreasonably influence my conduct as a member of parliament, trying to force me to take action against one of my parliamentary colleagues, the member for Lowe. I regard the suggested action as totally unnecessary and improper. As per House of Representatives Practice, page 711, I believe that privilege has been breached with regard to myself and my colleague. House of Representatives Practice states:

To attempt to influence a Member in his or her conduct as a Member by threats, or to molest any Member on account of his or her conduct in the Parliament, is a contempt ... So too is any conduct having a tendency to impair a Member's independence in the future performance of his or her duty, subject, since 1987, to the provisions of the Parliamentary Privileges Act.

I ask you, Mr Deputy Speaker and, through you, the Speaker, to consider the Jackman contempt. I believe that privilege has been breached in relation to myself and the member for Lowe.

Mr MURPHY (Lowe) (1.51 p.m.)—I wish to raise a matter of privilege. I feel intimidated following a telephone conversation I had this afternoon between 12.10 p.m. and 12.40 p.m. with Ms Christine Jackman, a journalist with the Australian newspaper. Mr Speaker, you will recall that last Tuesday evening at 9 p.m. I made a speech in the House of Representatives concerning an article written by Ms Jackman and Mr Cameron Stewart in last weekend's Australian about the Leader of the Opposition and a letter from the director of the media unit of the Leader of the Opposition on Tuesday to the Australian in response to the weekend article. Ms Jackman called to complain about my speech. I told her that I stood by what I said in this House. In the course of my conversation with Ms Jackman, she made threats against the Leader of the Opposition. I told her that I would not be intimidated in that way. I regard this as a breach of privilege as per the earlier statement made by the Leader of the Opposition.

The SPEAKER—Order! As the Leader of the Opposition and the member for Lowe have both raised very serious matters, I will reserve this matter for further consideration and will report back at the earliest opportunity.

AUSTRALIAN SECURITY INTELLIGENCE ORGANISATION AMENDMENT BILL 2004

Second Reading

Debate resumed.

Mr WOOD (La Trobe) (1.53 p.m.)—I support the Australian Security Intelligence Organisation Amendment Bill 2004. The purpose of this bill is to allow ASIO to undertake security assessments as part of the new national approach to regulating ammonium nitrate fertiliser and to also allow for security assessments in relation to other haz-

ardous materials identified in the future which would warrant such assessments.

Importantly, the Council of Australian Governments, otherwise known as COAG, has identified the need to upgrade security arrangements for ammonium nitrate fertiliser. The COAG arrangements have been an excellent example of a common approach for federal, state and territory governments. This bill will complement the states and territories as they upgrade security arrangements for ammonium nitrate fertiliser as agreed by COAG. This bill will ensure that there will be ASIO checks on those who import, export, manufacture, store, supply, possess, use, dispose of, transport or otherwise use ammonium nitrate fertiliser to ensure that there are no reasons why they should not have access to ammonium nitrate fertiliser. The primary purpose is to undertake checks to ensure that those who handle ammonium nitrate fertiliser are not connected to a terrorist organisation or have criminal intent.

The vetting process will also ensure that there is greater accountability and awareness of the dangers of inappropriate use of ammonium nitrate fertiliser. In Australia, ammonium nitrate fertiliser makes up approximately 1.5 per cent of the fertiliser used. Ammonium nitrate fertiliser is especially useful for market gardeners. However, even though market gardeners will be affected, there are alternative products available. Otherwise they can still make arrangements by getting an ASIO check to use a product or through negotiation have the product distributed directly by a wholesaler. However, regardless of this, the risk of a terrorist attack using ammonium nitrate fertiliser greatly outweighs the horticultural worth of the product. It is simply too dangerous to fall into the wrong hands.

In my previous role at the Counter Terrorism Coordination Unit with the Victorian

Police, which was led by Commander Henry, on one occasion earlier this year I and two of my colleagues, Inspector Graeme Sprague and Senior Sergeant John Matley visited a wholesale supplier of ammonium nitrate fertiliser. To our amazement, there were over 10 tonnes of ammonium nitrate fertiliser in the warehouse with very little security. There were no alarms or cameras and, basically, the only security was a lock on the door and one on the gate. Therefore, a person could steal large amounts of ammonium nitrate using a tractor or truck. In actual fact, you would not need to bother about stealing ammonium nitrate fertiliser as, in the past prior to the states and territories implementing their legislation, you could buy it over the counter without any kind of check or even any need to produce any identification. I will later give you two examples.

The states and territories will impose legislation which will strengthen security surrounding ammonium nitrate fertiliser, so why is there a case for ASIO vetting those who will have access to the product when more stringent security measures will be introduced? The answer is simple: you can have the most advanced security alarms, cameras et cetera, but all that is wasted unless the person who has access to the product has a legitimate use and will not use the ammonium nitrate fertiliser for acts of terrorism or even bomb experimentation. The weapon of choice for terrorists is ammonium nitrate fertiliser. The ASIO check will be another level of security to protect Australians.

Ammonium nitrate fertiliser is the weapon of choice for terrorists for two reasons. Firstly, it is very stable but, mixed with diesel fuel and once detonated, it creates a devastating bomb. Secondly, ammonium nitrate is very cheap compared to conventional explosives—only one per cent of the cost—and has been readily available to the public at both farming suppliers or other outlets. The

IRA have been using ammonium nitrate for years but the most devastating attack was on 19 April 1995 when we had the bombing of the Alfred P. Murrah Federal building in Oklahoma in the USA, otherwise known as the Oklahoma bombing, which killed 168 people, injured another 500, destroyed a nine-storey federal building and severely damaged buildings up to several blocks away. Sadly, 21 of the dead were children under the age of five who had just left a child-care centre.

This demonstrates that terrorists do not distinguish between man or child. The weapon of choice on this occasion was a rental truck packed with ammonium nitrate fertiliser-four tonnes, in fact-mixed with diesel fuel. Timothy McVeigh and Terry Nichols, both white supremacists, were later charged and convicted. Investigators would establish that Terry Nichols purchased 80 fifty-pound bags of ammonium nitrate fertiliser from a farming supplier. Closer to home, the terrorist group Jemaah Islamiah was established in Indonesia in 1990 and has four territory divisions otherwise known as mantikas-those being Indonesia, the Philippines, Thailand and Singapore. It has strong ties to Australia through its spiritual leader, Abu Bakar Bashir. JI has a strong history across South-East Asia of attacks.

The SPEAKER—Order! It being 2 p.m., the debate is interrupted in accordance with standing order 97. The debate may be resumed at a later hour and the member will have leave to continue speaking when the debate is resumed.

INDIGENOUS AFFAIRS: RECONCILIATION

Mr LATHAM (Werriwa—Leader of the Opposition) (2.00 p.m.)—Mr Speaker, on indulgence, I would like to welcome Michael Long to Canberra at the completion of his long walk from Melbourne. Along with other

members of the House, I had the pleasure of joining him at the end of his walk down Northbourne Avenue. It is a very significant event that someone who has generated so much interest in the service of such an important cause has come to Canberra. He is an AFL legend and inspirational leader of the Indigenous community. I know that he is meeting with the Prime Minister tomorrow and I am sure that all members on this side of the House hope that it is a productive meeting. We offer bipartisan support for an agenda that deals with Indigenous poverty and reconciliation. It is an important issue—

Government members interjecting—

Mr LATHAM—and, while members opposite might be making some comments, I am sure that all Australians who care about Indigenous reconciliation and social justice hope that Michael Long's visit to Canberra is a great success.

QUESTIONS WITHOUT NOTICE Defence: Pre-emptive Military Strikes

Mr LATHAM (2.01 p.m.)—My question is to the Prime Minister. Under what circumstances would the Howard government support pre-emptive military action on the sovereign territory of another country?

Mr HOWARD—This matter has been raised and debated, and our position is well understood.

Association of South-East Asian Nations

Mr HENRY (2.01 p.m.)—My question is addressed to the Minister for Foreign Affairs. Following the very successful ASEAN summit, what further measures is the government taking to consolidate Australia's relations with East Asia and the Pacific?

Mr DOWNER—I congratulate the honourable member for Hasluck on his maiden question, and I would like to say how pleased I am to have him here as part of the Howard government team. The summit be-

tween ASEAN. Australia and New Zealand was clearly a very great success. It was part of the incremental evolution of Australia's relations with Asia, which continue to grow month by month and year by year. There are two meetings over the next week which simply illustrate that point. This evening and tomorrow I shall be hosting the South-West Pacific Dialogue with the foreign ministers of Indonesia, the Philippines, New Zealand and East Timor, as well as the Papua New Guinea minister for internal security. This meeting will take place in Victor Harbor in my electorate. It is an opportunity for all these foreign ministers from around the subregion to discuss issues such as counterterrorism, transnational crime and, for some of the countries in the region, development

On Sunday I will be departing for Indonesia where I will co-host, with the Indonesian foreign minister, an interfaith dialogue which will involve the religious communities of all the ASEAN countries as well as Australia, New Zealand, East Timor and Papua New Guinea. Each country will have approximately 10 representatives at the interfaith dialogue. There has been very strong support for this event. I understand from the Prime Minister that it was frequently referred to during the recent summit in Vientiane in which the Prime Minister participated.

The interfaith dialogue can, I think, play a very important part in strengthening the role of moderate religious leaders in building communal harmony and helping to fight the scourge of terrorism. This is yet another example of Australia working with Indonesia—as has happened on a number of occasions before—in providing leadership for the region. It is a very good illustration of how our country, in a quiet and unassuming way, is continuing to build ties and strengthen its relations with the countries of East Asia.

Defence: Pre-emptive Military Strikes

Mr LATHAM (2.04 p.m.)—My question is again to the Prime Minister. If the Prime Minister's position on military pre-emption is so well understood, will he now explain this position to the House for the benefit of the Australian people, who have heard several conflicting positions on this issue in recent months?

Mr HOWARD—There have been no conflicting positions. Our position has been explained on numerous occasions, and I have no intention of boring the House with repetition.

Trade: Malaysia

Mr ROBB (2.05 p.m.)—My question is addressed to the Minister for Trade. Would the minister inform the House of the steps the government is taking to enhance Australia's economic relationship with Malaysia?

Mr VAILE-I thank the member for Goldstein for his question. I have read his maiden speech, and I note that a considerable amount of it was devoted to the importance of trade to a nation like Australia, the ongoing economic building that has been taking place under this government and the need to maintain the focus on that. In a week when such significant events have taken place in our region, it is important to recognise the work that has been taking place on a bilateral basis with some of our key South-East Asian trading partners, of which Malaysia is a very important one. Over the years we have been building and strengthening the economic relationship with Malaysia. From 1986 to 1996, there was an ongoing officials dialogue, on an annual basis, on trade and economic matters. My predecessor, Tim Fischer, upgraded that to a joint ministerial commission, which has been conducted annually since 1996. In July this year, Minister Rafidah Aziz and I announced that Australia and Malaysia would conduct parallel scoping studies on a possible free trade agreement. That will be concluded in early 2005 and will hopefully lead to negotiations between our two countries.

Malaysia is our 10th largest trading partner. Two-way trade between our countries stands at \$8.6 billion, with merchandise trade at \$6.9 billion and services trade at \$1.7 billion. An FTA would build on the already strong links that exist between Australia and Malaysia across a broad range of areas, including education, defence, security and tourism. Clearly, there would be many opportunities for Australian exporters if we were able to open up the market further and remove impediments to accessing that market. There would be opportunities in areas such as agriculture from the reduction or elimination of tariff barriers. There would be opportunities in the all-important services sector if education institutions and legal firms could get better access to that market and build on the already 20,000 strong Malaysian student population attending Australian universities today. That is a very important link that has been built over the years between our two countries. Then there are the all-important investment flows that take place between our two countries.

It is worth reflecting on how much the economic relationship has grown over the last 10 years. In 1993, the year of Prime Minister Keating's infamous comment, two-way trade between Australia and Malaysia was worth \$3.9 billion. This year, 2004, the year that Malaysia has welcomed Australia's participation in this year's ASEAN summit and reflected on our participation in next year's ASEAN summit in Kuala Lumpur, two-way trade is worth \$8.6 billion. In that period it has gone from \$3.9 billion to \$8.6 billion. That has all happened under a coalition government focused on developing and strengthening our relationship with our re-

gional neighbours, and in particular with countries like Malaysia.

DISTINGUISHED VISITORS

The SPEAKER—On behalf of all members, I would like to welcome the Deputy Speaker of the Hungarian National Assembly, Dr David, accompanied by the Hungarian Ambassador. I am sure that they will be made to feel very welcome.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Defence: Pre-emptive Military Strikes

Mr RUDD (2.09 p.m.)—My question is to the Prime Minister. I refer to the Prime Minister's statement of 30 November when he said that the government has never had a doctrine of pre-emption. How does the Prime Minister reconcile that statement with his statement of 19 June 2003 in which he said:

Well the principle that a country which believes it is likely to be attacked is entitled to take preemptive action is a self-evidently defensible and valid principle—

or with similar statements on 1 December 2002, 2 December 2002, 19 September 2004 and 21 September 2004? Or is it that the Prime Minister simply cannot reconcile these contradictory statements?

Mr HOWARD—I think the overwhelming majority of the Australian community well understand that as a last resort—and I stress a last resort—any nation has a right to act to protect itself. That is the position of this government and it will always be the position of a coalition government.

Economy: Housing Prices

Mr CIOBO (2.10 p.m.)—My question is addressed to the Treasurer. Would the Treasurer update the House on recent housing market data? What does this information indicate about housing market conditions?

Mr COSTELLO—I thank the honourable member for Moncrieff for his question.

Today the ABS released their house price index for the September quarter, which showed an easing in house prices. House prices in Australian capital cities fell on average by 0.7 per cent in the September quarter. Following an upward revision to the June quarter—which had originally been thought to be negative but has now been revised upward—this means that the September quarter fall is the first fall since September 2000. House price growth slowed to 8.2 per cent, which is the lowest annual increase since the June quarter of 2001.

What we are now seeing is a confirmation through all of the indicators of a slowing in the house market. We are seeing it in prices, we have seen it in auction clearances, we have seen it in building approvals and we have seen it in credit data. For some time the government has been saying that the rate of increase in the housing market could not be sustained and has been looking for a cooling in the housing market. There is now evidence that it is coming through. That is not an unwelcome development. It indicates that one of the hot spots of the economy is easing. Indeed, the number of first home buyers coming back into the market increased in August and September, going above 8,000, whereas back in January it was only around 5.000.

Today is the anniversary of the Leader of the Opposition's leadership. We congratulate him. He has been offered good wishes on the doors by many of his colleagues but I think none was in better terms than those offered by the member for Grayndler, who said: 'I think it's been a good year except for the election.' May there be many, many happy returns!

Regional Services: Program Funding

Mr LATHAM (2.13 p.m.)—My question is to the Minister for Transport and Regional Services. Minister, how many of the projects

approved under the SONA guidelines for the Regional Partnerships program were assessed by the national office in your department? Did the minister's department recommend against funding any of these projects? If so, what are the details and will the minister now table these departmental recommendations?

Mr ANDERSON—I understand there are 12 programs that have been approved under those guidelines. I have no intention of tabling departmental advice. So far as I am aware, all of those 12 programs were recommended by the department after careful analysis. I see nothing out of the ordinary in relation to that. I have to say that this idea from the opposition that governments should have no discretion from time to time to meet emerging needs and to respond to important community opportunities is not supported by their actions outside this place. It really is not.

Indeed, in relation to this my attention was drawn by the member for Dobell to some further commentary regarding the dredging of Tumbi Creek. The Prime Minister has been away for a few days. While he was away the member for Wills came into this place and puffed his chest up to an enormous degree and wanted to know on what basis the Prime Minister had determined that the government should offer further support to the community in that area regarding the dredging of Tumbi Creek. He looked extraordinarily embarrassed when I pointed out that no less than the Leader of the Opposition himself had also supported the dredging of Tumbi Creek, on the basis of it being a local need. But the member for Dobell has since furnished me with a copy of a very glossy brochure released by Labor's candidate, one David Mehan, during the campaign.

A government member—Who's on the front?

Mr ANDERSON—On the front is a nice picture of a candidate with his family, but on the back—

A government member—And Mr Latham?

Mr ANDERSON—a small picture of Mr Latham—is a picture of a candidate with Mr Latham and another heading under another nice picture, 'Labor to fund the dredging of Tumbi Creek'. I think some aspects of it really warrant reading out: 'Labor's candidate for Dobell, David Mehan, says Labor will fund the dredging of Tumbi Creek with a commitment of \$1.3 million to continue the project. The health of the local environment is critically important.' Is that suggesting that members of parliament might occasionally need to exercise sensible discretion on behalf of the people they are seeking to represent? And to put a case before the electorate, and let the electorate and the voters determine the outcome?

I will jump to the last paragraph, because I think it says it all, given what the opposition tried to do here in the House—what was meant to be to the Prime Minister's embarrassment but turned out to be to the Leader of the Opposition's embarrassment. It says, "Labor's decision to commit funding for the project shows how much we care about the local areas," said Labor candidate David Mehan.' And here is the corker: 'It's not about politics; it's about getting the job done.'

Aviation: Sydney (Kingsford Smith) Airport

Mrs HULL (2.16 p.m.)—My question is addressed to the Deputy Prime Minister and Minister for Transport and Regional Services. Would the Deputy Prime Minister inform the House of the outcome of negotiations concerning Regional Express over Sydney airport terminal access? How have

government policies contributed to the growth of this industry?

Mr ANDERSON—I thank the honourable member for her question, and I would like to acknowledge at the outset that I do not think I have ever seen a member work so hard for regional communities as the member for Riverina has in relation to the very real problems that a very large number of communities faced across regional Australia when two previous airlines folded and were amalgamated into Rex. The work she put into ensuring they had a future was outstanding.

I am delighted to be able to record that, after a fairly long period, it has to be said, of negotiations, Rex airlines and Sydney airport have reached agreement on access to the former Ansett terminal, T2, at Sydney airport. That is good news for Rex, but it is better news for regional commuters. That agreement, finalised on Tuesday night, will give Rex facilities at Sydney airport which are on a par with those the airline currently occupies and uses. Importantly, they are supported by a five-year lease with an option for renewal for a further five years. That will give Rex a lot of certainty, that will help them grow and invest with certainty, and I would like to commend Rex and SACL for having worked it through.

I am asked about the government's policies—what impact have they had on aviation? Despite the horrors of the September 11 events in 2001, the subsequent Bali events, SARS and so forth, and the tragic demise and loss of Ansett, aviation has been growing very strongly indeed. We have seen Qantas record a record profit for the 2003-04 financial year and the launch of a low-cost carrier by Qantas, Jetstar. We saw Virgin Blue's entry into the market some three years ago. They have done extraordinarily well: an initial fleet of three aircraft has grown to

over forty 737s, a very new and modern fleet, servicing some 23 domestic destinations and a growing number of international destinations through Pacific Blue.

Rex has recently announced a record profit for the first four months of the 2004-05 financial year, as well as a boost in its regional flights, while Skywest recorded a solid profit for the financial year just gone as well. We have seen new regional airlines—and this is very good news—like Great Western Airlines in South Australia and Big Sky Express in New South Wales, and, only a few months ago, a national alliance of smaller carriers was launched in Adelaide, under the banner RegionalLink.

The long-term health of the Australian aviation industry is evident too in the inbound tourism figures, which are now seeing a steady growth rate of over six per cent of international visitor arrivals predicted over the next decade, while on the domestic front the industry is now, in net terms, operating at record levels, with eight of the 10 busiest months in Australian aviation history occurring in the period 2003 to June 2004. So aviation is growing strongly. That of course means that there are more jobs in aviationthat is to be welcomed—but also, perhaps of even greater significance, it reflects strong business confidence, a lot of business travel and indeed a very strong and growing performance by the Australian tourism industry, which is a major employer in this country.

Regional Services: Program Funding

Mr KELVIN THOMSON (2.20 p.m.)—My question is to the Deputy Prime Minister and Minister for Transport and Regional Services. I refer the Deputy Prime Minister to the announcement on 9 September of a Regional Partnerships program grant of over \$1.2 million to the company A2 Dairy Marketers by then Parliamentary Secretary, now Minister, Kelly. Who approved this grant—

the then parliamentary secretary or the Deputy Prime Minister?

Mr ANDERSON—My advice is that on 29 August 2004 the then parliamentary secretary, De-Anne Kelly, approved funding. Her reasons for approval of the project for the full amount sought were that, firstly, the in-kind contribution to the project was genuine, in that it involved intellectual property, land, equipment and transport; secondly, the funding was not directed to A2 milk but, rather, to the participating farmers; thirdly, it did not favour a monopoly and had the potential to increase farm gate prices, something that anyone who knows anything about the dairy industry would find very welcome; and, finally, farmers would have direct equity in the venture. Subsequently, I think in a demonstration that the probity requirements put in place by the department and the government work, it was determined that funding would not be forthcoming.

Workplace Relations: Australian Workplace Agreements

Mr BARRESI (2.22 p.m.)—My question is directed to the Minister for Employment and Workplace Relations. Would the minister inform the House of recent reports on the benefits to the work force of Australian workplace agreements?

Mr ANDREWS—I thank the member for Deakin for his question. I was delighted to be able to launch the coalition's workplace relations policy at Blackburn Bodyworks in his electorate just a few weeks ago. It is a fine example of a company making use of Australian workplace agreements to the advantage of the workers in that company, the constituents of the member for Deakin and the company itself.

The honourable member asked me about recent reports. In fact, the Department of Employment and Workplace Relations report on agreement making was tabled in parliament this week. This report shows that the annual growth rate in Australian workplace agreements over 2002-03 was 35 per cent. In fact, 89 per cent of these AWAs were in the private sector and the proportion of AWAs in small businesses doubled from five to 10 per cent. This is a portent of the future for Australian workplaces.

In the policy which was launched at Blackburn Bodyworks in the honourable member for Deakin's electorate, amongst other things we promised an additional \$12 million to the Office of the Employment Advocate, allowing that office to further promote Australian workplace agreements in the small business sector.

Honourable member interjecting—

Mr ANDREWS—I hear some interjections, but can I tell the honourable member interjecting that a total of 587,698 Australian workplace agreements have now been approved. For the benefit of the honourable member who is interjecting and others, the latest figures show that 18,334 Australian workplace agreements were entered into in November alone. That follows a record month of October, when 22,479 AWAs were approved and a group of 307 new AWA employers had agreements approved.

We are committed to this process. Despite the good advice that Mr Rod Cameron gave to the Leader of the Opposition when he said that the attack on AWAs was misguided, recently the Leader of the Opposition said '... we don't see the need for AWAS's, our policy is unaltered.' The Australian workforce do not agree with that, because in their hundreds of thousands they are entering into AWAs.

Regional Services: Program Funding

Mr KELVIN THOMSON (2.25 p.m.)—My question is again to the Deputy Prime Minister and Minister for Transport and Regional Services. Why did the minister just

tell the House that the \$1.2 million Regional Partnerships grant was not to the company A2 Dairy Marketers when his departmental web site lists the recipient as A2 Dairy Marketers Pty Ltd? Why did his then parliamentary secretary approve a Regional Partnerships program grant of over \$1.2 million to this company in clear breach of the program's guidelines, which exclude grants for projects that compete directly with existing businesses?

Mr ANDERSON—So far as I am aware, the claim that it did not meet the guidelines is simply not true. It does not register with anything in my memory. I would have to defer to the responsible minister, if she has anything to add in that regard. I was not the minister who checked it off, and I do not pretend to be able to recall full details of every incident that took place.

In relation to the probity of assessing applications that come forward, these have all been through proper, transparent departmental processes. They are subject on a regular basis to the Senate estimates process. There is to be a further Senate inquiry, that is the Senate's decision, but I would just make the point that they have been exhaustive in the past. Indeed, these programs account for just three per cent of my department's administered funds, yet at the last estimate's hearings this area accounted for 20 per cent of the questions from senators—five hours in all and 10 per cent of the questions on notice referred to my whole department. The regional program area is probed and questioned more than any other part of the department. I am sure it will be no different at future estimates hearings.

In relation to this sort of concocted concern from the other side about the probity of governments making decisions and being prepared to do something out in the electorate, I actually had my department check to see how many of Labor's commitments during the election campaign had been referred to the department for consideration and advice. I have here a pretty extraordinary list of suggestions that have had no scrutiny run over them whatsoever—no scrutiny at all.

Mr Latham—Mr Speaker, I rise on a point of order. The Minister for Transport and Regional Services sensibly suggested a supplementary answer from Minister Kelly to fully inform the House of the matters of which he was unaware. It would certainly assist the House with this information to now hear from Minister Kelly, as suggested by the Deputy Prime Minister.

The SPEAKER—The forms of the House would allow the opposition to raise that in their next question, but I am going to call the honourable member for Dobell.

Health: Pharmaceutical Benefits Scheme

Mr TICEHURST (2.28 p.m.)—My question is addressed to the Minister for Health and Ageing. Would the minister inform the House how the government is ensuring that Australians have timely and affordable access to medicines they need?

Mr ABBOTT—I thank the member for Dobell for his question, and I take this opportunity to congratulate him on his election as chairman of the government members backbench committee on health and ageing. The three pillars of Medicare are a universal insurance scheme for medical treatment, free treatment for public patients in public hospitals and, very importantly, affordable access to lifesaving and life-enhancing drugs. This week the government has announced two new Pharmaceutical Benefits Scheme listings for drugs dealing with mental illness. Some 10,000 people with schizophrenia are expected to benefit from the listing of Risperdal Consta, at the cost of some \$5,000 per patient per year. Over 20,000 people with bipolar disorder are expected to benefit from the listing of Zyprexa, at the cost of some \$2,000 per patient per year. I have to say that, even with price volume agreements in place with the pharmaceutical manufacturers, these new drugs are going to cost the PBS some \$50 million a year.

It is very important that people have access to the best and latest drugs, but this can only be ensured if we maintain close scrutiny of the cost of the PBS. That is something which has marked the Howard government over its 8½ years. This is a government which does responsibly manage the PBS for the benefit of both patients and taxpayers. I have to say that this is one of the reasons why the opposition's support for co-payment increases before the election was so welcome and it is also one of the reasons why the opposition's backflip during the election was so irresponsible and so contemptible.

Regional Services: Program Funding

Mr KELVIN THOMSON (2.31 p.m.)— My question is again to the Deputy Prime Minister and Minister for Transport and Regional Services. Is the minister aware that on 8 July an employee of his then parliamentary secretary attended a meeting with the Queensland minister for primary industries along with two directors of A2 Dairy Marketers and that that meeting was for the purpose of lobbying on behalf of A2 Dairy Marketers? Is the minister aware that on 8 July this employee was also a director of Asia Pacific Corporation, a company specialising in consulting and government relations? Can the minister state in what capacity this employee attended the 8 July meeting—as a member of the then parliamentary secretary's staff, as a paid lobbyist or as both? Can the minister confirm that the employee was Mr Ken Crooke?

Mr ANDERSON—I am advised that Mr Ken Crooke had ended any commercial relationship with A2 milk at the time of his em-

ployment with the parliamentary secretary at that time, De-Anne Kelly, and during his employment with Mrs Kelly he received no ongoing consideration from A2 milk.

Environment: Alternative Energy

Mr HAASE (2.32 p.m.)—My question is addressed to the Minister for Industry, Tourism and Resources. Would the minister inform the House what action the government is taking to encourage investment, jobs and exports in the liquefied natural gas sector?

Mr IAN MACFARLANE—I congratulate the member for Kalgoorlie on his return to this place as part of the illustrious class of '98. One of the reasons that he was returned to this place was that in the seat of Kalgoorlie, the world's largest electorate, he was part of this government's effort to ensure that there was continued growth in exports, investments and jobs. Nowhere is this growth more evident than in the LNG sector where, in 2003-04, some \$2.2 billion worth of exports of LNG contributed to our national economy. The three trains of the North West Shelf have directly and indirectly provided almost 80,000 jobs in Australia. The news gets better-in a report released by ABARE this week, the consumption of LNG in the Asia-Pacific region is expected to double, from 83 million tonnes per annum to almost 150 million tonnes per annum by 2015.

Australia has some 200 trillion cubic feet of natural gas, and the opportunities for us to continue to share in that growth are enormous. Our government has worked hard to create the investment climate to ensure that this growth is realised, and the results of that speak for themselves—the \$25 billion gas contract with China, the half a million tonnes a year of gas we sell to Korea, and our 15-year relationship with Japan supplying LNG. The best is yet to come, with further opportunities not only in Asia but now on the west coast of America.

Therefore I am somewhat surprised that during the election campaign the Premier of Western Australia joined with the chorus from the other side that Australia should abandon the export opportunities that energy provides and ratify Kyoto. I remind those who sit opposite and the government of Western Australia that the effect of that on Western Australia alone would be to see by 2007-08 a 3.9 per cent drop in employment, a 50 per cent increase in electricity prices by 2015 and a jump in petrol prices of some 12c a litre. I reassure the member for Kalgoorlie, his constituents and all Australians that this government will continue to seek practical solutions to greenhouse gas emissions and will not waste export opportunities by ratifying a diplomatic piece of paper which will have no effect on reducing greenhouse gas emissions.

Regional Services: Program Funding

Mr KELVIN THOMSON (2.36 p.m.)—My question is again to the Deputy Prime Minister and Minister for Transport and Regional Services. I refer him to his previous answer. Is the Deputy Prime Minister claiming that Mr Ken Crooke attended the 8 July meeting solely in his capacity as a member of the parliamentary secretary's staff? How can he reconcile this with the fact that at the meeting Mr Crooke handed over a business card as a director of the Asia Pacific Corporation?

Mr ANDERSON—I thank the honourable member for his question. I was not at that meeting. I have no idea what sort of card he handed over; I genuinely do not. I do not think members would be surprised to know that I was not even aware that a meeting had happened on that day.

A germane aspect of this issue is that a program came forward which looked like it might actually make a real difference in a depressed area by lifting dairy prices. It was properly assessed, and it was recommended. When it was determined, on the basis of probity checks, that there were some issues with the financial viability of some of the proponents, it was pulled. It has not gone ahead. That demonstrates quite clearly that the probity arrangements that the government and the department have in place work.

Drought: Assistance

Mr BRUCE SCOTT (2.37 p.m.)—My question is addressed to the Minister for Agriculture, Fisheries and Forestry. Would the minister advise the House how the government is helping drought affected farmers and their communities? Have the state governments been contributing to the Commonwealth's efforts?

Mr TRUSS-My thanks to the honourable member for Maranoa for the question. He represents a very large electorate which includes many of the farmers in Australia who have been enduring drought for a very extended period. The federal government has been happy to stand by farmers during these tough times to help share with them the burden of enduring the hardship that is associated with these long dry spells. Indeed, the south-west part of Queensland, in the honourable member's electorate, has just had its EC declaration extended for a further year, joining 22 regions around Australia which will now move into a third year of assistance from the federal government.

This kind of assistance is without precedent. More than 30,000 applications for assistance have been approved, and the Commonwealth have already paid out almost \$580 million direct to Australian farmers to help them through this drought. We expect that, by the time the drought ends, that expenditure will be in the order of \$1 billion.

Members will be aware that the crop forecasts released earlier this week suggest that there will be a significant downturn in the summer grain crop. In no area will that be more evident than in the electorate of the honourable member for Maranoa. That would suggest that there are going to be continuing difficulties in quite a number of areas around Australia in the year ahead. The National Climate Centre has suggested that there is only a 50 per cent chance of average rainfall in the year ahead. So there is an ongoing need to make sure that we are able to stand by the people who are enduring the most difficult drought in our nation's history, and this government certainly stands ready to do its share.

The honourable member asked what the states are doing. Frankly, very little. Most states have walked away entirely from their obligations to drought stricken farmers, except to demand that the Commonwealth do more. Many states, sadly, are doing very little. Tomorrow the agriculture ministers will be gathering again to talk about drought reform. One or two states have indicated a willingness to look constructively at the issue, and I commend those states that are taking that kind of approach. I hope that tomorrow there will be a new spirit of cooperation. a willingness to share the burden, so that all Australians can work with the rural community to endure this difficult drought.

Defence: Leave Applications

Mr McCLELLAND (2.40 p.m.)—My question is to the Minister Assisting the Minister for Defence. Is the minister aware that the Australian National Audit Office recently identified more than \$1.2 billion of personnel leave entitlements that could not be reconciled by the Department of Defence? What action has the minister taken to rectify this appalling situation? When will her department be able to accurately complete this basic administrative function?

Mrs DE-ANNE KELLY—I thank the member for his question. There are no leave

payments missing; this is simply a problem of record keeping. Audit sampling has shown a variation between what is on the computer system and what was recorded at the time. Defence has a rigorous system in place to ensure that all of its records are accurate. The military leave issue is simply a paperwork issue. Every single defence person will receive, and is receiving, their appropriate leave.

We treat the defence forces with great respect. We have increased the budget for Defence. We back our defence people. All of their entitlements and their leave are paid in full.

Superannuation: Contributions

Mrs DRAPER (2.42 p.m.)—My question is addressed to the Minister for Revenue and Assistant Treasurer. Would the minister advise the House how the government is helping Australian women build retirement savings?

Mr BROUGH—I thank the member for Makin for her question and welcome her back to the House yet again—she did a fabulous job down there in Adelaide. The Howard government is very much committed to working women and those who are out of the labour force being able to make a commitment for their retirement and to have a safety net, a nest egg, in retirement. To that end, we abolished the work test. Understanding that women move in and out of the work force to have a family and that they have to balance their family responsibilities with work, we want them to be able to continue to contribute to their superannuation at times when they are not in the work force.

We also, of course, introduced the cocontribution. Earlier in the week I informed the House that 215,000 Australians got their first payments—on average, \$510 each—as part of the Howard government's cocontribution. That was when it was based on \$40,000, not the \$58,000 threshold that applies this year. Of course, the co-contribution has gone up from \$1 for \$1, to \$1.50 for each dollar.

The really good news for Australian women is that 59 per cent of the 215,000 recipients of the co-contribution were Australian women earning under \$40,000 who have made a contribution for their own safety in retirement so as to be independent. It has been strongly supported by every member on this side of the House. I would ask the 20 women of the Labor Party that sit opposite and the 11 Labor women in the Senate to show some influence on the member for Werriwa and on those who sit on the front bench and to say to them that it is time they stood up collectively for Australian women, whether they be in the work force or not. This side of the House will continue to say that it is every Australian woman's right to be able to make provision for her retirement and not be dependent upon a spouse. It is up to the opposition to get into the 21st century and support the Howard government's initiatives.

Howard Government: Ministerial Code of Conduct

Mr LATHAM (2.44 p.m.)—My question is to the Minister for Veterans' Affairs and the minister assisting the Minister for Defence. I refer to her responsibilities as a member of the Executive Council under the Prime Minister's code of conduct and the requirement that:

Members of staff should not contribute to the activities of interest groups or bodies involved in lobbying the government, if there is any possibility that a conflict of interests or the appearance of such a conflict may arise.

Was the minister aware of Mr Ken Crooke's directorship of the Asia Pacific Corporation at the time of the 8 July meeting with the Queensland government lobbying on behalf

of A2 milk? What action did the minister take concerning this conflict of interest and breach of the ministerial code of conduct?

Dr Southcott—Mr Speaker, I raise a point of order. Questions can only be asked of ministers about public affairs or administration for which they are responsible to the House. Questions under standing order 98 cannot be asked of parliamentary secretaries, and questions cannot be asked of members when they are no longer ministers. It therefore follows that this question is out of order.

The SPEAKER—Has the Leader of the Opposition finished his question?

Mr LATHAM—I have finished it all except for the last part, if you would like me to start again and go through the question, Mr Speaker.

The SPEAKER—No, I would ask the Leader of the Opposition to finish it.

Mr LATHAM—Okay. I will finish the question by asking: was the minister aware of Ken Crooke's directorship of the Asia-Pacific Corporation at the time of the 8 July meeting with the Queensland government lobbying on behalf of A2 milk? What action did the minister take, given her responsibilities under the ministerial code of conduct concerning this conflict of interest and the possible breach of the code?

The SPEAKER—In relation to the point of order raised by the member for Boothby, the minister is only responsible for the action or for matters relating to her time as a minister and she is not obliged to answer questions about a time when she was a parliamentary secretary. I would take it from the question that that is the time that is being referred to, and therefore the minister is not obliged to answer the question.

Mr Latham—Mr Speaker, I raise a point of order. The code of conduct applies to members of the executive, and the member

for Dawson has for quite some time been a member of the Executive Council, first as a parliamentary secretary and now as a minister. Surely she is responsible to answer questions in the House as a minister today for her discharge of responsibility under the ministerial code of conduct. This matter has been raised with you on a previous occasion, about the responsibility of ministers under the code and the capacity of the opposition to ask legitimate questions. Surely, for the information of the House and her ongoing responsibilities under the code, she should answer this question.

The SPEAKER—I repeat my ruling. The minister is responsible for answering questions in her capacity as a minister and for people who may have been working with her as minister. For her time as parliamentary secretary she is not answerable to the House.

Mr Kerr—Mr Speaker, on the point of order: is it not the case that parliamentary secretaries are sworn as ministers but the standing orders provide that questions may not be asked of them—they exclude them—but once they become ministers they are accountable to the House and they are ministers sworn as such even as parliamentary secretaries.

The SPEAKER—The point that I have already given in response to the earlier point of order still stands. There are other forms of the House which members may wish to pursue, but the minister is not required to answer that question if it relates to her time as a parliamentary secretary.

Education: Vocational Education and Training

Mr LINDSAY (2.49 p.m.)—My question is addressed to the Minister for Vocational and Technical Education. Would the minister inform the House how the government is addressing skills shortages in the traditional trades?

Mr HARDGRAVE—I am delighted to answer a question from the member for Herbert, who sets a benchmark that others on this side always try to keep up with as far as advocacy for his electorate. In his electorate during the time that he has been the member we have seen a 129 per cent increase in the number of people taking out apprenticeships. That translates to some 1,784 people which, of course, is 1,784 families who feel as though their sons and their daughters are connecting in with the trades and are feeling a sense of success as a result.

Just last Friday, the National Centre for Vocational Education Research report highlighted that new apprenticeship commencements in trade and related occupations had increased by 18 per cent with an estimated 66,900 commencements in the 12 months to 30 June. That is a real credit to the policies of this government and this Prime Minister, and of course the Minister for Education, Science and Training, Mr Brendan Nelson who has championed this cause. In electrotechnology, new apprenticeships are up 21 per cent; in construction they are up 15 per cent; importantly, for those who are feeling a bit hairy, in hairdressing new apprenticeships are up 23 per cent; and in the automotive industry, retail service and repair sector they are up 12 per cent.

The number of young people who are continuing to commence new apprenticeships also continues to rise, with 106,200 commencements in the age group 19 years and under. Completions are also on the increase, with some 133,000 completions in the 12 months to June 2004. That is up 12 per cent on the previous year. Is it any wonder the Australian Industry Group have described these figures as some of the best news heard in this particular area of government activity for some time? The Ai Group is correct in stating that the government has made addressing skill shortages a major priority; and

the Department of Employment and Workplace Relations skilled vacancy index indicated just a week ago that trade vacancies had fallen in recent months by 1.5 per cent in November and by 5.3 per cent since July of this year.

We are not resting on that. We know there is a lot more to do. We have the heavy lift and we have the solid proposals. The Prime Minister has announced a further \$1.06 billion over the next four years that is to be spent on initiatives such as the 24 Australian technical colleges, an Australian institute for trade skill excellence, providing a tool kit to new apprentices to skill shortage occupations, a \$500 learning scholarship in each of the first two years to new apprentices and funding 5,000 places in the new apprenticeship access program to target those new apprentices; as well, and I think importantly, \$100 million to establish an Australian network of industry career advisers to support youth transitions. It is an important area of government endeavour, and we are working hard and will continue to do so.

Mr Howard—Mr Speaker, I ask that further questions be placed on the *Notice Paper*.

MINISTER FOR VETERANS' AFFAIRS Motion

Ms GILLARD (Lalor) (2.52 p.m.)—I move:

That so much of the standing orders be suspended as would prevent the Minister for Veterans' Affairs from explaining to the House her obligations under the code of conduct and the employment of Mr Ken Crooke.

The SPEAKER—Is the motion in writing?

Ms GILLARD—Yes, the motion is in writing. Clearly today we have a situation where the Deputy Prime Minister desperately wants to get out from under explaining this matter and he has hidden behind the Minister for Veterans' Affairs, and the Minister for

Veterans' Affairs is apparently not required to answer about the matter in the House. This is an incredibly smelly matter which the minister should be required to explain.

Let us be clear about what has happened here. More than \$1.2 million of taxpayers' money has been allocated to a firm called A2 Dairy Marketers. How is this more than \$1.2 million grant being made? Apparently it is being made in circumstances where the then parliamentary secretary Ms Kelly authorised the grant while she had in her employ a Mr Ken Crooke who at the same time was working as a director of a private company and being paid to lobby on behalf of A2 Dairy Marketers. How could there be anything more concerning about the obligations of this minister under the code of conduct—which, I would remind her, specifies an obligation of honesty and probity in public life and makes her responsible for the conduct of her staff? How could you have a more serious matter than an allegation that this minister signed off a \$1.2 million grant whilst employing a person who was also lobbying for the proponent who sought the grant? This is a conflict of interest writ large. This is a conflict of interest that is extraordinary.

What makes this even worse is that the grant was made in direct conflict with the guidelines for this program. The Regional Partnerships program has amongst its guidelines 'not allocating money to commercial bodies'. That is easy to understand. These moneys should not be used to create unfairness in the marketplace. So in direct breach of the guidelines this grant has been made to a commercial entity: A2 Dairy Marketers. In fact, so smelly has this matter been that ultimately the grant was withdrawn because A2 Dairy Marketers was found guilty of false advertising.

Let us just track the conduct here. The then parliamentary secretary, the current Minister for Veterans' Affairs, employed on her staff a man called Mr Ken Crooke, Mr Ken Crooke at the same time being a director of a company that is in the government relations lobbying business.

Mrs De-Anne Kelly interjecting—

Ms GILLARD—Allow the suspension of standing order and she can tell us it is not true. Do not yell at me that it is not true. Allow the suspension of standing orders and she can tell us it is not true. Thanks for your help. Vote for the suspension and she can tell us it is not true. You cannot protect her and yell allegations like that. Either put her up and get her to make an answer to the case or shut up.

What we have had is the mute minister the woman who cannot defend herself, the woman who cannot come up to the dispatch box and give an honest account of her dealings with public money. What we have is the mute minister employing Mr Ken Crooke, Mr Ken Crooke at the same time being a director of a company which is engaged in the lobbyist business. And who is he lobbying for? He is lobbying for A2 Dairy Marketers. He is at a meeting with the relevant Queensland minister, producing a business card in his lobbyist capacity with two directors of A2 Dairy Marketers. They are all there lobbying for A2 Dairy Marketers. On the very same day he is in the employ of the then parliamentary secretary.

Mrs De-Anne Kelly interjecting—

Ms GILLARD—If you want to give an explanation, Minister, come to the dispatch box and do it.

Mrs De-Anne Kelly interjecting—

Ms GILLARD—Did you say that you are happy to do so? Get your leader to vote for the suspension. If you are happy to do so, we are happy to hear it.

The known facts of this matter are these: on 8 July Mr Ken Crooke is an employee of the then parliamentary secretary and is in a meeting with two directors of A2 Dairy Marketers, lobbying for A2 Dairy Marketers. They are the known facts of this matter. Then—surprise, surprise—this minister signs off a more than \$1.2 million grant, and who to? A2 Dairy Marketers. You would have to say that she probably knew them pretty well. There is a man in her office who is lobbying for them; she probably knew them pretty well. Also, this grant falls outside the guidelines. How much more perplexing can you get than that? So here is a parliamentary secretary who is employing a paid lobbyist for a company—a person who has been lobbying for that company—signing off a \$1.2 million grant in breach of the guidelines. That is what has happened here.

We could see the discomfort of the Deputy Prime Minister when he was asked about this matter. He was very keen to tell the House that it was the then parliamentary secretary who signed off the grant; he was very keen to tell the House that. He actually suggested in answer to a question that she might have something to add. At that point the Leader of the Opposition said, 'Well, you know, if you allow us a supplementary question then perhaps the minister'—this minister—'could come to the dispatch box and give an answer.' Indeed I think, Mr Speaker, at one point you suggested that if we desired that result we could ask her the next question. As the forms of the House do not permit us to do it in that way, we are doing it by way of a suspension of standing orders.

If this minister does not have anything to hide, then she should ask the Leader of the House to have this suspension pass the House and give her an opportunity to do what any human being who knew they could clear their name would seize—and that is an opportunity to walk up to the dispatch box

and explain to us why all of this is wrong. If she has an explanation, we are creating an opportunity for her to give it. If she has an explanation, she will be champing at the bit waiting to give it; she will be desperate to see me sit down so that this suspension can pass the House and she can give it. If she has an explanation, she will be so desperate to put it before the House that the government will pass this motion, we will hear from her and she can explain these circumstances.

Who is Mr Ken Crooke? We know the answer to that: he was an employee of the parliamentary secretary. Did she know that, when he was an employee of hers, he continued to be a director of Asia Pacific Corporation? Did she know that he continued to undertake lobbyist work on behalf of A2 Milk marketers? Did she know where he was on 8 July? Did she know that he attended, in the presence of two directors of A2 Milk marketers, a meeting with the relevant Queensland minister? Did she know any of these things on the date she signed off on the \$1.2 million grant to A2 Milk marketers? At what point did she know the grant was in breach of the guidelines—before she made it or after? At what point did she know that A2 Milk marketers was the subject of legal action for misleading advertising? Did she know that before or after she made the grant? What was the course of dealing in making the grant, and what was the course of dealing in rescinding it? These are the things that need to come before the House.

You could not get a more serious matter in public life than questions of honesty and probity. That is why they are dealt with by the Prime Minister's code of conduct. That is the standard this minister needs to be held to account to. We have to remember that at the time she was the parliamentary secretary of a figure no smaller than the Deputy Prime Minister of Australia. Ultimately, it reflects on his actions and his parliamentary secre-

tary, and there is an obligation for honesty and probity under the code. They have a golden opportunity now to walk up to the dispatch box and give an explanation of their conduct.

The SPEAKER—Is the motion seconded?

Mr KELVIN THOMSON (Wills) (3.02 p.m.)—I second the motion. The Queensland National Party of Joh Bjelke-Petersen lives on, and it lives on in the shape of current Minister Kelly. How crook is this? We have the former secretary of the Queensland National Party being appointed as a staff member of the then parliamentary secretary at the same time as he was acting as a lobbyist for A2 Dairy Marketers—a private company. He was acting as lobbyist for that company, and a couple of months after that he was appointed as a staffer to the parliamentary secretary. We find that very same parliamentary secretary, under the Regional Partnerships program, approving a grant of more than \$1.2 million to that company.

Mr Gavan O'Connor—Christmas came early!

Mr KELVIN THOMSON—Christmas came early. Christmas came the day the election was announced. This grant was approved on Sunday, 29 August, the day the election was announced.

Opposition members interjecting—

Mr KELVIN THOMSON—It was, and she went on and announced it on 9 September. She admitted to the *Cairns Post* that the application from A2 had been fast-tracked. She did indeed have some expertise within her office in order to fast-track it, but she said that all due diligence tests had been met. This is passing strange, because that very same company was facing charges for making misleading statements about the health benefits of A2 milk, and three weeks later that company was convicted of making those

misleading statements, and then the government rescinded the grant. The other thing the government said at the time was that these applications needed to comply with DOTARS probity and viability requirements. Soon after the grant was rescinded, this company went into liquidation and is now in receivership. So much for the viability requirements; so much for the probity requirements.

It is absolutely extraordinary that a Deputy Prime Minister who walks into this House from time to time talking about his reputation for integrity and probity could be party to the approval of a grant to a milk processing company which had been charged with, and was subsequently convicted of, making misleading statements about the health benefits of its product. What were the reasons for this? We can see they have a Nationals state secretary and former director, Mr Ken Crooke, working in Minister Kelly's office. We also know that this was in the electorate of Kennedy. Just like the electorate of New England-and we have heard a fair bit about the electorate of New England-The Nationals were very anxious to win back the electorate of Kennedy from an independent MP. Therefore, they did not need to look too closely to see whether this was a claim which passed the probity test or an application which met the tests of viability. The other thing about this application is that—

An opposition member—It's a National Party slush fund!

Mr KELVIN THOMSON—A National Party slush fund, indeed. The Regional Partnerships program guidelines expressly rule out funding for projects where the project competes directly with existing businesses. It is quite clear that this project did compete with other businesses, and those very same businesses expressed their great concern that, if this project were to proceed, it would dam-

age their businesses. Dairy Farmers said on 10 September that they were monitoring the operations of their Malanda plant and that processing had dropped from 120 million litres to 70 million due to drought and deregulation. So it was quite clear that other companies had concerns that a \$1.2 million grant to one company would adversely affect their viability. That was what those Regional Partnerships guidelines were supposed to prevent, but the government did not care about that. It approved the \$1.2 million grant.

This is a scandalous situation. The Minister for Veterans' Affairs is in an impossible situation. It is absolutely indefensible to say, 'I've got someone on my staff who is, at the same time, acting on behalf of a company, and I personally approve a grant to this company.' It has been admitted in the House here today that Mrs De-Anne Kelly personally approved a \$1.2 million grant to that company, notwithstanding the fact that it was facing prosecution for misleading advertising. It is an outrageous state of affairs. It demonstrates to this side of the House that Regional Partnerships has been a Nationals slush fund. (*Time expired*)

Mr McGAURAN (Gippsland-Minister for Citizenship and Multicultural Affairs) (3.07 p.m.)—In the event that there is anybody in the House or listening who is under any illusion, this project never proceeded. It is that simple. This project did not proceed, on the basis that due diligence was observed and it did not meet the standards of the program. It is as simple as that. So the Labor Party's concocted rage, whipping themselves up into a fury, is only an act to disguise and shroud a special event today, it being the first anniversary of the election of the member for Werriwa as Leader of the Opposition. On behalf of government members, I warmly congratulate him on that significant milestone and may there be many more.

But, to return to the matter at hand, the simple fact is that the project's intention was to assist dairy farmers by obtaining for them a higher farmgate return. That was the starting point of this project, which did not proceed because, when due diligence was observed, it did not meet the criteria of the program. What has this all been about? Is this a debate? Is this an attempt to censure a government minister about a project that never came about, that failed the due diligence and probity requirements administered by the same minister? No, of course it is not. It is a poor and transparent attempt to lift morale in the opposition, to try to leave the parliament on a Thursday evening with a spring in their steps, having had some sort of encouraging news. But nothing can disguise the pall of despair that has descended upon the Australian Labor Party from their own mouths.

It is not as if any member of the government has been taking advantage of all of the connotations of this one-year anniversary of the Leader of the Opposition. His own colleagues do it for us and do it to him. Nobody could say it better than the member for Lyons, who, on his way into the House earlier today, said that if Labor is still well behind in the polls next year the caucus might have to reassess its support for the Leader of the Opposition. I quote: 'There's no guarantee, of course. Who knows what happens in that time. He's been on a pretty strong learning curve, I think.' Or, better still, the member for Grayndler's comment, which the Treasurer referred to but is worth repeating. It is going to be one of the all-time greats, this quote. He said on radio: 'I think it's been a good year except for the election.' I do not know what happened to the other 10½ months. It must have been a fool's paradise that you were all living in, because the election is what mattered in the last 12 months and in the last three years.

Even a supposedly strong ally, the member for Lalor, is somewhat restrained in her support for the Leader of the Opposition why do you have to keep talking to the media, anyway, on your way in? As someone who lived through 13 years of opposition and more than a few leadership changes, I would say it is better to avoid the media on special occasions like this anniversary. The member for Lalor said: 'It was a devastating defeat. We are still emotionally, I think, recovering from a devastating election defeat. I think the election result was an election result that he, the Leader of the Opposition, made a real difference to.' Yes, he did make a real difference to the election result, but not as perhaps the member for Lalor intended to convey. It was a negative influence rather than a positive. She went on to say, without, I hope, any sense of irony, let alone sarcasm: 'I think Mark Latham has worked a miracle since this time last year.'

I think we had better go to the Oxford Dictionary to define 'miracle', because miracles normally bring about rewards and achievements and give you hope for the future; there is something optimistic about a miracle everything that is not in the minds of opposition members at present. My heart goes out to them as sincerely as it possibly can because I also suffered many down times in opposition, but the point is you have got to return to policy. It has been something that the Treasurer and others have mentioned more than once: you have got to do the hard work, and you are not doing the hard work by setting up cheap stunts like you have just engaged in. There is no case to answer, on the basis that the project did not proceed.

Mr Gavan O'Connor interjecting—

The SPEAKER—The member for Corio is warned!

Mr McGAURAN—Moreover, as the Deputy Prime Minister stated regarding the

employment of Mr Ken Crooke—this is extraordinarily important with regard to the allegations made against Mr Ken Crooke and the Minister for Veterans' Affairs: 'Documentation confirms that Mr Ken Crooke had ended any commercial relationship with A2 Milk at the time of his employment with the parliamentary secretary, the Honourable De-Anne Kelly. During his employment with Mrs Kelly, he received no ongoing payment from A2 Milk.'

So what is the allegation against the minister? The project never continued. Documentation is provided to show that Mr Ken Crooke was not receiving any payment and was not in any commercial relationship with A2 Milk. What is the tactic of the opposition? Is it to establish their economic credentials? No, I do not think so. How many questions have we had from the shadow Treasurer today or, in fact, over the course of the week? How many questions did the shadow Treasurer or the much-touted new omnipresent shadow minister for industry, manufacturing and all associated activities ask this week? But a handful, at a time of enormous economic importance to the nation. So, if the opposition sees its way back to office or to credibility as-

Mr Martin Ferguson—How many announcements in your seat! Twenty! Twenty rorts in your seat!

Mr McGAURAN—The member for Batman asks me about Gippsland. That reminds me of the day during the election campaign when the member for Hunter came to the Latrobe Valley and, together with the candidate for Gippsland and the then sitting member for McMillan, the recently departed Christian Zahra, announced a \$155 million power station. Oh, no, this was not a \$5,000 grant, or \$500,000, \$5 million or \$50 million; this was a \$155 million power station. There was no proponent, no technology, no

program, no application, no press release. I asked the journalist who attended the member for Hunter's doorstop whether I could have a copy of the press release so I could know the basis of this \$155 million announcement, and there was no press release. There was no program, there was no applicant, there was no technology, yet there was a \$155 million announcement, which made a big splash politically.

I have to acknowledge the member for Hunter's intervention in the McMillan and Gippsland campaigns. But it did not work. Neither of the Labor candidates for McMillan or Gippsland are here today. We want to know on what basis that \$155 million announcement was made-made without any preparation, except for political desperation. Do you see the difference between the Labor Party and its rank hypocrisy, and the government's guidelines, probity and checks? A project does not proceed, and the minister is criticised. The minister is also criticised for the employment of an individual whereby documentation shows he had no commercial relationship with the proponent. Moreover, the project was aimed at assisting dairy farmers before it was discontinued.

Quite frankly, everybody who is fair, balanced or objective can see that this stunt by the Labor Party is all about its internal workings. It is a party despairing of its future but refusing to learn the lessons of history. Where are the economic questions, where are the economic debates? Every MPI this week chosen by the Labor Party should have been on economic issues. At a time when the Prime Minister, the Minister for Foreign Affairs and the Minister for Trade are forging new trade opportunities in ASEAN in historic terms, the Labor Party is silent. It is silent on issues of great national importance and on economic management. Instead, you chase rabbits down burrows. You bring further discredit on yourselves, and you give

your leader no cheer on his 12-month celebration.

The SPEAKER—Order! The time allotted for this discussion has expired.

Ouestion put:

That the motion (Ms Gillard's) be agreed to.

The House divided. [3.21 p.m.]

(The Speaker—Mr David Hawker)

Ayes	60
Noes	<u>83</u>
Majority	23

AYES

Adams, D.G.H.	Albanese, A.N.
Andren, P.J.	Beazley, K.C.
Bevis, A.R.	Bird, S.
Bowen, C.	Burke, A.E.
Burke, T.	Byrne, A.M.
Corcoran, A.K.	Crean, S.F.
Danby, M. *	Edwards, G.J.
Elliot, J.	Ellis, A.L.
Ellis, K.	Emerson, C.A.
Ferguson, L.D.T.	Ferguson, M.J.
Fitzgibbon, J.A.	Garrett, P.
Georganas, S.	George, J.
Gibbons, S.W.	Gillard, J.E.
Grierson, S.J.	Griffin, A.P.
Hall, J.G. *	Hatton, M.J.
Hoare, K.J.	Irwin, J.
Jenkins, H.A.	Kerr, D.J.C.
Latham, M.W.	Lawrence, C.M.
Livermore, K.F.	Macklin, J.L.
McClelland, R.B.	McMullan, R.F.
Melham, D.	Murphy, J. P.
O'Connor, B.P.	O'Connor, G.M.
Owens, J.	Plibersek, T.
Price, L.R.S.	Quick, H.V.
Ripoll, B.F.	Roxon, N.L.
Rudd, K.M.	Sercombe, R.C.G.
Smith, S.F.	Snowdon, W.E.
Swan, W.M.	Tanner, L.
Thomson, K.J.	Vamvakinou, M.
Wilkie, K.	Windsor, A.H.C.
NOES	

Abbott, A.J.	Anderson, J.D.
Andrews, K.J.	Bailey, F.E.
Baird, B.G.	Baker, M.

Baldwin, R.C.		Barresi, P.A.
Bartlett, K.J.		Bishop, B.K.
Bishop, J.I.		Broadbent, R.
Brough, M.T.		Cadman, A.G.
Causley, I.R.		Ciobo, S.M.
•		,
Cobb, J.K.		Costello, P.H.
Downer, A.J.G.		Draper, P.
Dutton, P.C.		Elson, K.S.
Entsch, W.G.		Farmer, P.F.
Fawcett, D.		Ferguson, M.D.
Forrest, J.A. *		Gambaro, T.
Gash, J.		Georgiou, P.
Haase, B.W.		Hardgrave, G.D.
Hartsuyker, L.		Henry, S.
Hockey, J.B.		Howard, J.W.
Hull, K.E.		Hunt, G.A.
Jensen, D.		Johnson, M.A.
Jull, D.F.		Keenan, M.
Kelly, D.M.		Laming, A.
Ley, S.P.		Lindsay, P.J.
Lloyd, J.E.		Macfarlane, I.E.
Markus, L.		McArthur, S. *
McGauran, P.J.		Moylan, J. E.
Nairn, G. R.		Nelson, B.J.
Neville, P.C.		Panopoulos, S.
Pearce, C.J.		Prosser, G.D.
Pyne, C.		Randall, D.J.
Richardson, K.		Robb, A.
Ruddock, P.M.		Schultz, A.
Scott, B.C.		Secker, P.D.
Slipper, P.N.		Smith, A.D.H.
Somlyay, A.M.		Southcott, A.J.
Stone, S.N.		Thompson, C.P.
Ticehurst, K.V.		Tollner, D.W.
Truss, W.E.		Tuckey, C.W.
Turnbull, M.		Vaile, M.A.J.
Vale, D.S.		Vasta, R.
Wakelin, B.H.		Washer, M.J.
Wood, J.		
500, 0.		11

* denotes teller

Question negatived.

PRESENTATION OF DOCUMENTS

Mr FITZGIBBON (Hunter) (3.27 p.m.)—Mr Speaker, the Minister for Citizenship and Multicultural Affairs misrepresented me—

The SPEAKER—Member for Hunter, what point are you rising on?

Mr Crean—A personal explanation.

Mr FITZGIBBON—No, I am not going to bother with a personal explanation. I have a media release here which will clarify the point raised. I seek leave to table a media release dated 4 October under my name relating to the issue the minister for citizenship raised during debate.

Leave granted.

QUESTIONS TO THE SPEAKER

Parliamentary Secretaries

Mr LATHAM (3.27 p.m.)—Mr Speaker, I have two matters for you. The first is that I would ask you to reflect on your earlier ruling that parliamentary secretaries are not responsible to the parliament. In particular, I draw your attention to page 70 of *House of Representatives Practice*, which states:

These restrictions—

on parliamentary secretaries—

were circumvented when the Ministers of State Act 1952 was amended in the year 2000 to increase the number of Ministers of State by 12 additional positions, to be designated by the Governor-General as Parliamentary Secretary. ... Parliamentary Secretaries were now technically 'Ministers' for constitutional purposes ...

So there is no doubt under *Practice* that parliamentary secretaries are accountable to the House, and I urge you to ensure that the Minister for Transport and Regional Services brings forward to the House all the relevant information from that earlier question concerning the parliamentary secretary and the conflicts of interest of her staff so that the House has an answer to the questions that were asked. In fact, this parliamentary secretary in her former position is accountable to the House, especially given the fact that she is now a minister sitting on the front bench and really should be free to answer those questions in any case.

The SPEAKER—Do you want my response now?

Mr LATHAM—Yes, and then I will ask a second question.

The SPEAKER—I say to the Leader of the Opposition, as I said earlier, that the parliamentary secretary is not required to answer questions. That does not say not responsible; it says they are not required to answer questions. That includes the Minister for Veterans' Affairs, who is not required to answer questions in relation to matters that occurred at the time she was the parliamentary secretary. I refer you to page 522 of *House of Representatives Practice* for that point.

Mr Latham-Mr Speaker, will you ensure that her actions as a parliamentary secretary are ultimately responsible to the House by asking the senior minister, Mr Anderson, who was senior to Parliamentary Secretary Kelly at the time, to bring forward the relevant information that was asked for by the opposition earlier on? Surely there should be some accountability mechanism by which parliamentary secretaries' role and responsibilities under the ministerial code of conduct are publicly known and accounted for in this House. They cannot just be holes in history that are never accounted for in any shape or form during the question time of the House. I think it would be fair and reasonable for Mr Anderson to bring that information forward so that there is some proper accountability, as provided for under the House of Representatives Practice. Will you do that, please?

The SPEAKER—The Leader of the Opposition raises a point where he has the opportunity, either through questions without notice or a question on notice, to seek that information. So I suggest to the Leader of the Opposition that he put that question on the *Notice Paper* or raise it during question time.

Mr Latham—With respect, Mr Speaker, we did ask it to Minister Anderson and he

did not provide the House with an answer. The opposition logically was very concerned at that point when you said that parliamentary secretaries are not accountable to the parliament. So we have a minister who will not answer and a Speaker who is saying that the parliamentary secretaries are not accountable to the parliament. It is no wonder we are asking for a mechanism by which their accountability as paid members of the Executive Council can be brought to the attention of the House of Representatives. It is not an unreasonable request in a democracy for people who are part of the executive to be accountable to the House. We just want a mechanism and your involvement as Speaker of the House on behalf of the Australian people, who expect accountability in this place, to facilitate that process.

The SPEAKER—I say again to the Leader of the Opposition that I have not said that parliamentary secretaries or ministers are not accountable. All I said was that the parliamentary secretary is not required to answer a question. I refer you again to page 522, which specifically says:

The standing orders do not provide for Parliamentary Secretaries or Under-Secretaries or Assistant Ministers to be questioned on matters of government administration. The resolution of the House of 5 May 1993, which empowers Parliamentary Secretaries to perform all other ministerial functions in the House, specifically excludes the answering of questions.

Standing Order 98

Mr McMULLAN (3.32 p.m.)—Mr Speaker, further to the matter properly raised by the Leader of the Opposition, can I ask you to consider, and report back to the House, your interpretation and in particular one aspect of standing order 98 which I wish to raise and its consequences. As the member for Denison pointed out, parliamentary secretaries are constitutionally ministers. What we have now is a situation where a minister,

in her previous role, has taken an official action in that role. I agree with your interpretation: if she were still a parliamentary secretary we could not ask her a question about that; we would have to ask the minister responsible. That is what page 522 of House of Representatives Practice says and means, and you are correct, but it does not actually cover the circumstances in which we now find ourselves, because this person is now a minister, and standing order 98 explicitly says that a minister can be asked questions on matters for which they are responsible, or officially connected, to do with public affairs et cetera. It is unquestionably the case that this person can be asked a question in the House, it is unquestionably the case that this is a matter with which they are officially connected and it is unquestionably the case that they ought and must be accountable to us—or else you are creating a precedent. You must create a precedent because the matter has not been raised before. The status of parliamentary secretaries was changed by the Ministers of State Act only recently, so noone has had to deal with this matter before. So I ask you to consider it and come back to us because the implications of your ruling are quite profound and I think require some deliberation. But I do not believe it is an appropriate interpretation of standing order 98(c) to say this is not a matter with which that minister is officially connected. That is an extraordinary interpretation, and I ask you to reflect on it and come back to the House on it.

The SPEAKER—I am happy to take that on notice. I can see the difficulty the member is raising, but I think the interpretation I have made so far is correct. However, I am happy to give further consideration to it.

Regional Services: Program Funding

Mr LATHAM—My second question is again a matter of parliamentary accountabil-

ity. On Monday the Deputy Prime Minister promised to table in the House the documentation concerning the grant for the R.M. Williams centre in the seat of Hinkler. The expectation of the House-and I believe the very clear indication of the Deputy Prime Minister-was that he would do that on Tuesday. Three days later the information has not been tabled. Surely it makes a mockery of this House when ministers undertake to table information, it does not appear, and come Thursday afternoon there is no sign of it. Could you please ensure that when a minister has promised to table information in the House—and he at the time said words to the effect, 'We can do that, we can bundle that up and get it in here straightaway'—if they make that promise to you as custodian of the House, that they are actual respectful of that promise to you and it is acted on at the first available opportunity? And maybe it could be done before the close of business and the close of the House this afternoon.

The SPEAKER—The minister did not give a time frame for presenting those papers. Nonetheless, the Leader of the Opposition does raise a reasonable point. As to whether it is the responsibility of the Speaker to follow that up, I do not believe so.

Opposition members interjecting—

The SPEAKER—But the undertaking is made to the House, not to the Speaker.

Mr Latham—Just on that point, Mr Speaker, you are saying that when a minister promises to the House that he will table information it is not your responsibility, on behalf of the House, to follow that up. Surely the Speaker should take seriously promises made in the House by ministers and ensure that they are kept. Ultimately, Mr Speaker, it was not a promise to the opposition—we are not expecting that—but a promise to you. When a minister says the information will be tabled in the House, he is making that com-

mitment to you, as custodian of the House. I think it is incredibly disrespectful to your high office for the minister, at the end of business this week, to have taken no action to table this basic information. I clearly heard him say, 'Yes, we can bundle it up and get it in here,' so how about he shows a bit of respect for you and the House by doing it before the close of business today?

The SPEAKER—The Leader of the Opposition has raised his point publicly and, by inference, has drawn it to the attention of the minister. I do not believe it is the responsibility of the chair to demand that the minister respond, but there are forms of the House that the Leader of the Opposition could take if he wished to press that matter.

Parliament House: Aboriginal Flag

Mr SNOWDON (3.37 p.m.)—At about 10.30 this morning, a group of people accompanying Michael Long approached the parliament forecourt and sought to have photographs taken with an Aboriginal flag. They were advised by the security attendants that they were not allowed to have a photograph taken with the Aboriginal flag, which, as you know, Mr Speaker, is an official flag under the Flags Act. On what basis could that decision have been taken? Who authorised the instruction? Will you, Mr Speaker, seek to ensure that Michael Long and those accompanying him get an apology for that instruction?

The SPEAKER—In response to the member for Lingiari, I will investigate the matter further and report back if appropriate.

PERSONAL EXPLANATIONS

Mr FITZGIBBON (Hunter) (3.38 p.m.)—Mr Speaker, I wish to make a personal explanation.

The SPEAKER—Does the honourable member claim to have been misrepresented?

Mr FITZGIBBON—I do.

The SPEAKER—The member for Hunter may proceed.

Mr FITZGIBBON—During the last debate, the Minister for Citizenship and Multicultural Affairs Minister accused me of announcing on behalf of the Labor Party a \$150 million grant without going through any probity structures. In response, it is true that I announced that up to \$150 million would be made available to potential proponents, who were invited to contest for that money. The probity issues would have come later.

QUESTIONS TO THE SPEAKER Presentation of Documents

Mr FITZGIBBON (3.38 p.m.)—I also have a question for you, Mr Speaker. You will be aware that during a debate in this place yesterday morning there was an incident involving the member for Paterson, during which I raised a point of order on your ruling with respect to the tabling of newspaper articles in this place. I foreshadowed at that time that I would take the matter up with you at a later hour. I did not do so yesterday, for obvious reasons. I ask you, Mr Speaker, whether you are prepared to report back to the House on your intentions with respect to the standing of that ruling. If you intend that the ruling should stand, can you in particular advise the House whether you have determined the rule should stand on the basis of the fact that the tabling of the documents somehow offends the standing orders or on the basis that you have decided that you yourself constitute the one member necessary to raise an objection to leave being granted and therefore the tabling? It is very clear under standing order 63 that the House is master of its own destiny in this regard. It clearly says that if no member objects then leave shall be granted. I think it is important that you specifically address the reasons why

you believe the ruling should stand—if indeed that is your final conclusion.

The SPEAKER—In part, I will clarify my response to the member for Hunter now in saying that my earlier statement related to question time, not to other debates. But I do intend to make a statement on Monday on that matter and others.

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Regional Services: Program Funding

Mr ANDERSON (Gwydir-Minister for Transport and Regional Services) (3.40 p.m.)—The Leader of the Opposition requested that I table documentation. I apologise; I meant to do it earlier. I was not here yesterday, as you know. I meant to do it today. I had it with me. In the pressure of other matters it slipped my mind this afternoon—it was a fairly busy place this afternoon—but I do table this material. In particular I draw the Leader of the Opposition's attention to the letter from Eidsvold's mayor of 10 Juneand all the documentation that goes with itin which he writes to request specific project grant assistance for the R.M. Williams Australian bush centre, incorporating the Eidsvold sustainable agriforestry complex.

DOCUMENTS

Mr McGAURAN (Gippsland—Deputy Leader of the House) (3.42 p.m.)—Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the *Votes and Proceedings* and I move:

That the House take note of the following document:

Airservices Australia—Corporate Plan July 2004— June 2009—section 13 of the Air Services Act 1995

Debate (on motion by **Ms Gillard**) adjourned.

MATTERS OF PUBLIC IMPORTANCE Defence: Medals

The SPEAKER—I have received a letter from the honourable member for Brisbane proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The Government's failure to properly recognise the contribution of our defence personnel and its mishandling of medals awards.

I call upon those members who approve of the proposed discussion to rise in their places.

More than the number of members required by the standing orders having risen in their places—

Mr BEVIS (Brisbane) (3.42 p.m.)—The Howard government regularly likes to wrap itself in khaki colours for what it sees as some political gain, but it does this at exactly the same time as it ignores the proper welfare of our Defence personnel—our troops and our war veterans. The men and women of the Australian Defence Force who serve this nation so well and who have done so over such a long period of time deserve better treatment than this government has given them. Since the election, a new minister responsible for personnel matters has been appointed and we on this side of the chamber hope to see some improvement in the way in which Defence personnel matters are dealt with by the Howard government.

There has been a sorry line of Howard government Liberal ministers in this portfolio who either did not care about the welfare of the troops in their charge or simply were not competent to do anything about it. I can well recall when the member for Mackellar, Bronwyn Bishop, was minister. She would not even answer letters that she got from Defence personnel, their organisations or the Returned and Services League. In fact, the only letters she ever signed were the letters

that came with medals that were being handed out. She was recognised as the 'Minister for medals'. She used to make sure that her signature was on all of those letters but on nothing else. In fact, the name of her adviser Aldo Borgu used to appear on nearly every single letter that came out of the office, especially the ones in answer to tough questions. So the member for Mackellar made sure that she had no role whatsoever in looking after the welfare of those in her charge.

Ministers in this portfolio since that time have by and large been decent people, but they have been a long way out of their depth. The water does not have to be too deep in this area for people on the other side of the chamber to be out of their depth. One of the ministers who held responsibility for the portfolio not that long ago, the member for Hughes—I might say she is a very nice person—was known throughout the defence community as the minister for morning teas.

At the outset I have to be fair and acknowledge that the member for Longman, the current minister's immediate predecessor, at least took an interest in these matters. He met with the representative organisations, he listened to their concerns and I think he was genuinely concerned about looking into some of these matters and pursuing them. He started the ball rolling in looking at some of the key issues. Unfortunately, little was produced at the end of his term in that portfolio. But at least, unlike all of his predecessors, he took a keen interest in these matters and listened to those in the services and returned services about the genuine concerns they had which had been neglected so long by the Howard government. I would encourage the new minister to adopt a similar role in her responsibilities as we enter this new parliament. On this side of the House, we wish the new minister well, but I need to outline a few of the areas in which things have gone off the rails since this government was first elected in 1996.

This government has unashamedly used the defence forces for its own political gain in a manner that is totally unprecedented. It has tried to milk every deployment for all the partisan political benefits it can get. Who on this side, or indeed throughout the country, is ever going to forget the cynical, disgraceful way in which our troops were used in the 'children overboard' affair? There were claims that our troops and our defence forces had provided reports to the government about events that never occurred—and, of course, the reports were never written. We had the shameless actions of the then defence minister Peter Reith and his junior ministers, and indeed the Prime Minister and others. claiming from Defence things that had never existed.

We had SAS troops sent out to secure a leaky boat with a bunch of unarmed, hungry refugees on it. That decision was taken not on the basis of any military need, not on any strategic or tactical assessment, but for crass political reasons. Frankly, a few immigration officers and a few Federal Police officials would have been able to get the same outcome, with perhaps a few troops thrown in. We did not need to use our crack front-line SAS troops to go out to a leaky boat with some hungry, destitute refugees, other than to make the political point the government wanted to make at that time. They were unashamed about it.

Then there is the Prime Minister and his photo opportunities. It is a bit like *Where's Wally?* Every time there is a troop deployment, any time there is a return, it is: 'Where's Johnny? Find Johnny in the picture.' I am afraid the Prime Minister has worn out his welcome in a lot of those places. And how many send-offs and welcome homes did we have? It seemed like

every second week there was another ceremony being orchestrated for the press and for the political gain of this government. There has never been a government that so crassly manipulates the Australian defence forces for its political gain in the short term. In fact, it has reached the point where, within the services, tolerance for that has evaporated.

Instead of providing proper recognition of our troops when they return home, the Liberal government have sought to twist these events to maximise their political benefit. I remember only too well the return of our troops from the Iraq conflict and, in particular, the return and welcome home of our F18 contingent to Tindal. For those who are not familiar with the process, the timing of those returns and formal welcome home ceremonies is absolutely—to the final detail within the power of the minister's office to determine. What did this government do to politicise that deployment and the return of those troops? They arranged for our F18s to return to Australia and be welcomed home at Tindal in the Northern Territory on the very same day that the Leader of the Opposition was giving his reply to the budget.

All members of this parliament know the significance of budget night and the reply by the Leader of the Opposition. It is one of the major annual events in the calendar of this parliament. The government sat down and planned the return of those F18 pilots and the welcome home in Tindal to coincide with the very time the Leader of the Opposition would be standing in this chamber at this dispatch box, giving his reply to the budget. That was a master stroke in tactics—totally immoral behaviour, but a master stroke in tactics—because it did two things.

Firstly, it prevented the leader of the Labor Party from being present in Tindal to welcome home those troops, as would have happened under any other circumstance. It removed the opportunity for the leader of the Labor Party to, in a bipartisan way, along with the Prime Minister and on behalf of the Australian people, thank the troops for their duty and service and welcome them back. Secondly, it meant that the TV news that night and the newspapers the next day had two high-profile competing stories, something to detract from the work of the Leader of the Opposition at that time. That is just one of the many low points that this government have sunk to as they have sought to politicise the way in which Australian Defence Force personnel have been treated by them.

But there are issues of safety. It is not just about getting a bit of publicity and political gain out of this. The government are willing to risk the safety of our personnel when it suits them, as a survey of the Navy that was conducted last year has disclosed—a survey which the government sought to hide. They tucked it away under the carpet, hoping it would never see the light of day. It has been exposed only as a result of prolonged freedom of information efforts to have it disclosed. It showed that some 40 per cent of people in the Navy did not report near misses and accidents when they happened. Forty per cent of people in the Navy thought that Navy's management traded off their safety for operational deadlines. We need to think about that. That is 40 per cent—a very high percentage—of our naval forces who believe that their wellbeing comes second to deadlines and that, if they do go around and report near misses and problems, the response will not be to fix the problem; it will be to shoot the messenger. So they simply do not report the problems.

This survey was at the end of last year, when a very large number of those naval personnel had seen operational duty in the Middle East. That is hardly the time you want to have a culture of that kind within the

services. Yet that is the way in which this government has operated the defence forces. There is a culture that the Liberal Party has fostered throughout the Defence Force that now permeates many people in uniform and many in the civilian bureaucracy that support them in the defence department. It is part of this 'group think', where the government only wants to hear the advice that suits it. The bureaucrats know it—and, if you step out of line, you suffer the consequences.

If we need any proof of that we only need to think back to Federal Police Commissioner Keelty's comments when he simply made honest observations about Australia's new security environment. He found himself ridiculed and attacked by the Prime Minister and leading figures within the government. You agree with this government's political objective or they turn around and shoot the messenger when they get an honest answer or advice they do not want. That is the way the government have intimidated bureaucracies throughout the system—and more frighteningly, I think, than with any other department, it is now taking hold within Defence. This group-think results in bad advice and bad decisions, because to do otherwise incurs the wrath of the Prime Minister.

I turn now to a recent issue which relates to the other aspect of the matter of public importance—that is, the way in which this government has mishandled the awarding of medals. We have had the government herald-with some justification-the work of the Australian troops in East Timor and Timor Leste. The minister's predecessor, the Hon. Mal Brough, actually visited 6 Battalion, RAR on Timor Leste last year and told them that the Australian Service Medal was going to be awarded to those members who served in East Timor as part of Operation Citadel. In answer to their questions at the time, he went on to say that those who had been in earlier rotations and who had already received the Active Service Medal would still be entitled to receive the Australian Service Medal.

Here we are now, more than a year after that commitment was given by the minister responsible, and those troops have heard no more. Those troops are still unable to wear the medal that they were promised—the medal that they are justified to wear with pride for their service on behalf of this country. I will be interested to hear the minister's comments in reply to this debate about actions she is taking to rectify that matter and to ensure that those troops who went to Timor Leste do in fact get the award that their service entitles them to, and which was promised to them by her predecessor, Mal Brough.

In the moments left to me I want to refer to what I think is an even more offensive omission from the awards system which is associated with Vietnam veterans. Nearly 40 years after the end of the war in Vietnam, 40 years after these people returned from Vietnam, they still find that they are unable to get proper recognition. To this day, those who served in the Battle of Long Tan await justice for their heroic service. The Battle of Long Tan was the fiercest conflict Australians participated in throughout that entire war; 108 Australian soldiers confronted some 21/2 thousand regular and Viet Cong troops. Heroic deeds were performed that day in the battlefield by a small number of very well trained, very good Australian troops. But the major medals for that battle were actually given to the senior officers rather than to those who fought the battle.

We only know the details 30 years later because this material was locked away and only made public after the 30-year rule kicked in in 1996, which was also when John Howard was elected. Since 1996, repeated efforts by me and a number of other mem-

bers on this side of the parliament, not to mention the veterans themselves, have met with deaf ears and ignorance on the part of government ministers—although I should say that at least the former minister, Minister Brough, did something about looking into the issue. I encourage the present minister to follow up on that.

We had a situation where the people who were awarded the medals arrived at the battle scene after the last shot was fired in anger. The commander on the battlefield recommended for military crosses those who had fought heroically. They ended up with a mention in dispatches. Just to put this into context, on the same list of awards that the Long Tan veterans got their mention in dispatches, the postal clerk in Vung Tau got a mention in dispatches for doing a good job shuffling paper. The award our heroic veterans from Long Tan got was the same as the award given to the person who looked after the postal office at Vung Tau. Tell me there is any justice in that when the people who got the gongs were the ones who turned up after the last bullets had been fired.

There are other cases. The case of the RAAF Ubon people deserves recognition. The cases of mismanagement when it comes to disciplinary matters deserve recognition. There has been a long list of parliamentary and other inquiries into harassment, intimidation and bastardisation and an underlying culture that has to be addressed. It has been ignored for eight years by this government. We look to this minister for some action to resolve those long outstanding problems. (*Time expired*)

Mrs DE-ANNE KELLY (Dawson—Minister for Veterans' Affairs) (3.58 p.m.)—First of all, I would like to address the shadow minister's reference to the Battle of Long Tan. The member for Brisbane is quite right: the Battle of Long Tan was a bloody

battle. We are very proud of what the Vietnam veterans did in that very significant battle. That occurred on 18 August 1966. It was a very long time ago. The South Vietnamese government at that time indicated its intent to recognise 22 Australian veterans of the battle for gallantry awards and distinguished service awards. Regrettably, at that time there was a strict foreign awards acceptance policy and those awards were never made. There is no doubt that that is a source of great regret. Australian governments throughout that time have had difficulty resolving this issue, particularly since the South Vietnamese government completely disappeared in 1975.

In June this year, the coalition government agreed that a rare discretion in the principles of the honours and awards system could be employed to allow these medals to be worn. A list of intended awards established following the battle was also identified and the Governor-General's approval was gained to allow these veterans to wear the awards offered by the South Vietnamese government at the time. There is no doubt that, as the member for Brisbane has rightly pointed out, this is very belated after such a significant battle for our soldiers. But we are pleased as a government that at long last, as testimony to their commitment, the Long Tan veterans will be able to proudly wear these awards.

I would like to move on to other points that the shadow minister has made. There is no doubt that this government has a strong record in providing appropriate recognition to all members of the defence forces, both past and present. The coalition has awarded close to one million new award entitlements. Awards have been increased from an average of 10,000 to 52,000 so far this year. More importantly, on 26 June this year the government announced the establishment of the Australian Defence Medal for six years service in the defence forces. The medal recognises the service and commitment of sol-

diers, whether they serve in operations overseas or remain in Australia in a support role. Eligibility for this medal will be backdated from the end of World War II and will extend to an estimated 400,000 potential recipients.

In 2002 the government announced the national service medal for service between 1951 and 1972. This was established to mark the 50th anniversary of the introduction of post World War II national service. Approximately 352,000 former national servicemen—nashos, as they like to be affectionately known—are eligible for this medal. So far 120,000 have been issued. We also have an ongoing commitment to recognise current members of the ADF who have served in operations. Medal entitlements have been created for service in Bougainville, East Timor, Iraq and Afghanistan. The INTERFET campaign medal was established to recognise service in the International Force East Timor.

In relation to Iraq and Afghanistan, we have so far issued 11,000 Australian Active Service Medals and clasps. On Anzac Day this year the Prime Minister announced the creation of two campaign medals to recognise the outstanding service of our forces in Iraq and Afghanistan. Formal approval of the regulations and the medal design has now been received from Her Majesty the Queen. Tenders for the manufacture, engraving and dispatch of the medals closed last Friday. Our timetable is to have a signed contract in place by Christmas, with medals ready to present by March or April next year. The government are also very proud to have introduced and created the Defence Long Service Medal to recognise regular and reserve service alike. In 1996 we promised to conduct reviews into service anomalies since World War II, particularly in the South Pacific region. The most comprehensive of these was a review of service entitlement and anomalies in respect of South-East Asian service from 1955 to 1975. This resulted in increased benefits under the Veterans' Entitlements Act and increased medal entitlements for that period. The other priority in which I am pleased to say we have been very active is reducing the time frames for responding to all medal applications. We have improved processes significantly through increased use of technology, improved internal processes and additional staffing resources. There have been significant inroads into reducing backlogs over the last 12 months.

I would now like to specifically refer to East Timor and the points that the shadow minister has made. Firstly, we have great regard for the work that our defence people have done in East Timor. It has been an example of their ongoing courage and determination. We are extraordinarily proud of them and it is appropriate that they receive the proper medals entitlements. I am not intending to respond to the points about what my predecessor, Minister Brough, may or may not have said. I do acknowledge that, regrettably, the medal entitlements for this deployment have taken longer than normal and certainly longer than both the government or the department would have liked. However, there have been a number of unavoidable reasons for that.

In the awarding of medals, entitlements are not automatic. There is a review policy and determination in which we consider the entitlement of not only those who are in the present deployment but also those in future operations. However, a double medalling policy is in place. Those who served in East Timor during the period of warlike declaration—and that would have covered parts of operations Faber, Warden, Tanager and Citadel—will, of course, quite rightly receive the Australian Active Service Medal. However, where they also served time in non-warlike

periods in the same deployment they will not receive the Australian Service Medal.

Mr Bevis—What about subsequent deployments?

Mrs DE-ANNE KELLY—The shadow minister is well ahead of me, and he is correct. For separate and subsequent deployments it is entirely appropriate that our ADF members receive their entitlement not only to the Australian Active Service Medal but also to the Australian Service Medal. All of those who have courageously served in East Timor will receive their proper entitlements.

My predecessor, Minister Brough, fully endorsed this approach, and formal instruments to implement the medal entitlements were prepared for the approval and signature of the Governor-General. Regrettably, there was an error in one of the instruments requiring some amendment, and it was returned to the department. This, however, provided an opportunity to include entitlements for the Australian Service Medal for ADF members serving on Operation Spire, which commenced in May 2004. As the shadow minister would be aware, since then there have been changes in ministerial responsibility and, of course, the election. I would like to assure the House, the shadow minister who has raised this matter and, most importantly, our defence people who served so courageously in East Timor that I intend to deal with this matter as expeditiously as possible.

I would like to take this opportunity to talk about our other commitment to our serving Defence Force members and veterans. We inherited a situation where the defence forces were sadly run down. A great deal needed to be done. We had to ensure that there was extra budget funding to ensure that our troops, whenever they are deployed, have the resources needed to stay until the job is done, and that they were deployed in the safest and most secure way, with the

proper resources and equipment. When we, sadly, took office, over 15,000 ADF personnel—

Mr Ripoll—It is very sad they took office.

Mrs DE-ANNE KELLY—It was sad for the defence forces, let me tell you. They had lost 15,000 personnel, which included the disbandment of two full-time Army battalions. Let us not just talk about medals, appropriate as that is. We must recognise the service of our Defence Force personnel. But we also need to ensure that our defence personnel are properly resourced, that they have the capacity, equipment and training for their security, and that they are able to undertake their operational deployments appropriately.

Defence spending under the previous government was reduced from 9.4 per cent of total budget outlays previously to eight per cent in 1994-95. Inefficiency and mismanagement were rife. The Defence Efficiency Review in 1997 found there was over a billion dollars of waste and duplication under the Labor Party. Imagine what that would have done, had it been spent on equipment and resourcing our Defence Force personnel. Labor's mismanagement led to major defence problems, including inadequate weapons systems on ADF submarines and frigates, delays in the Jindalee Operational Radar Network, project cost blow-outs and unprotected intellectual property rights to defence technology. I am pleased to say that since we took government we have made great strides in ensuring that our defence forces are properly resourced. There is an extra \$1.8 billion over four years, bringing the total defence budget to \$16.35 billion in 2004-05.

I would also like to speak about our veterans because, of course, we are very proud of their commitment to this great nation. They are one of the most respected groups in the Australian community, and they are regarded with great affection by all Australians. It is appropriate that we are fully committed to the care and wellbeing of our veterans and war widows. I am proud to say that since we have been in government we have increased funding—not that funding is the only measure of a government's commitment to any particular sector, but it certainly is a demonstration of our serious commitment to the care and wellbeing of our veterans.

We have increased overall funding from \$6.5 billion in 1996 to a record \$10.6 billion in 2004-05. We have introduced real improvements in income support, compensation and health care arrangements. In health care alone we have increased spending since 1996 from \$1.8 billion to a record \$4.4 billion. We have also increased spending for income support and compensation from \$4.6 billion to \$6 billion over our period of government. As part of the response to the Clarke review of veterans' entitlements the government has committed additional funding of \$289 million over five years.

It is entirely appropriate that we recognise and award medals to ADF personnel for their engagement in both warlike and non-warlike circumstances. We will certainly ensure that Australian Active Service Medals and Australian Service Medals for East Timor and other deployments are awarded to our defence personnel. Of course, there are also our veterans. Thankfully, some from the First World War are still with us. We have over 350,000 veterans from other operational deployments in Australia. We are very proud to be able to commit to their income support, health care and, most importantly, compensation

From a very small level of \$6.5 billion when Labor left government, we have taken spending on our veterans to \$10.6 billion. I believe we have every reason to be proud of

our Defence Force personnel and veterans. We will commit to further ensuring that they will receive not only the medals they so richly deserve but also adequate health care, compensation and income support.

Ms GRIERSON (Newcastle) (4.12 p.m.)—It is a privilege to speak on behalf of the good men and women of the Australian Defence Force. I take this opportunity to congratulate all personnel at RAAF Williamtown, in my region, on their handover yesterday of the long-range radar surveillance aircraft control support centre. The 'eyes of the nation' will be very active.

I rise to support the member for Brisbane in drawing attention to this government's failure to properly recognise the contribution of our defence personnel. I do this while the words of the new Minister for Veterans' Affairs, answering her first difficult question in question time, ring in our ears. I remind you of those words: 'Apparently a problem of record keeping, a paperwork issue.' I hope that is not going to be the new mantra from this minister when we hear important defence matters raised in this chamber, because certainly our defence personnel demand and expect a lot better than that.

What are our defence personnel currently doing? There are 2,000 of them serving overseas at the moment, in the Solomon Islands, Iraq, East Timor, the Middle East, Sinai, Eritrea and Ethiopia. These are difficult operations, these are big numbers and these are critical encounters and critical deployments. There are very diverse demands being placed on our forces. If we are to expect so much for our country from defence personnel, then it is time, once again, that we put this government on notice. The defence community deserve better representation than they have had from the Howard government over the last 8½ years.

I remind the House, as the member for Brisbane did, that the 'children overboard' affair showed the Howard government's willingness to use senior defence personnel in contemptuous ways. We saw the early deployment of forces to Iraq without the protection of the UN, and we saw a vaccination program, preceding that deployment, that was mishandled and very disrespectful to the defence personnel involved. Families of personnel serving abroad experienced control of information, misinformation and limited information, with no idea of the conditions that their loved ones were facing. A report of a health study into the Gulf War illness was released years after it had been prepared. These are just some of the examples of the contempt that this government has shown for its obligations to the ADF.

Perhaps the greatest test of any government and its commitment to ADF personnel is when someone from their ranks dies. It seems to be, sadly, inevitable. I remind the House of this government's inadequate response to Kylie Russell, a constituent of the member for Cowan. Her baby was born shortly after her husband. Sergeant Andrew Russell, was killed in Afghanistan when the vehicle in which he was a passenger drove over a landmine in 2002. The impact on Kylie was one that none of us would like to experience and none of us could ever really understand. But those who were privileged enough to meet her in the first sitting week of this new parliament were humbled by her courage and generosity. Unlike the government. Kylie clearly understands that the ADF are like one large family. She has chosen to use her tragedy to assist every member of the ADF family that her husband Andrew had belonged to. And we should never forget that Kylie will subsist on a lump sum payment and a pension that is grossly inadequate. Her selfless actions highlighted the need for a review of compensation and welfare available to families of serving personnel upon death or injury. After strong and vocal support by this opposition and our leaders, legislation was finally brought to this House and has now taken effect. But do not forget that that legislation was promised after the Black Hawk disaster in 1996. This government does not move very fast when it comes to the lives and welfare of defence personnel.

I heard the minister today speaking about our veterans. Time is running out. I have been a member for only three years, but in that time I have watched our veterans and grown to know and love them. I am saddened every year when I see the veterans in my community age, undergo operations, start using walking sticks and lose their independence. I see the situations that they and their carers experience daily, and I am still trying to assist them to gain entitlements. It is too late for platitudes when it comes to our veterans. Let us get on and do something to assist every one of them fairly; it is long overdue.

This government is very fast to deploy our troops but very slow to plan responses to the human consequences of their service. We are now waiting for the report of the Senate inquiry into the effectiveness of the military justice system. Much of the evidence presented to that inquiry involved personal experiences, and they were very sad. They showed that normal channels had let people down. They showed that lodging incident reports and complaints had not necessarily led to successful conclusions. There were too many cases that could have been prevented. including harassment and assaults on men and women. It is going to be a very important day for this House when the report of that inquiry comes down.

We know that when you put people together in difficult situations you can experience the worst and the best of people. I want

to draw attention to the Singleton situation in particular, because that is an area that is in my region. There was a very tragic submission to the inquiry from Mr and Mrs Williams, the parents of Private Jeremy Williams, who died at the Singleton Army base in February 2003. It tells the story of a family trying to communicate their concerns about their son and his anguish and distress. It tells the story of parents who perhaps were not listened to and who were told that their concerns were baseless. But they were not. Jeremy committed suicide. The reason for his death was not investigated besides saying that it was a hanging. The reasons behind his death must and need to be properly explored.

I know that Mr and Mrs Williams wrote to the previous Minister Assisting the Minister for Defence in February 2003. By February 2004 they had not received an answer. Is that the sort of response we are going to see from this government, or are they going to find some heart and compassion—and some commitment? We would hope so, because we will not be accepting the answer that it is 'a paperwork issue' or 'a problem of record keeping'.

Through knowing people involved at Singleton, I know that the defence personnel have responded to a definite problem, and I have confidence that change will occur and has been occurring. I thank the personnel at Singleton Army base for their genuine efforts to respond to what has been a terrible tragedy that has been felt by people throughout the whole region.

I also want to share with the House an experience I had with the member for Charlton last year when a woman from the ADF came to see us. She had certainly experienced a difficult situation. She had been injured but she had been told to keep going through an injury, that she was a wuss and that really she was giving up. We understand that

physical training is important, but when a young body is injured and you ask that person to do more and more with an injury the result is often chronic pain for the rest of their life. Certainly there is always going to be the need for excellence in physical instruction and training.

Today we heard a new minister who says she will listen and she will be expediting actions. But I would have to say to all the new members of the House: take the opportunity to join the parliamentary ADF program. It is an opportunity I took advantage of, and I think that every member of this House should spend real time with our defence personnel in their actual working environment so that, when we make decisions here in parliament, we know that we are making decisions that affect real people and real lives. As for the commitment to expedite matters: we are going to hold you to that, Minister, and we are going to expect that you will improve dramatically on the performance of the previous minister. I am sorry, but the minister that you have replaced was called the 'minister for crocodile tears' by my electorate. We do not want crocodile tears. We want action, we want courtesy, we want respect and we want decent responses to the needs of the ADF of Australia.

FAWCETT (Wakefield) p.m.)—As I rise, I would first like to reject the notion that commanders in the ADF would put the lives of their men and women at risk for political expediency. As a previous commanding officer of a unit in the ADF, I know that duty of care was one of the highest priorities. No matter what the directions, men who were competent for the task were chosen for the task. If they were not competent, we made a priority of obtaining the training they required to complete the task. I would also like to talk about delay. Members have talked about delay in issuing medals. I would look at the Whitlam government, which at the end of the Vietnam War closed down the End of War List. Not only the Whitlam government but also the Hawke government refused to reopen the list. So, whilst the member for Brisbane talks about those at Long Tan—Major Smith and the members of D Company—it was only the Howard government that enabled those people to receive the recognition they required.

Mr Edwards interjecting—

Mr Bevis interjecting—

The DEPUTY SPEAKER (Hon. I.R. Causley)—The member for Cowan and the member for Brisbane will have an early mark if they are not careful. The member for Wakefield has the floor.

Mr FAWCETT—I turn to address what I believe is this government's commitment to looking after members of the Defence Force and to learning from our previous conflicts and from the way that members of Defence have been treated in past years. Service takes a number of forms. Some pay the ultimate sacrifice—102,000 Australians have given their lives in the history of this nation going back to colonial days. In the past, people have served in a range of theatres and have also served here in Australia. Currently we still have men and women providing service to this nation here in Australia and overseas.

Recognition for that service is important because the service is significant. That recognition may be because of some particular act of valour; it may be in the context of a campaign or in the way a person was called to give service—for example, national service, and I note the award of a National Service Medal in 2002—or it may be due to the duration of their service. And I note this government's recent decision to make sure that people who perhaps missed out on the sixyear qualifying period because of the enlistment policies of the time or because of honourable discharge due to health or other rea-

sons have now become entitled to that medal.

Recognition is important. Organisations that represent veterans and serving members have identified the support that they need either in service or to cope with the changes to their lives post service. I note with interest that the Vietnam Veterans Association lists eight or nine issues as top issues where it wants resolution. Of the issues where it wants resolution, only one touches on awards; all the others relate to areas of support—financial support, emotional support and practical support—for veterans and their families.

I note that an inquiry report was released in March 1994 and its findings were implemented, but by 1996 17 pages of recommendations drawn from consultation with service groups still required addressing. I am happy to say that the majority of those 17 pages of recommendations have now been implemented. Most importantly, recognition helps us to remember. We remember not just out of sentimentality but also so that we will not forget prior lessons.

The member for Brisbane has asked why this government wants to politicise things like the return of its troops. I remember the anger in the Australian community when this nation refused to recognise the service and ignored the return of servicemen from Vietnam. It is with pride that this government recognises the return of servicemen from current conflicts and it refuses to politicise it by adjusting the schedule of their return, making them wait overseas or making their families wait one more day to enable the Leader of the Opposition to be there as well. I reject the opposition's hypocritical accusation of politicisation of the Defence Force by this government.

The SPEAKER—Order! The discussion is now concluded.

PRIVILEGE

The SPEAKER (4.27 p.m.)—Earlier today the Leader of the Opposition and the member for Lowe raised with me a complaint of breach of privilege in relation to their performance of their duties as members. The basis of the complaint is a claim that a journalist, Ms Christine Jackman, from the *Australian* newspaper, in telephone calls to a staff member of the Leader of the Opposition and to the member for Lowe, issued a number of threats that were intended to influence them in their conduct as members.

As the Leader of the Opposition noted, attempts to influence members in their conduct as members by threats or to molest any member on account of his or her conduct in the parliament are contempts, and so also is any conduct having a tendency to impair a member's independence in the future performance of his or her duty. Assessment of whether a matter amounts to a contempt is subject to the provisions of the Parliamentary Privileges Act 1987.

In this case, while there is some lack of detail of the nature of any improper interference, I am nevertheless satisfied that, if the facts are as alleged, a serious issue is involved in connection with the performance of their duties by the Leader of the Opposition and the member for Lowe. I am satisfied that the matter has been raised at the earliest opportunity and, accordingly, I am prepared to allow precedence to a motion on this matter

Mr LATHAM (Werriwa—Leader of the Opposition) (4.28 p.m.)—I move:

That the question of whether, in telephone calls to a member of the staff of the Leader of the Opposition and to the Member for Lowe, Ms Christine Jackman of the Australian newspaper made threats that amount to an improper interference in the Leader of the Opposition's and the Member for Lowe's performance of their duties

as Members of the House be referred to the Committee of Privileges.

Question agreed to.

ADJOURNMENT

The SPEAKER—Order! It being almost 4.30 p.m., I propose the question:

That the House do now adjourn.

Mr Nairn—Mr Speaker, I require that the question be put forthwith without debate.

Question negatived.

NATIONAL WATER COMMISSION BILL 2004

Report from Main Committee

Bill returned from Main Committee with amendments, appropriation message having been reported; certified copy of the bill and schedule of amendments presented.

Ordered that this bill be considered immediately.

Main Committee's amendments—

- (1) Clause 7, page 4 (lines 15 and 16), omit "or COAG where relevant,".
- (2) Clause 7, page 4 (after line 18), after paragraph (1)(b), insert:
 - (ba) to advise and make recommendations to COAG on matters referred to in paragraph (b);
- (3) Clause 7, page 7 (after line 6), after subclause (4), insert:
 - (4A) The NWC is to give advice and make recommendations to COAG under this section by giving the advice and making the recommendations to the parties to the NWI at the same time as the advice is given, and the recommendations are made, to the Minister. Parties to the NWI that are given advice and to whom recommendations are made under this subsection are not required to be given the advice or the recommendations by the Minister.
- (4) Clause 7, page 7 (line 9), after "paragraph (2)(c)", insert "or subsection (4A)".

The SPEAKER—The question is that the amendments be agreed to.

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Mr NAIRN (Eden-Monaro—Parliamentary Secretary to the Prime Minister) (4.30 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

COMMITTEES

Membership

Mr NAIRN (Eden-Monaro—Parliamentary Secretary to the Prime Minister) (4.31 p.m.)—by leave—I move:

That Members be appointed as members of certain committees in accordance with the schedule which has been circulated to honourable Members in the Chamber.

As the list is a lengthy one, I do not propose to read it to the House. Details will be recorded in the *Votes and Proceedings*.

Question agreed to.

NATIONAL SECURITY INFORMATION (CRIMINAL PROCEEDINGS) BILL 2004

First Reading

Bill received from the Senate, and read a first time.

Ordered that the second reading be made an order of the day at the next sitting.

NATIONAL SECURITY INFORMATION (CRIMINAL PROCEEDINGS) (CONSEQUENTIAL AMENDMENTS) BILL 2004

First Reading

Bill received from the Senate, and read a first time.

Ordered that the second reading be made an order of the day at the next sitting.

ADJOURNMENT

Mr NAIRN (Eden-Monaro—Parliamentary Secretary to the Prime Minister) (4.33 p.m.)—I move:

That the House do now adjourn.

Arafat, Mr Yasser

Mrs IRWIN (Fowler) (4.33 p.m.)—It is three weeks since the death of Palestinian Authority Chairman Yasser Arafat, and world leaders have expressed their condolences and tributes for the Palestinian leader. Among them, Nelson Mandela described Arafat as:

... one of the outstanding freedom fighters of this generation, one who gave his entire life to the cause of the Palestinian people.

French President Jacques Chirac described Arafat as a man of courage and conviction who embodied the Palestinian struggle for a state. British Prime Minister Tony Blair said that Arafat:

... led his people to an historic acceptance and the need for a two-state solution ...

The Vatican praised Arafat as 'a leader who struggled to win independence for his people' and repeated its support of a sovereign Palestinian state alongside Israel. Former US President Jimmy Carter called Arafat:

... the father of the modern Palestinian nationalist movement. A powerful human symbol and forceful advocate ...

But the Prime Minister of Australia's comments were less charitable. Barely mentioning his name, the Prime Minister could only say:

I think history will judge him very harshly for not having seized the opportunity in the year 2000 to embrace the offer that was very courageously made by the then Israeli Prime Minister Ehud Barak, which involved the Israelis agreeing to about 90 per cent of what the Palestinians had wanted ...

The Prime Minister went on to add that many people saw Arafat as a terrorist, before concluding:

I find it very hard to believe that he couldn't have taken more action to restrain the activities of terrorist organisations.

This same line was followed in the parliament this week. The member for Wentworth, using the occasion of his first speech, said:

The death of Arafat has now opened up new opportunities for peace based on the roadmap—two states within secure, internationally recognised boundaries.

On the same day, the member for Melbourne Ports said:

I make no secret of my belief that over the past four years the greatest obstacle to achieving a peace settlement in the Middle East was the obstructionism of the late Yasser Arafat ...

But the history of Middle East peace agreements did not begin at Camp David in 2000. From Oslo in 1993, Taba in 1995, Wye River in 1998 and Sharm El Sheikh in 1999, not a single one of the withdrawal agreements was honoured by the Israeli government, and now we again hear world leaders declaring Arafat as an obstacle to peace. The same demands are made. As the veteran Middle East correspondent Robert Fisk wrote:

The Palestinians—the victims of 39 years of occupation—must prove themselves worthy of peace with their occupiers. The death of their leader is therefore billed as a glorious occasion that provides hope. ... The reality is that the outlook in the Middle East is bleaker than ever.

An Israeli peace activist, Uri Avnery, was moved to quote a warning from the Book of Proverbs:

Rejoice not when thine enemy falleth, and let not thine heart be glad when he stumbleth, Lest the Lord see it, and it displease him.

Yasser Arafat was a remarkable man. He represented more than anyone the national hopes of the Palestinian people. He is the father of Palestine. His struggle for a Pales-

tinian state began before the Israeli occupation of the West Bank and Gaza in 1967. His original struggle was against the Arab nations occupying Palestine. By the force of his personality he was able to secure the agreements recognising Israel, but Arafat knew only too well that the Camp David offer would not be accepted by his people. A worthy recipient of the Nobel Peace Prize, Arafat was never under any illusions that peace without justice was acceptable. Thirty years ago Arafat addressed the United Nations General Assembly, saying, and I quote proudly:

Today I have come bearing an olive branch and a freedom fighter's gun. Do not let the olive branch fall from my hand.

Our hope should be that Arafat's successor takes up that olive branch.

Health Insurance: Rebates

Mr ROBB (Goldstein) (4.38 p.m.)—This afternoon I would like to highlight the importance for the 20,000 Australians aged over 65 in my electorate and the more than one million Australians over 65 nationally of the government's promise to increase the private health rebate from 30 to 35 per cent for those aged 65 to 69 and to 40 per cent for people over 70. The higher rebate will be available for hospital cover, ancillary cover and combined cover and, importantly, will take effect from 1 April 2005. On a typical policy for couples or families, this rebate increase will reduce premiums by about \$100 to \$200 a year over and above the existing 30 per cent rebate.

I think it is critical that older Australians have the opportunity for choice and peace of mind when things go wrong, and this added assistance gives them choice of doctor and choice of hospital. Many of these older Australians have had private health insurance for most of their adult lives. They have contributed during their younger years while enjoy-

ing good health, and it is really our responsibility to provide them with insurance cover at an affordable price when they reach their older years.

This initiative for older Australians builds on the federal government's 30 per cent rebate, which has proved to be a very effective policy. In all, the rebate has made it possible for more than 8.6 million Australians to keep or to take up hospital insurance. Many of those are on lower or fixed incomes. Many are pensioners or self-funded retirees. They do not want their health choices to be determined by a bureaucrat as would happen under Medicare Gold, the alternative Labor proposition. They want to exercise choice. The rebate makes this possible and the higher rebate for seniors will make it even more possible for around one million Australians.

The success of this policy is borne out by the fact that the premium cost to consumers is around three per cent of average weekly earnings. This is back to being equivalent to the cost to consumers that we saw in 1990. It has been a highly successful policy, it has been taken up by many and the rebate undoubtedly has taken pressure off public hospitals and made public hospitals available to many uninsured Australians. We are now seeing from 50 to 80 per cent of chemotherapy, surgery for malignant breast conditions, hip replacements, same-day mental health treatments and cataract operations being conducted in private hospitals. It has been a massive success.

It is important also to compare this with the alternative. We saw today in the *Financial Review* that the Leader of the Opposition said, amongst other things:

Now here we are with Medicare Gold, which is being described as Whitlamism.

He said it somewhat defensively. Of course it is being described as Whitlamism because it

is pure Whitlamism. Medicare Gold is unfunded and would be a massive burden on future budgets. It is not thought through; it is unworkable; it is reckless; it is Big Brotherish-big government. We will find bureaucrats making decisions on behalf of Australians rather than Australians exercising their own choice. It is patronising in that it says people could not or should not be allowed to make a choice of doctor or hospital-some greater authority will make it for them-and it is pure Whitlamism because it is a con: it suggests that we can have something for nothing. Price something at nothing and the demand will increase dramatically. Then we will see increased waiting lists. It will be self-defeating and hugely costly to the budget—it is a joke.

On this matter, the real difference between the parties is that the Liberal Party has faith in people making the best decisions about running their own lives. For all their rhetoric about opportunity, the Labor Party do not. In the end, the Labor Party think that government knows best, they believe in the nanny state and they do not trust people to make sensible choices about their lives, including their health care.

Indigenous Affairs: Employment

Mr MARTIN FERGUSON (Batman) (4.43 p.m.)—Yesterday the House resumed the debate on the Indigenous Education (Targeted Assistance) Amendment Bill 2004. During that debate my colleague the member for Capricornia correctly noted that we do not spend enough time in this parliament discussing and debating the level of disadvantage that exists for Indigenous Australians. There is an imperative for us to better understand the scale of, and reasons for, Indigenous Australians' underachievement in the education system. There is an equal imperative for us to address, as a matter of urgency, the low employment participation rate

for Indigenous Australians. At a time when Australia faces a severe skills shortage and desperately needs more people participating in the work force, it is an indictment on the government and this parliament that Indigenous employment lags so far behind mainstream levels of employment.

This is a major economic issue because a conservative estimate of the cost of Indigenous unemployment to government is \$1 billion per annum. The cost to the Australian economy in lost productive output associated with Indigenous unemployment is another \$3 billion, and related social welfare expenditure and forgone tax revenue is a further \$3 billion. It is clearly shameful in the 21st century that a country that considers itself to be a modern, developed and wealthy society tolerates the level of Indigenous unemployment and social disadvantage that exists in this country. Economically, it is costing Australia in the order of \$7 billion a year. That is about \$2.5 billion of taxpayers' dollars being spent and \$4.5 billion in lost economic opportunities. It is clearly a major challenge of social and economic importance, and it must be confronted as a matter of urgency.

The picture is probably worse than the figures I have quoted, because in remote regions CDEP jobs, akin to Work for the Dole projects, account for the overwhelming majority of Indigenous jobs. That is because little market based employment exists in some of those regions. Therefore, we have to look to the mining and pastoral industries to work in partnership with us to address some of these challenges. As the shadow minister for resources, I am pleased to note that, while the mining industry has not always been at the forefront of efforts on this front in the past, there are now some shining examples of partnerships between Indigenous communities and mining companies aimed at boosting Indigenous employment.

I refer, for example, to the Pilbara and Kimberley regions in Western Australia, which are particularly notable, with companies like BHP Billiton, Rio Tinto and Anglo now firmly focused on partnership approaches to lifting Indigenous employment and business participation as a key part of their business responsibility. There are now more Indigenous Australians directly employed by mining companies—a great step forward. Contracts between mining companies and contractors stipulate minimum Indigenous employment targets, and there are a number of successful and rapidly growing Indigenous owned and operated contracting and service companies. But that is not enough. It is good for companies like the 100 per cent Indigenous owned Indigenous Mining Services, known as IMS, and Ngarda Civil and Mining—a joint venture between Indigenous Business Australia, Henry Walker and a range of other companies—to confront this challenge, but more has to be done in the mining and pastoral sectors to make sure that we, as a government, in partnership with those sectors develop the skills and business capacity of local Indigenous people.

We need more companies in the mining sector to take up the challenge, because if there is one thing we should have learnt over the years it is that the most successful employment and training initiatives are those that involve strong Indigenous leadership combined with the support of local industry and are focused on local community and economic strengths. We need local industry and local people working together, forging partnerships, building productive relationships and finding opportunities for wealth creation and less reliance on public welfare. As the new shadow minister for resources, I simply say this evening that this is one issue that I will be focusing on in a big way in how I develop policy in the foreseeable future. It is correct to note that there are also opportunities in tourism, but in remote areas, where we have relied too much in the past on CDEP, we have to do more in the resources sector. (*Time expired*)

Bushfires

Ms PANOPOULOS (Indi) (4.48 p.m.)— As honourable members well know, my electorate of Indi was at the centre of the 2003 summer Victorian bushfire disaster that burnt over one million hectares of countryside in my home state of Victoria and also cut through to southern New South Wales and well into the ACT. The state government in Victoria and the deeply entrenched green Left in the city-centred state government land management agencies would have you believe that the fires were some sort of freak of nature, that the extent of them and the damage they caused were uncontrollable and an act of God, that nothing could be done to prevent the spread and the creation of a wildfire. They use this to propose an argument that land management has to be balanced and there has to be an emphasis on particular green objectives and green goals. The reality is that we can control how a wildfire can develop. We can take positive measures to reduce fuel. We can take positive measures to fight fires aggressively at the point of ignition. Every single wildfire starts with a very small spark.

Long before misguided greens policies came to permeate in land management bureaucracies, there was of course the Black Friday disaster of 1939. A commission of inquiry was held and a report handed down by Judge Stretton. He recommended in part that a lands management agency be formed to take complete control of fire suppression and prevention on public land in Victoria, that the CFA be formed to manage fire on private land, that fire towers be placed in strategic locations for the early detection of fires and that there be an enhanced network

of roads and access tracks within the millions of hectares of public land to enable firefighters ready and easy access to particular dangerous locations.

The Forests Commission was the first agency charged with complete control over bushfire prevention, and after a few name changes that became the Department of Sustainability and Environment-or as my locals in the north-east of Victoria call it, the 'Department of Scorched Earth Policy'. The name changes have been unfortunately matched with an emphasis on environmental slogans instead of very practical land management. The DSE have not acted at all in the spirits of Judge Stretton's numerous recommendations. You do not have to go far into my electorate to find a national park neighbour who has been threatened by a wild dog, had his property severely affected by overgrown blackberries or, as was the case in the 2003 fires, has unfortunately been caught in the storm of a wildfire.

The past 30 years of the green revolution in land management has seen a departure from Stretton's recommendations. Roads have been closed or allowed to totally run down. The early detection of fires is not acted on, and preventative action like hazard reduction burns are seen as environmental vandalism. There are token efforts, quite often along highways, to appease those of us who have a particular concern about fuel reduction. The fires of 2003 have revealed who the true vandals are. Judge Stretton would be wondering why he bothered writing a report if he knew that his Forests Commission would turn into a middle-aged urban greenie hang-out called the DSE.

That brings me to the Stretton Group, a group formed to challenge the current state government's land management practices, and particularly to address the disappointing Esplin report, in which the state government was not held accountable for its clear negligence in public land management. We have one of our own, the member for Corangamite, who is part of the Stretton Group. The Stretton Group held a public meeting last Tuesday in Tallangatta in my electorate outlining its plans to local residents affected by the fires, assisting them and giving them information on how to be part of a class action. It was a vivid reminder of the suffering and economic loss caused by the fires. Simon Paton, a Kiewa Valley farmer from my electorate, is to be commended for volunteering his time to form the group. I hope that all those who were affected come forward and join this class action to hold the state government accountable.

The Greens say we need more science. However, Judge Stretton knew, as did the group named in his honour, that the only action we can take against bushfires is to be as best prepared and resourced as we can. I commend the Stretton Group for their work. I also thank McMullan Solicitors in Melbourne for their pro bono work on the case, and wish them success in their class action.

Foreign Affairs and Trade: Communications Centre

Ms ANNETTE ELLIS (Canberra) (4.53 p.m.)—I cannot let an era pass without bringing it to the attention of this House, which is my reason for participating in the adjournment debate this evening. At the outset, I have to declare a very slight interest, inasmuch as I was involved in what I am speaking about. The Communications Centre, which is commonly called Coms, is a very important part of the Department of Foreign Affairs and Trade. It has closed down after more than 60 years of service. As an ex Coms officer, I have more than a passing interest. The Coms centre was established in 1943—a long time before my time in the centre. It operated the telecommunications network between Canberra and our embassies, high commissions and other offices right around the world.

The technological change over those 60 years has been amazing. It may not have been quite as exciting as the Enigma machine that the Germans operated in the Second World War; nevertheless, that change over the decades now sees the closure of the Coms centre. It is the end of a very important era in the public service undertaken by hundreds of dedicated public servants during that time. I believe this really needs to be talked about.

The job of the Coms centre was to operate the telecommunications network and to do it in a very secure way from the point of view of our national security. Cable traffic was covered on every issue that you could possibly think of. Sometimes it involved the operation of cipher and other code machinery. The work was very important, but it was also incredibly diverse. The Coms centre operated 24 hours a day, seven days a week, every day of the year, every year. Government ministers, departments and also members of the public relied upon the Coms centre and their counterparts around the world for their news and wellbeing. The Coms duty operators and duty officers were the after-hours contact point in times of both routine and urgent work. The head of the department of foreign affairs, Dr Ashton Calvert, reminded us at a Coms commemorative function last evening of an example of this work: at 2.15 a.m. on 11 October 2002, a Coms duty officer took the first call from Bali about the terrorist bombing. Of course, a lot of operational traffic ensued.

As a Coms operator, I recall being on duty, for example, on Christmas Eve 1974 when it became very obvious that something was amiss in Darwin. It was not until later that we became aware that Cyclone Tracy

had hit Darwin that morning. I might add I was also on duty when Phnom Penh fell during the Indochina war. Memories come flooding back, not just for me but for many of my ex-colleagues too. Coms operators have worked in places of war and conflict. They have been evacuated in times of war and great danger. For example, during conflicts in the Middle East and elsewhere, they have remained to keep the Coms operation lines open. In civil war and natural disasters, such as earthquakes-you name it-the Coms operators have been there. They have served in places with challenging climates and local conditions and through times of political upheaval and civil war. Their work has been conducted in times of great distress to individual Australians. Sadly, things happen when people travel overseas, such as a death or a severe accident. It is the Coms operators who bring that news back and who are the go-betweens.

There was a serious side to the work, but there was always the lighter side of it as well. Coms centre officers wanted to make sure, long before the Internet or mobile phones were invented, that people overseas in our foreign missions knew who won the Melbourne Cup or the local footy competition—all that sort of news that kept people connected to home during their service overseas. It is really worth noting that this is definitely the passing of an era. There is now a new method of operation in place. But to all those foreign affairs officers working overseas who we see constantly in the front line doing wonderful work, we offer our thanks. We also need to recognise the work of those Coms officers who were not quite so much in the front line. They deserve our recognition, thanks, congratulations and very good wishes, particularly when we see something like the era of the Communications Centre passing. I think it is quite sad in a way. Technology is wonderful, but the passing of an era needs to be noted. (Time expired)

The SPEAKER—Order! It being approximately 5.00 p.m., the debate is interrupted.

Question agreed to.

House adjourned at 4.59 p.m. NOTICES

The following notices were given:

Dr Stone to move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Development of a new collection storage facility for the National Library of Australia at Hume, ACT.

Dr Stone to move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Proposed development of land at Lee Point, in Darwin, for Defence and private housing.

Dr Stone to move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Proposed development of land for Defence housing at McDowall in Brisbane, Qld.

Dr Stone to move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Proposed fitout of new leased premises for the Attorney-General's Department at 3-5 National Circuit, Barton, ACT.

Dr Stone to move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following

proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Proposed fitout of new leased premises for the Department of Industry, Tourism and Resources in Civic, ACT.

Dr Stone to move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Proposed fitout of new leased premises for the Department of the Prime Minister and Cabinet at 1 National Circuit, Barton, ACT.

Dr Stone to move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Proposed new East Building for the Australian War Memorial, Canberra, ACT.

Mr Martin Ferguson to move:

That this House:

- (1) notes:
 - (a) the integral role that maritime salvage plays in the safety of Australia's mariners:
 - (b) the integral role that maritime salvage plays in the protection of Australia's pristine marine environment; and
 - (c) the recommendations of the House of Representatives Standing Committee on Transport and Regional Services in its report Ship Salvage tabled in the Parliament in June 2004; and
- (2) calls on the Government to:
 - (a) urgently respond the recommendations of the *Ship Salvage* report;
 - (b) work with the industry and State Governments to develop a long-term plan to ensure that the Australian maritime sector is protected through adequate salvage capacity; and
 - (c) fund an interim solution to ensure that adequate salvage capacity exists at Australian ports.

Mr Rudd to move:

That this House:

- (1) notes:
 - (a) with deep concern widely circulated reports of the further extension of the detention of the leader of the Burmese opposition party, Daw Aung San Suu Kyi until September 2005;
 - (b) that Daw Aung San Suu Kyi is being detained without charge; and
 - (c) continued widespread human rights abuses by the Burmese military regime, including the suppression of prodemocracy supporters;
- (2) calls on:
 - (a) the Burmese military regime to immediately release Daw Aung San Suu Kyi and other members of her party who are being held without charge;
 - (b) the Government to urgently examine its options for demonstrating to the Burmese authorities how seriously it views this situation:
 - (c) the Government to amend its policy of 'constructive engagement' with the current State Peace and Democracy Council (SPDC) regime in light of ongoing human rights abuses; and
 - (d) the Government to consider targeted sanctions against members of the SPDC regime, including restrictions on their international financial transactions, a freeze on assets overseas, and travel restrictions against senior members of the regime travelling to Australia; and
- (3) condemns the failure of Prime Minister Howard to use the opportunities presented at the ASEAN summit in Vientiane to raise Australia's ongoing concerns about the Burmese military regime's continued human rights abuses.

Thursday, 2 December 2004

The DEPUTY SPEAKER (Hon. I.R. Causley) took the chair at 9.40 a.m.

STATEMENTS BY MEMBERS

Jagajaga Electorate: Schools Competition

Ms MACKLIN (Jagajaga) (9.40 a.m.)—Recently I held a competition in my electorate inviting grade 3 and 4 students to illustrate through a variety of methods—including stories, poems, drawings—the best things about their school. It was the most fantastic thing. I was flooded with entries from children right around the electorate who were just bursting to say what was special about their school. We had the office windows in Burgundy Street plastered with all these colourful drawings, and it became a great drawcard in the main street of Heidelberg, with everybody coming and reading the wonderful things that local children had to say about their school.

One of the lovely ones was a recipe for the best school that one of the children made up, including fruit salad and friendship for dessert. We had pictures of friends holding hands and playing games, maps of their schools, cartoon storyboards—they were pretty impressive—histories of their schools and some lovely inventive poems. The children had fantastic things to say about their teachers, 'Our teachers are the best,' and their school grounds—'I love all the playgrounds,' you can just hear the kids saying, 'They are cool.' They also had fantastic things to say about their lessons, excursions and camp trips and, probably most significantly of all, about the importance of their school friends to them.

One of the great things about this competition was how it showed the wonderful strength of all the schools in the electorate. I want to thank and congratulate all the children and, of course, their teachers and parents for encouraging them to participate in the competition. I want to congratulate the following students for their winning entries: Kardelen Kara, Eltham College; Perri Chequer, Eltham North Primary; Claire Pitts, Greensborough Primary; Vanessa Towler, Nikita Hall, Madison Sheils, Laura Farmer, Damian D'Angelo, Isaac Hill, Ryan Tagliabue and Charlotte Dawson, Heidelberg Primary; Eleanor Lamb, Ivanohoe Primary; Daniela Avramovic, Macleod College; the Olympic Village Primary School—this primary school is located right at the site of the 1956 Olympic Village; Kathy Nguyen, St Pius X Primary; Jessica Capotosto, St Martin of Tours Primary; Lily Crimmins, Streeton Primary; and Meghna Kadalbajoo, Viewbank Primary.

I also had the great fortune of going to two outstanding concert performances by two high schools last week, St Helena and Eltham High. What an enormous pleasure it was to hear the great musical talents of those students, and I want to congratulate them as well. (*Time expired*)

La Trobe Electorate: Environment

Mr WOOD (La Trobe) (9.43 a.m.)—I would like to discuss weeds today, especially in my electorate of La Trobe. Weeds have infiltrated the Dandenong Ranges and, in particular, Sherbrooke Forest. In Sherbrooke Forest there are 803 hectares of forest. Of most concern throughout the forest are English holly, which has taken over large areas; cestrum; English ivy, which chokes our tree ferns and even the mighty mountain ash; and wandering jew, which clogs our creeks and reduces habitat for the local platypus.

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How did the weeds get here in the first place? I just have to go back to my time at Ferny Creek Primary School, when a local nursery came around and gave us a great little plant which they said would be a fine creeper for local gardens. I went home and, like many students at the school, gave it to my parents. Thirty years on, wandering jew is one of the main causes of problems in our local creeks. Similarly, if we look at some of our local nurseries we see that they sell English ivy and wandering jew in hanging baskets and English holly and cestrum.

For the last 12 months I have worked with Friends of Clematis Creek. I must acknowledge the efforts of Priscilla Wall and Rosemary, who have dedicated all their efforts to cleaning up Clematis Creek. I would also like to thank other people such as Rod Evans, Trevor Tatham, Heidi and Lauren Gallagher and even a Democrat candidate for the federal election, Tony Holland, for helping to clean up the area. On 24 November I arranged a meeting with Vivian Freshwater and Bill Incoll from Friends of the Sherbrooke Forest. This group has been doing fantastic work for the last 28 years. Also present was Karen Alexander from the Johns Hills Landcare Group and Barbara Setchell from the Weeds Working Party with the local shire. All these individuals and their organisations have been doing a fantastic job for a number of years and without their efforts the weed problem in the Dandenong Ranges would be a lot worse.

Locally, we have decided to work together to address the problem. One of the initiatives we plan is that later this year I will put out a calendar which will list six weeds that are causing problems in the local area. I will be asking residents of La Trobe to consider removing these weeds from their gardens, as once they purchase a plant and it moves on into the forest it causes a lot of harm and takes a lot of time to remove. As I said before, it will be a great local initiative with me and all the environmental groups, the community and the council working together.

Aviation: Ansett Australia

Mr GEORGANAS (Hindmarsh) (9.46 a.m.)—I rise to speak today on the appalling situation that still exists in relation to entitlements for Ansett workers. With Adelaide airport smack-bang in the middle of the electorate of Hindmarsh, it is not surprising that there were a great many Ansett workers living in the area when Ansett went broke in 2001. Although that was more than three years ago, the issue is still very much alive for those who lost their jobs and entitlements back then. During the campaign and since I was elected, I have been approached by several workers who are still distressed that their entitlements have not been paid. There were 16,000 workers in Australia who were directly affected by the collapse of Ansett and another 45,000 who were in associated supply and service industries.

There were around 3,000 Ansett employees in South Australia and many of them came to see me in 2001 when it became obvious that employees would not be receiving their entitlements. Their stories were heart-wrenching and the circumstances in which they found themselves were just plain unfair. Many of these people still contact me to this day. These were Ansett workers who had spent decades with the company and then found themselves left high and dry. These were people who had worked hard, who paid their contributions towards their superannuation. They did the right thing: they planned for their retirement so they would not be a burden on future governments. They made plans for holidays after they retired and for improvements to their homes. I know of one couple approaching retirement who had just taken out a mortgage for their home renovations and had planned to pay it off when they re-

tired. They suddenly found they had no way of paying it off. Many workers are now in lower paid jobs or working casually or they have retired on incomes far less than they had worked towards.

After intense lobbying in 2001 by the opposition, the federal government imposed the \$10 ticket tax to help recoup workers' entitlements. But workers have still not seen their full entitlements. The tax raised almost \$300 million but workers are still owed about \$210 million and the government has chosen to use close to \$100 million of the money raised through the ticket tax on airport security rather than on paying Ansett workers' entitlements. The public did not pay their \$10 levy for airport security. They expected the government to deal with that anyway. It was never called an 'airport security levy' and there would have been an outcry if it had been back then. It was always known as the Ansett ticket tax.

The people who have been hardest hit by the Ansett collapse are those who were approaching retirement. As I mentioned earlier, many still have not found jobs. They have retired on lower incomes. They have not gone on the holidays they planned. They have not paid off their mortgages and they have not done the home renovations they had planned earlier. The federal government argues that an eight-week payout is somehow a good deal, but workers make the point that, for those who had been with the company for decades, an eight-week redundancy payout simply is not good enough.

Ryan Electorate: Vandalism of War Memorial

Mr JOHNSON (Ryan) (9.49 a.m.)—The Anzac Square war memorial in Brisbane is uniquely and ideally set in the peaceful surrounds of Brisbane city. It is very centrally located. Anzac Square is dedicated to Australia's military heritage and the shrine of remembrance, with the eternal flame, is its focus point. The shrine was erected as an enduring memorial to Queenslanders who died in World War I. The flame has burned since 1930, and Anzac Square has played a feature role in very special ceremonies, including of course Anzac Day and Remembrance Day.

I want to speak in the parliament today about an incident that took place last week which I think was absolutely disgraceful. It concerned two visitors to this country, two young men from Europe, who were involved in shocking acts of vandalism. They desecrated this wonderful memorial that we have in Brisbane city. I want to take this opportunity in the parliament today to thank all the residents of Ryan who have contacted me to encourage me to speak out very strongly against these two young men. I also want to thank in particular one of my constituents, Mr Colin Wright, from Kenmore, who was moved to recount to me that both his brothers had died in World War II and that he was particularly devastated by this act of vandalism by the young man from Poland and his colleague from Germany. I want to place on the parliamentary record my outrage that two visitors to this country would take it upon themselves to engage in conduct that really smacks of ignorance and causes great offence to Australians generally and in particular to the families of those who made the ultimate sacrifice for the values that this country cherishes.

The two men—the German chap, Andreas Benjamin Porzelt, and the chap from Poland, Robert Weimann-Wojcik—were arrested at 4 a.m. last Friday, 26 November, after taking photographs of themselves burning books on the flame while also dancing semi-naked in army fatigues. Their actions ended up causing the eternal flame to be extinguished. Despite this horrendous, offensive act, these two tourists were fined only \$700 each. I want to express

very strongly my absolute horror at this very trivial punishment of a fine of \$700 each. They also burnt a wreath that had been laid earlier on to commemorate the Australians who were killed when HMAS *Sydney* was sunk by a German ship in 1941. The wreath was laid to honour the memory of 645 Australians who were killed. I want to express to the parliament my horror at that penalty. (*Time expired*)

Petrol Prices Household Debt

Mr RIPOLL (Oxley) (9.52 a.m.)—This morning I would like to talk briefly about two issues which are of great importance for many residents in the electorate of Oxley, and they are petrol prices and household debt. Presently, Australian oil companies are paying less for crude oil, yet savings are not being passed on to consumers at the petrol bowser. The Australian market price per barrel of crude oil has decreased by 17 per cent since 1 November, yet petrol prices at the bowser have dropped by less than 3.6 per cent in the same period of time. The price of crude oil accounts for around 90 per cent of the product cost of petrol and is the primary factor in refined petrol price fluctuations. The drop in crude oil prices, combined with the Australian dollar being at an eight-year high in US terms—another factor in price fluctuations—should put downward pressure on the price for consumers at the bowser. Despite these factors, though, the price to consumers has remained relatively static since prices of crude oil started dropping early last month.

Oil companies are continually blaming rising petrol prices on the rising cost of crude oil. They are quick to react to an increase, yet when costs come down it seems that it is the consumer who continues to bear that cost. Consumers have been paying well over \$1 a litre for several months now. It is about time that savings from cheaper oil prices were passed on to consumers. My question is: what is the Howard government doing about all this? The answer is simply: nothing at all. The price of petrol, which is clearly not reflective of the current cost of crude oil, should be investigated, including the practices of the major oil companies in controlling the price and the market.

The second issue that I want to raise is one that I think is close to many people's hearts and is becoming the talk around kitchen tables, and that is household debt under the rule of the Howard government. The dream of home ownership remains further out of reach for many Australian families, with new data showing that average monthly repayments have skyrocketed during the past three years in particular. Home loan repayments have gone up by a massive 46 per cent over the past three years. Repayment increases have far outstripped earning increases of just 15 per cent during the same period of time.

This fall in housing affordability during the Howard government reign has placed financial pressure on Australian families, including many in the electorate of Oxley. Many families have suffered a dramatic increase in the proportion of family income devoted to just meeting that one particular cost, their home loan repayments. In addition, Australia now has higher interest rates than any other OECD country except New Zealand. Incredibly in this time of so-called low interest rates, we have the highest interest rates of any OECD country except New Zealand. The Howard government's budgetary and fiscal policy has failed to put downward pressure on interest rates and the Reserve Bank is talking about the next move on interest rates being up, not down. The government needs to show greater fiscal discipline to put

downward pressure on rates or home ownership in Australia will continue to be out of the reach of Australian families. (*Time expired*)

Herbert Electorate: Townsville City Council and Thuringowa City Council

Mr LINDSAY (Herbert) (9.55 a.m.)—I am privileged to represent in parliament Australia's largest tropical city. That city is Townsville. But Townsville is actually two cities: there is the city of Townsville and the city of Thuringowa, which most people do not know about. There are two local authorities, Townsville City Council and Thuringowa City Council. The relationship of each of the two city councils with the federal government is quite different. It is chalk and cheese; it is very stark. The Thuringowa City Council, through the leadership of its mayor, Les Tyrell, has an extraordinarily close relationship with the federal government. Les is available any time, night or day. If Les has a problem he will ring me and if I have a problem I will ring Les. I can always talk to the Thuringowa City Council.

Not so, bizarrely, with the Townsville City Council, where it is very difficult, if not impossible, to talk to Mayor Tony Mooney. The council does not talk to me and I am unable to easily communicate with the Townsville City Council. That makes it difficult for the residents of Townsville City and it makes it difficult for me as the federal member. The latest incident that has occurred has been a problem that Townsville City Council apparently has with federal black spot funding. Instead of picking up the phone and talking to me and asking why this has occurred, the council chooses to talk to me through the pages of the local newspaper. My message to Townsville City Council is that I do not accept that. I am not going to talk to the Townsville City Council through the pages of the local newspaper. It is very important that there be a good relationship between the councils and the federal government because it is the federal government that can deliver many benefits to Townsville. Currently I think we are heading in the direction of Townsville missing out and Thuringowa getting a much better

In the Townsville City Council area the reason it is important that they liaise with the federal member is that there are some pretty big issues the city is facing, issues like the orderly development of the city, the city gateway project, very significant issues on Magnetic Island, the establishment of an Australian technical college and the direction of James Cook University and how that will develop in Townsville City. These are major issues, and I ask the Townsville City Council to understand that they should be working with their federal member. I am very happy to work with them in the interests of the city. When I am elected I do not wear a Liberal badge—I am the member for everybody—and I expect the Townsville City Council to liaise with me and for us to work together productively in the interests of Townsville City.

The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! In accordance with standing order 193, the time for members' statements has concluded.

NATIONAL WATER COMMISSION BILL 2004

Second Reading

Debate resumed from 1 December, on motion by **Mr Anderson**:

That the bill be now read a second time.

upon which **Mr Kelvin Thomson** moved by way of amendment:

That all words after "That" be omitted with a view to substituting the following words:

"whilst not declining to give the Bill a second reading, the House condemns the Government for:

- (1) its failure to take the threat of climate change to ongoing water supplies for both our farmers and our rivers seriously;
- (2) its failure to deal with water issues with an appropriate sense of urgency allowing the COAG water reform process of 1994 to stall, and failing to provide any environmental flows for the Murray in over 8 years;
- (3) its failure to adopt Labor's National Water Policy Framework, and ensure that Commonwealth funds are directed towards securing environmental flows; and
- (4) its plan to fund the Australian Water Fund by taking money which the States have earmarked for essential services such as schools and hospitals".

Mr GAVAN O'CONNOR (Corio) (9.59 a.m.)—It is a sad fact that the Prime Minister can find over \$100 million for useless advertising in the lead-up to this election but cannot cap the bores in the Great Artesian Basin. This Prime Minister can find \$1 billion for a destructive war in Iraq yet raids competitive payments to the states—money already earmarked for hospitals and schools—to establish the Australian water fund. This pedestrian, visionless government has squandered years and billions of dollars in misplaced priorities while this important issue remains largely unaddressed.

For many years now, in my shadow ministerial capacity, I have been alerting the rural sector to the need to come to terms, sooner rather than later, with the climate change issue. Shortly after becoming shadow minister for agriculture in 1998, I made reference to the matter in a speech in the House on the Rural Adjustment Amendment Bill 1998. I made further reference to the issue in a speech on the Farm Household Support Amendment Bill 1999 and in speeches to the National Farmers Federation AGM, the Seed Industry Association and the Marcus Oldham College in 2001. My most recent warning to the sector on climate change was to the rice growers conference this year, at which I listed four areas of challenge that I felt would take up a great deal of my time should I become the minister for agriculture. I referred to the need for the rural sector to consider how it should respond to the challenges posed by climate change. I acknowledged the statement made in a keynote speech to the National Press Club this year by NFF president, Peter Corish, on the need for the rural sector to respond positively to the issue of climate change. So the issue of climate change is very much on the table for detailed consideration and response by the farm sector.

In my public statements to and private discussions with the rural sector on the impacts of climate change on farmers and their communities over a long period of time, I have consistently stressed that alongside the threats to farming there are also extraordinary opportunities. According to available evidence, the sector is a significant contributor to greenhouse gas emissions. Regrettably, however, there is a paucity of concrete research on the net contribution made by the sector. The opportunities to which I referred are quite substantial and range across the production of alternative fuels, wind power and farm forestry, just to identify a few potential areas for the sector.

Very important things have to happen to enable the sector to effectively position itself to exploit these new opportunities. Firstly, there has to be a commitment to further research in this area and better coordination of the resources that are currently being employed by public agencies such as CSIRO, state government agencies and educational institutions such as our universities. Secondly, there must be a commitment by government and its bureaucracies to

more effectively support the process of innovation, both on farm and in the production of new products and the development of new processes, to ensure that Australia is able to exploit the value adding opportunities that spin off the commercialisation process and to ensure that in the long term the farm sector is able to effectively counter the inevitable criticism, informed or not, that will come of the sector's contribution to greenhouse gas emissions and climate change. Of course, the consequences of not addressing the issue now for farm production systems have already been well documented. The increased severity and occurrence of drought is but one direct consequence of our neglect, and it is in this context that the water debate takes on an even greater urgency.

What we have to do in the water area is no great rocket science, as we have been aware of it for years. The problem has been getting the Commonwealth to recognise it and getting all the levels of government working to meet obvious objectives. For instance, we have a huge task in repairing and enhancing our water delivery infrastructure to rural communities and to farms. Once again it was a Labor government in Victoria and a Labor opposition in Canberra that recognised the urgent need to build the Wimmera Mallee pipeline. As a community we need to conserve the water already available to both urban and rural communities. That will involve a massive effort in the infrastructure area and changing urban attitudes to recycling and reusing water. Our harvesting practices need to be improved and their impact clearly evaluated and our irrigation practices need to be drastically improved. It is here that we need to accommodate a little bit of left-field thinking and innovation to reap the full benefits from the innovative effort.

A lot of good research and new ideas are coming from the private sector on the water issue. I commend the Farmhand Foundation and its private and public sector partners for their excellent publication Talking Water: An Australian Guidebook for the 21st Century. It is a practical, easy-to-ready publication that not only clearly identifies the problem but offers practical solutions to it. I also commend the Pratt Foundation for its involvement in detailed research on solutions to the crisis. I also commend an excellent and quite different contribution from Colin Austin in his book Water, Wit and Wisdom. It may not be everyone's cup of tea as far as a good read goes, but Austin highlights the need for some real innovation and left-field thinking in confronting the crisis and developing solutions. Austin argues passionately and with some humour—although his message is a serious one—for Australia to develop a system of sustainable irrigated agriculture and to exploit the technology spin-offs to create wealth in rural communities in particular. In the public sector, CSIRO has engaged one of its national research flagship programs, Water for a Healthy Country, an important cross-disciplinary program, into the use of water and its distribution. It is clear that we must now employ the smartest science and the best innovation capacity to get on top of the issue in the national interest. (Time expired)

Mrs GASH (Gilmore) (10.05 a.m.)—By way of reinforcing my support for the establishment of a National Water Commission, I would like to relate to the House my direct experience with the water supply in the Shoalhaven, in my electorate of Gilmore. I find it appropriate to take this course because it demonstrates why I feel strongly about this issue and, besides, previous members have already alluded to the scarcity of water on this continent and why it should be husbanded. I do not intend to go over old ground by saying that water in the near future could become more precious than gold. My statement will describe the impacts on

the Shoalhaven community as result of the recommendations from the Hawkesbury-Nepean River Management Forum. It is a package that subordinates the needs of the Shoalhaven to those of the Sydney area and ignores the facts to ensure the recommendations are adopted to the detriment of the Shoalhaven. But first some background.

Shoalhaven City Council is responsible for the provision of reticulating drinking water to 45 towns and villages throughout the city. The area has historically experienced high growth rates above the state average. The majority of water is harvested from the Shoalhaven River and council has undertaken a range of initiatives to ensure the impact on the river is minimised with a balanced growth rate. Prior to the construction of Tallowa Dam in the 1970s at the junction of Kangaroo and Shoalhaven rivers, Shoalhaven City Council was given assurances by the state government that the construction of the dam would not impact on the community's access to water from the Shoalhaven River. In 1993 Shoalhaven City Council, in conjunction with the Department of Land and Water Conservation, undertook a long-term water supply strategy to investigate the needs of the city for the next 30 to 50 years. As a result of the strategy report, a number of initiatives were undertaken to ensure the security of long-term water supply and the minimisation of the environmental impact on the Shoalhaven River. Some of the initiatives were: (1) a demand management strategy which saw the reduction from 300 kilolitres per tenement per annum to 250 kilolitres per tenement per annum over the next 10 years; (2) a significant reuse of sewage effluent; and, (3) the introduction of an environmental flow—one of the first in Australia—for the Shoalhaven River, based on extensive environmental studies and a full environmental impact statement, including community consultation.

The demand management strategy has been extremely successful and has seen the reduction of water consumption per tenement well below the targets due to a range of demand management initiatives. The reuse scheme has seen 80 per cent of the reclaimed water from the northern treatment plants being recycled during the first few years. An extensive program of consultation was undertaken and every conceivable aspect was explored before the reuse scheme was finally implemented in stages. Residents were even prepared to pay, and are to-day paying, an extra levy to see the project through rather than see the water wasted into the ocean. Sixteen large farming properties were used to pump effluent over grazing land, thereby reducing ocean outfall to the barest minimum. The scheme is so successful that it is being considered by the neighbouring Kiama Council.

The council areas of Wingecarribee and Shoalhaven have been receiving exceptional circumstances funding for the last two years. Had it not been for the vision and foresight of the Shoalhaven City Council and its reuse of effluent we would have been in an even worse situation in this drought. So water and the Prime Minister's \$2 billion Australian water fund will be closely monitored to see how, where and when we can gain benefit from it. In comparison, the state government has decided that growth in industry and business in Sydney is okay but neglects to mention the Shoalhaven's two per cent-plus growth rate, and there is no mention of the number of existing businesses and industries that rely on a reliable supply of water now, not to mention the need for future growth and development. In fact, the plans of many businesses intending to move to the Shoalhaven have been frustrated because they cannot get permission to use water for their industries.

We will not and cannot be dictated to by a state government that has no real plan to harness its own water consumption or change its practices to encourage conservation. What the Shoalhaven City Council has done with the environmental flow has ensured a minimised impact on the Shoalhaven River during extremely long periods of drought. In August 2001, the Department of Land and Water Conservation formulated town water entitlements for local government water authorities throughout New South Wales. This advice will limit water extraction from the Shoalhaven to exclude growth for commerce and industry—meaning, of course, jobs. It is noted that the extraction from the Shoalhaven River to Sydney and the Illawarra will now increase significantly to allow growth of industry and commerce, creating future jobs for the greater Sydney area—never mind about the Shoalhaven and our growth. There are no plans for the state government to reduce water consumption for Sydney. It hardly seems fair.

There appears to be enormous inequity, particularly in light of the initiatives undertaken by Shoalhaven City Council to ensure long-term planning and environmental management. These include a full environmental impact statement, community consultation and a development approval. In March 2004, the final report of the Hawkesbury-Nepean River Management Forum was released. It indicates that, although community consultation with stakeholders and extensive environmental studies were undertaken in the Hawkesbury-Nepean catchment, no work was undertaken with the Shoalhaven community or on the Shoalhaven River. Despite this fact, the report indicates that the environmental flow at Warragamba Dam should be in the 95th percentile, which is 40 megalitres per day—similar to the existing environmental findings on the Shoalhaven. The report, surprisingly, recommends that the environmental flow for the Shoalhaven River should be increased to the 80th percentile—that is, 372 megalitres per day below which the Shoalhaven will be prohibited from extracting. This recommendation will have a devastating effect on the Shoalhaven community, and it would have seen the Shoalhaven unable to extract from the river for nearly 300 days during 2002. Quite clearly, the city would have run out of water. We would have run out of water because we are not allowed to build any more dams that impinge on national parks and cannot store water beyond the existing storages—just two dams, Mr Deputy Speaker Causley. Let me ex-

The report concludes that the improved transfers from Shoalhaven for Sydney and the Illawarra may require the Shoalhaven community to build another off-stream storage dam even for the current population. This is now impractical due to the number of national parks created in the Shoalhaven in recent times, eliminating most off-stream storage sites. It should be noted that the Shoalhaven community currently has the ability to pump 90 megalitres per day—the daily demand is 60 megalitres per day. However, the Sydney Catchment Authority has the ability to pump 2,000 megalitres per day. The Shoalhaven community, although a minor extractor of water from the Shoalhaven compared to the Sydney Catchment Authority, developed a strategy in conjunction with the state government based on its reliance on the Shoalhaven River.

The Shoalhaven City Council has undertaken a number of initiatives to ensure that water resource security has been planned for the next 50 years with minimal impact on the environment. Despite the long-term planning and environmental management, the Shoalhaven community appears to be extremely impacted by the recommendations from the Hawkesbury-Nepean River Management Forum—without community consultation, without recognising

any environmental work undertaken by the council and without undertaking any environmental work by the expert panel. Council seeks to ensure that the current environmental flow regime is maintained for the Shoalhaven community extraction; that the state government maintains its commitment to the water entitlement to the Shoalhaven community when the Tallowa Dam was constructed; that the environmental health of the river will not be impacted by increased extraction to Sydney; and that full community consultation is undertaken with the Shoalhaven community. That is why we need a national water management strategy and why a National Water Commission would fill that role—so we will no longer be robbed with impunity by a very parochial state Labor government.

I am grateful to the Shoalhaven City Council for providing me with this information and congratulate them on their vision and professionalism in securing our water supplies as best they can. They are conserving, planning, managing and delivering in a way that the New South Wales state government would do well to emulate, instead of exploiting someone else's hard work.

The Gilmore electorate will certainly become involved in the Water Wise Communities program. Our area is well-known for its tourism and recreational facilities, providing many millions of dollars towards the local economy. We are already heading the way of proposals outlined in the National Water Commission Bill 2004. Already much is being done in the area of acid soil salinity and this government has assisted in each of our programs. Therefore, I applaud the fact that this area will also be addressed by the commission—not to mention our many rivers and estuaries.

The opposition in this House can only whinge about what should be done with the National Water Commission Bill. Why aren't they hands on? If they came and had a look at what is happening in country areas and saw the grief that is going on then they might understand. This is a significant piece of legislation which I can wholeheartedly endorse. There is no doubt that a coordinated approach is necessary. We have had far too many instances of duplication of standards and, as a result, inefficiencies and arguments—remember the rail gauges and the problems they brought to interstate freight and transport. Without this level of intervention we could well still be fighting over water resources as they dry up. There are many great ideas out there and it is only right that they are given a chance, not by some sort of hotchpotch approach on a state-by-state basis but overall, in a coordinated fashion, so that efficiencies are optimised. We do not want to replicate the rail gauge approach. What we want to do is approach this in a professional and businesslike manner. It is the role of government to provide the leadership.

The National Water Commission is the instrument by which this can be achieved. Yes, there will be detractors and doubting Thomases. Already we are seeing this on the other side. But I feel positive. I have seen what the Carr Labor government has to offer and it is just not enough. This is not an insignificant investment but it is a wise one. This week the unseasonable heatwave heralded a warning that we should be preparing. As our population grows, even with a stable weather pattern our consumption will continue to rise. We need to change our thinking about the way we do business with water, how we use it, how we waste it and how we can reuse it. An attitudinal change is needed. I believe that creating a central coordinating agency is just the first step in modifying our wasteful behaviour.

Isn't it ironic that this government, which has been condemned by the environmentalists for not being green enough, is introducing a significant and innovative initiative to tackle one of the big environmental issues confronting this country! What have we heard from the opposition? Have they come out and applauded the government on this initiative? Let them be judged on their silence. Worse still was the tirade of hot air from the member for Corio last night. There was nothing positive, just 15 minutes of harping and carping. In fact, I was amazed at how little he had to say. I certainly expected more from him. The member for Batman, with his angry gestures and mad-like expression, called the government corrupt. What has the opposition done to achieve any positive approach? The public does not appreciate this type of behaviour. If we are truly confronting water conservation in this country then we are confronting global warming and preparing for it. The bill is a wise policy and a wise response. I commend the bill to the House.

Mr GEORGANAS (Hindmarsh) (10.17 a.m.)—I rise to speak on the National Water Commission Bill 2004. I will start off by saying that South Australians are generally more acutely aware of the need to protect our water supplies and they have been aware for longer than many people in the eastern states. Being at the bottom of the river means that we have been able to see just how serious things can get. In South Australia the condition of the Murray River is already deadly serious. Half of the Murray's native fish species have been lost; 90 per cent of the Coorong's migratory bird species are gone; Murray crayfish, which many people would remember, have gone entirely from South Australia; and the Murray wetlands are dying.

Our river red gums have been killed by salinity and urgent action is being taken to reverse that trend through the Murray-Darling Basin Commission's Living Murray program. In the last year, the rate of death of our river red gums has increased from 50 per cent to 75 per cent. Action is needed, and it is needed immediately. This is not an issue which can wait for slow political processes. It is not an issue to play games with. The implementation of the National Water Initiative, which I think is a positive initiative, is tied to the states resigning the agreement, even though the payments for the initiative are to be funded through competition payments that would have previously been allocated to the states for things like schools and hospitals.

The Murray-Darling is in urgent need of attention and I see the National Water Commission as a part of many important steps that are now being taken to protect the river. However, I would like clarification from the government on how it sees the relationship between the new National Water Commission and the longstanding Murray-Darling Basin Commission. The Murray-Darling Basin Commission needs to be able to carry out its work on the Living Murray program and the Living Murray program needs funding provided through the National Water Initiative—funding which is not forthcoming because of the disagreement with the states over how the initiative should be funded.

What is already happening to the river down south will also happen upstream, and it will happen fast. And although we are beginning to take some action now, it will take years to repair—if we act immediately. Given that the salinity loads from past mistakes can take 30 years to hit the river, attempts to reduce salinity are up against a backlog of irrigation development. Low water flows downstream have long been a serious concern. South Australia is still chasing agreement for further flow increases, despite an agreement with the Common-

wealth earlier this year and a \$65 million contribution to release an extra 500 gigalitres. Victoria and New South Wales have just agreed to recover 240 gigalitres for the river. Labor's plan was for 1,500 gigalitres, and water experts still agree that is what is required.

But there is more to repairing the river than just increasing flows; we also need to change our ways. We have to take a long hard look at our irrigation practices. It is all well and good to save water in our households by taking shorter showers or reusing grey water and all the other conservation measures we put in place, but the vast majority of water taken from the Murray is taken by irrigators. We have to get smart about the way we farm—that is the secret to a healthy river.

I hope that the \$1.6 billion set aside for innovation and uptake of water smart technology through the Australian water fund will deliver very rapid change in farming practices. I do not wish to suggest that farmers themselves are responsible. I am relieved to see governments around the country at last facing up to the fact that agricultural practices need reform, and farmers need our support and government support to implement that. There is also \$200 million set aside for community based water-saving initiatives around the country, which is not a great deal when you think of what has to be done and of how thinly those dollars will need to be spread, but perhaps the national commission will take a look at that.

Without the Murray, South Australia has no future, so the work of the commission is essential. The rights of the commission to act independently and report publicly will be key to its effectiveness. To that end, I am extremely concerned about clause 44 in the bill, which prevents the commission from publicly releasing any information about the state of our water supplies or the progress being made on water initiatives without ministerial approval. For a matter which must be separate from politics, this clause is outrageous. There is no justification for withholding information which is so obviously in the public interest.

I would also like to point out that the review of the National Water Initiative planned for 2011 may well be redundant, because it will be perfectly clear to South Australians within the next couple of years whether the National Water Initiative is working. I would prefer, and I know South Australians would prefer, a more a regular review process, reporting back to the public on at least an annual basis. It is important that the commission will have to produce an annual review which must be tabled in parliament, but we all know there may be important information that it is in the public interest to release sooner or with more detail than is possible through the annual reporting process.

It concerns me too that the states may not get their choice of commissioner onto the commission. South Australians understand that the success of the national commission in protecting and restoring the River Murray is nothing to be toyed with. There will not be a nomination made by the states that is not decided on the basis of ability and expertise. Therefore I see no reason for the Commonwealth to object to the states' nominations. There can be no imaginable justifiable basis for refusing the states' nominations for commissioners on the National Water Commission. Clause 8 and the secrecy clause, clause 44, flag the Commonwealth government's fear about committing to what they know must be done to save Australia's water resources. They are extremely worried about the mounting pressure from the states and from the public in relation to this issue. This bill contains clauses which try to minimise that pressure.

But there is already too much evidence that supports the position for a new approach to managing our water resources and in particular the River Murray. A report released last week by the CSIRO states that the total water requirement of irrigated agricultural land uses in the Murray-Darling Basin increased by nearly 29 per cent to 12,050 gigalitres between 1996-97 and 2000-01; the total area of irrigated agriculture increased by 22 per cent in the same period from 1.5 million hectares to 1.8 million hectares; the irrigated agricultural land use of largest areal extent is dairy, followed by cotton, cereals and rice; the largest users of water for irrigation are also dairy, followed by cotton, rice, cereals and grapes; areas of irrigated dairy pasture expanded by some 217,000 hectares—that is 71 per cent; total water requirements of dairy increased by 1,730 gigalitres to a total of 4,194 gigalitres in 2000-01; areas of irrigated cotton expanded by 108,000 hectares—that is 36 per cent; and the total water requirements of cotton increased by 729 gigalitres to a total of 2,856 gigalitres in 2000-01. Despite this growth in production, total profit decreased. In 1996-97 it was \$3.856 billion, which decreased slightly to \$3.732 billion in 2000-01.

At a recent Murray-Darling Basin Ministerial Council meeting a contract for up to \$7.5 million in sand-pumping works to keep the mouth of the Murray open was approved. That is essential work, but I look forward to the day when the river is so healthy that the mouth never closes. This bill is a move in the right direction, and I hope that the commissioners will report back to the public on the National Water Initiative strategies and that that work to save the river is successful.

Mr ANTHONY SMITH (Casey) (10.26 a.m.)—I want to briefly take the time to add to this debate on what is such a very important issue for this parliament and for our country. In the past five years or so the issue of water has been something that has really got a great deal of attention at a community level. I welcome the previous speaker's support for the direction of this commission and the fact that the government and the Deputy Prime Minister have moved on this subject over the last few years.

The Natural Heritage Trust was probably the first major policy initiative where we recognised as a nation that our major environmental challenges, which have been with us since Australia's founding and will be with us for all time, are only going to be overcome with big initiatives which have cooperation from all levels of government, be they state, federal or local, and from local communities. As we move forward, it is that community involvement that is going to be the key. The Deputy Prime Minister, in his introductory remarks to the National Water Commission Bill 2004 and in the debate over the course of the last 12 months to 18 months, has made that point. If we put aside the inevitable political differences that we have in this chamber—which we rightly have, because we represent different points of view—we can have a united view on the fact that the process forward has to be one that keeps all communities together if we are really to have a comprehensive outcome. The previous speaker obviously speaks from a South Australian perspective. There are particular problems with the Murray-Darling Basin there. As a Victorian, I am very familiar with them. We follow that debate very closely. We do not have the problems in Melbourne that Adelaide is experiencing. But making that case right across Australia is critical, because in many respects the situation in Adelaide is just a forerunner to what we can expect if we do not tackle this problem into the future.

Water is also a big issue in my electorate of Casey. There have been changes at the state level but, as the Deputy Prime Minister has rightly pointed out, what is necessary is that the action is taken at a cooperative, community level so that people are involved and want to be involved in making that happen. To that end, I want to pay tribute to some of the business groups, particularly Mr Pratt and his water group, which have done so much to drive the public debate. We might not always agree with the solutions they propose, but driving that debate has been quite critical. One thing we have seen over the last few years is recognition at the community level of the importance of water—of its value and its scarcity and, more importantly, of the fact that it is vital for Australia's future. That has been the result not only of governments and state governments taking decisions but also of the sort of community cooperation we have had from business groups who have also led the way.

In my own electorate of Casey, you get a good picture of urban and rural Australia. There are the outer urban suburbs that have that suburban attitude to water, I suppose, where you have new housing estates, and the pressure for water usage is there; and you have the rural areas—and one does not really blend into the other. There is a hard line difference because of the planning laws. As you move into that rural area those difficulties, which have been exacerbated by recent droughts, have been very apparent. It is a microcosm of what is going on, be it in South Australia, Flinders or elsewhere, where 50 or 100 years ago the water supplies—the creeks and the dams—were not under pressure. A drought would come along every so often and there would be difficulty. But, of course, as development has encroached and as industries have become more intensive, the need is for science and commonsense usage to make up that difference.

We have seen the Yarra Valley change from a farming district. It is well known now as one of the world's greatest wine districts. I know the member for Flinders disagrees with me on almost nothing except for the fact that the Yarra Valley is the greatest wine district certainly in Melbourne. I will not bait the South Australians, who cling to their wine districts as they clung to the Adelaide Grand Prix! But of course our areas—and I make a serious point on this—have become much more than that. I know that the members from South Australia know that. They are becoming integrated. The agribusinesses that 20 or 30 years ago were really old-style industries are becoming very modern. They are becoming export businesses. They are becoming the new opportunities and the new growth sectors. As they integrate with tourism they become the new drivers of these areas. But of course the use and availability of water is really what is going to determine their future.

If we ignore what is required, we will do so at our peril. As the Deputy Prime Minister has pointed out, if we do not take the community with us we will do it at our peril. Governments and bureaucracies need to recognise that. That is not just important from a policy delivery point of view; it is critical, because a lot of the local knowledge is always in those local communities. It is on the farms; it is in the businesses. It is in those family businesses that have existed, often in the same place, be it in Silvan in Casey or down on the Mornington Peninsula in Flinders, where those people have the knowledge of the water systems, of how they could do things better and of how governments could do things better.

That is the point I make in this debate: this will be a big issue for the next 50 years. Governments have a role in leading; they have a role certainly in changing policy and they have a role in changing things so that there is a sustainable future for Australia. But at the same time

we have to listen to the people on the ground. That is very much what the commission is going to be about. The commission is designed to be a two-way process. It will fund important national projects and grassroots projects as well through the water wise program. So I think it is good that there is a bipartisan spirit to this debate. It is good that we can start this new parliament with a bill like this that will make a major contribution in the years ahead, right across Australia, to our local communities, to our nation and to our businesses.

Ms KATE ELLIS (Adelaide) (10.35 a.m.)—I am delighted to have the opportunity to speak on the National Water Commission Bill 2004, which is about such an important issue. Water and our use, or misuse, of it is one of the most important issues currently facing this nation and our current practices are just not sustainable. I recently came across something that further backs this up, which I will share. It is an article entitled 'Solving our water headache'. It says:

The Water Services Association of Australia predicts that Australia's major urban areas will have a water shortage of over 800 gigalitres a year by 2030 even if we have recycling in one-quarter of new developments and all consumers reduce their water use by 10 per cent.

That's a shortage greater than Sydney's current use. The shortage is due to a combination of city growth—three million more people by 2030, climate change and the need to provide more water to our rivers and estuaries.

I think this shows that this is clearly a situation which requires urgent consideration.

In particular, I would like to speak on the Murray River and the urgent challenge that we face in order to save it. As I mentioned throughout the recent campaign and in my first speech, I feel particularly passionate about this crucial issue. This is something that I share with many within my electorate and, indeed, within South Australia. I note the contributions made by both the member for Grey and the member for Hindmarsh but I also state that this is not just a South Australian issue; this is a national issue that we need to put a focus on to address. Whilst I have some concerns within this bill that I will detail in a moment, I must say that I am delighted that it has made it here.

I, like no doubt many other South Australians, was somewhat confused about the Liberal Party's position with regard to saving the Murray, with all the flip-flopping that was going on in South Australia earlier in the year. I am speaking, of course, about some of the member for Barker's comments and his support of the push by coalition backbenchers to postpone fresh water flows. The member for Barker stated:

My mind hasn't changed—every scientist we spoke to said we need a lot more work done before we make a decision on the 500 gl.

Whilst it is alarming that when everyone else can recognise the urgency of the plight of the Murray the member for Barker instead wanted us to sit back and remain inactive, I am pleased that we are here now discussing this and I hope that we can get on with the job.

I must say that I am also surprised and disappointed that we are only now debating this legislation. It should be noted that this government has failed to address issues of water reform with the appropriate sense of urgency and it is shameful that the reform process, formalised by COAG back in 1994, has not been progressed by the federal government. I think Australians can legitimately ask where the government has been on this issue for the last eight years.

As the member for Hindmarsh outlined so articulately earlier, South Australians are particularly well aware of the significance of the current plight of the Murray. This is for a number of reasons. Obviously, the geographic location of the river and the first-hand implications of its demise are major factors, but I think it is important to also acknowledge the strong leadership role that the Rann government has played in championing the Murray's cause and fighting for its ongoing survival. Equally, this is an issue which many have got involved in at a community level. I was pleasantly surprised at the huge number of people within the electorate who have spoken to me about their deep concerns for the river's health.

The South Australian branch of the Australian Conservation Foundation have done a fantastic job of increasing community awareness and co-ordinating community campaigns on this issue. I think they—in particular, Arlene Buchan—should be commended for this work. It is some indication of how strongly South Australians feel on this issue that over 4,500 South Australians have signed the ACF's postcards urging for action on the Murray. ACF know, as do the Labor Party, that leading scientists have reported that 1,500 gigalitres are required to save the Murray. I intend to constantly remind the government of this until we see the action required.

These additional flows are critical to the Murray, but there is more that must also be done. We need to change the way we use our water, as well as the amount. I would like to now share some of the major new initiatives which are currently being progressed in my state of South Australia. These include the Waterproofing Adelaide initiative. This is a project that seeks to establish a blueprint for the management, conservation and development of Adelaide's precious water resources to 2025. A draft strategy has been released, following the release of a discussion paper. The strategy proposes a vision for reducing the city's water consumption, better managing our water systems and developing new sources of water.

Another new initiative is the prescription of the Eastern and Western Mount Lofty Ranges. As part of its duty of care to the community and the environment, our state government is taking action to hold water use at current levels while it undertakes a detailed assessment to accurately determine water resource use and future trends. Yet another new initiative in South Australia is the Urban Stormwater Initiative, in which our state government and the Local Government Association are working together to develop a new catchment based management approach to progress stormwater re-use and flood mitigation.

We must change our attitudes on the river and actually start coming up with some innovative new approaches to water reform. I support measures to establish a National Water Commission, but there are some concerns. One of the most alarming elements of the current proposal is the suggestion that the money would come from the states' national competition payments. These payments are paid to the states and territories for continuing reform in competition practices in trade, retail, business and government—such as Sunday trading, for instance. These reforms continue to provide an indefinite tax revenue benefit to the Commonwealth. In effect, it means that the money set aside for South Australia or for other states in the form of these payments will be diverted to pay for the federal government's water policy.

I think it is a disgrace that, whilst the government is willing to go on a multibillion-dollar spending spree during the election and whilst it is happy to throw money around at a variety of other ventures, this government will not put up new funds to address this urgent issue of water in the nation. This concern has been shared by many. I would like to take the opportu-

nity to share some of the words which were included in a letter to the Prime Minister regarding this issue, which was signed by all the premiers and chief ministers of the states and territories. In it they stated:

Your decision to fund the water policy by cutting at least \$1.6 billion in competition payments to the States and Territories means you are effectively robbing our governments to pay for your policy. In addition to this you seek additional payments from the States and Territories to fund the key projects promised in your policy.

This will put intolerable pressure on the delivery of key services by the States and Territories. It will inevitably have an impact on hospitals and schools. This is an unnecessary assault on State and Territory Budgets, given the Commonwealth Pre-Election Economic and Fiscal Outlook ... released on 10 September 2004 showed a cumulative underlying surplus of over \$25 billion over the forward estimates period.

The government must be serious about addressing these critical issues and it must demonstrate this commitment by putting up new funds.

I would like to address a further concern, which lies in clause 44 of the bill. This clause prevents the commission from publicly releasing any information about the progress being made or the state of our water supplies without first getting ministerial approval. This clause is a disgrace. It is clearly in the public interest for the community to know whether the commission is satisfied that enough is being done. The commission will be able to make recommendations—for example, it may well recommend that water flows be increased to 1,500 gigalitres, as committed to by Labor—but under the secrecy clause the public will not know that unless the minister decides to admit that the coalition is not doing enough. I do not wish to pre-empt the minister's actions, but I think we all know that it is unlikely that the public would ever hear about this. This is not open and accountable government. On an issue that is so important and that the community feels so strongly about, we must put politics aside and let the facts be known.

A further concern was outlined yesterday by the member for Wills in his second reading amendment, and that was with regard to clause 8. I support the member for Wills and his very valid point that the states must get a fair say in the appointment of commissioners. We must view water, our use and re-use of it, as a national priority. We must commit appropriate resources to delivering effective water reform and we must act swiftly and boldly to save our River Murray. I urge the government to treat this pressing issue with the priority that it requires.

Mr HUNT (Flinders—Parliamentary Secretary to the Minister for the Environment and Heritage) (10.44 a.m.)—I am delighted to speak on the National Water Commission Bill 2004. The problem we face today in Australia is perhaps encapsulated by a problem we see within my own electorate of Flinders. At the southern end of the Mornington Peninsula the Gunnamatta outfall discharges 150 billion litres of secondary treated sewage as ocean outfall every year. This 150 billion litres, or 150 gigalitres, of sewage comes out less than 30 metres from the coast. That sewage has three great impacts. Firstly, it has environmental impacts. It causes the destruction of the kelp beds and it has an impact on the general nutrient level and therefore on the higher biological levels. Secondly, it has a health effect. This is one of Australia's great surf beaches. Thirdly, it is a criminal waste of a natural resource which is in short supply. This problem is replicated throughout Australia. We see 1,500 gigalitres, or 1,500 bil-

lion litres, of waste water and sewage water cast out to sea by state water authorities throughout Australia. That problem is an exemplar of the challenges and opportunities facing Australia in relation to water conservation for the future which generations to come must face in addressing Australia's water needs. The problem is there, the solution is understood and the responsibility is with this generation to protect future generations from water shortage.

In this speech I want to address three things: firstly, the problem; secondly, the systemic solution in terms of the National Water Initiative and the National Water Commission; and, thirdly, the particular programs which we undertake. Looking at the general problem, what we find is that naturally, with a combination of increased water usage per head, an increase in population and a decrease in sustainable yield through a combination of environmental factors, we are running short of resources and we will continue to see a decrease in the available water resources for Australia's rural and urban populations. That problem means that we cannot allow the waste of water at the level of 1,500 gigalitres, or 1,500 billion litres, per year to continue. The city has been stealing from the country, not returning it and not playing its part in ensuring that water is available for country users. We must take action now.

In my very first speech in parliament three years ago and in my next speech following that I set out the need, desire and plan for a proposal which would see the ending of ocean outfalls by the year 2025 and the recycling of all of that water for industrial and agricultural uses. Against that background I am delighted that the government has progressed with the National Water Initiative and the creation of a National Water Commission. What is particularly notable is that the Prime Minister has himself assumed responsibility for dealing with water as one of Australia's core pressing priorities. The National Water Commission will reside within the Prime Minister's department. That is a tremendous sign of prime ministerial interest and commitment to helping to address this problem for future generations.

In particular, the National Water Initiative—which was signed on 25 June this year—sets out, through the Council of Australian Governments, a process by which we will have ongoing water reform for the Murray River through the Living Murray initiative, for our rural rivers and for our urban systems. It is that integrated approach which is absolutely critical in dealing with the responsibilities, needs and challenges of future generations. Against that background the core vehicle for the operation of the National Water Initiative is the National Water Commission. It sets up seven commissioners, four chosen by the Commonwealth and three chosen by the states. These commissioners will identify Australia's priorities. I am delighted that, in setting out the policy for the national water fund during the course of the election, the Prime Minister and the Minister for the Environment and Heritage, Senator the Hon. Ian Campbell, identified the solution of the Gunnamatta outfall issue as one of the two top national priorities for grey water and black water reuse. I believe that is an absolutely critical step forward. This is a model project for reuse of water throughout Australia.

What does this mean in practice? What are the programs which come out from the National Water Initiative and the National Water Commission? There are three core programs which form the Australian water fund. This is a body of \$2 billion which was set out by the Prime Minister; the Deputy Prime Minister, John Anderson, who has played a very important role in this process; and by the minister, Ian Campbell, who has a real passion, commitment and understanding about the need for water reuse and the need for water management.

The first of those three programs is the major infrastructure program of \$1.6 billion, which is known as Water Smart Australia. What Water Smart Australia does is lay down a capital base for funding, to be matched by the states and private sector, in dealing with major infrastructure projects for the wise use of water, for the repair of damaged areas and, in particular, for the reuse programs, which are critical if we are going to conserve water. That is in rural areas and urban areas. It is tremendously important to see, for the first time, a Commonwealth government taking major strides in the last 30 years in terms of national water infrastructure. That \$1.6 billion is contingent on funds from the states. It should never be used as a replacement for what should be the ordinary course of expenditure for state governments. What it does is provide an incentive and an additional supplement for private, state and local funding and it says that the Commonwealth recognises that, even though this is not a constitutional responsibility, it is a national leadership responsibility. We do not shirk that and we have put our money up, because it is a critical form of national leadership and an intergenerational challenge that we face.

The second program which comes under the National Water Initiative and the Australian water fund is the \$200 million Raising National Water Standards program. This is a \$200 million program over five years which is all about investing in Australia's capacity to measure, monitor and manage its water resources. It is about taking programs such as the Queensland rivers, estuaries and coastal regions water monitoring program, which does a tremendous job, and applying those nation wide. I think the Queensland example is a great example which the Victorian government and the New South Wales government could do worse than replicate. I think it is a tremendous project, and this funding allows ideas such as that to be replicated by community groups, local governments and state governments around Australia for understanding and monitoring water quality challenges.

The third element of the Australian water fund is the \$200 million water wise community program. This will be administered by the Department of the Environment and Heritage in conjunction with the Department of Agriculture, Fisheries and Forestry. What it does is provide money in grants of up to \$50,000 for community groups to focus on water reuse, community education and repair of riparian systems—repair of local river systems—helping to overcome problems with the quality and treatment of water, and educating local users. So those three elements together make up the Australian water fund.

Water is one of Australia's great challenges. It is a challenge for the rural areas and it is a challenge, in particular, for the urban areas, which have until now been tremendously wasteful. Present in the chamber is the member for Riverina, Kay Hull, who is one of the very passionate advocates for water use and water rights for rural users. I say that, as city dwellers, we have a responsibility to her constituents to do our part.

Mr Forrest—It's true.

Mr HUNT—Of course, I include the member for Mallee. We have a responsibility to do our part and it is now, for the first time, being recognised that what we do in the cities impacts on the availability of water for country users. There is a national responsibility to implement the major water recycling program in Brisbane, Sydney, Melbourne and Adelaide, which has made more progress than anywhere else in Australia. We have that responsibility. This bill lays down the framework and the funding for those activities and it is backed by the commitment and energy of a Prime Minister who said that he wants 20 projects up and running dur-

ing 2005. We have prime ministerial focus, we have deputy prime ministerial focus and we have an environment minister who is passionate about this, so we have the force of the government aimed at making water reuse, water management and water demand control national priorities.

I urge the states to participate in the National Water Initiative, to return to the table and not to play games. Finally, I say congratulations to all of those involved in the preparation of the bill and the Australian water fund in particular: the Prime Minister, the Deputy Prime Minister and Senator Ian Campbell. It is now our—this generation's—responsibility to take the steps in our national usage and in our personal usage to allow genuine health for the next generation. I commend the bill to the House.

Mrs HULL (Riverina) (10.56 a.m.)—It gives me great pleasure to stand in the Main Committee this morning to discuss something of great interest to me and my electorate. My electorate includes a significant irrigation area, and that area certainly contributes significantly to exports and to the domestic wealth of Australia as a nation. Also, I am part of the Pratt Water working group. In the past I formed an alliance with Richard Pratt because of his very keen interest to ensure that water was looked at with great respect into the future. We formed the Pratt working group in order to look at how we might resolve some of the issues that would confront Australia.

Pratt Water has investigated the business case for investing in water efficiency within the Murrumbidgee Valley. This work has yielded valuable lessons for government and investors in advancing significant water-saving infrastructure to implementation. In particular, Pratt Water has identified a need and a mechanism for implementing water efficiency projects that can yield major savings but which do not fall within a conventional or well-defined ownership or management context. These include projects that lie outside the existing corporatised irrigation districts and which involve a mix of land holdings, water user interests and titles, and land management objectives. In many of these cases there is a need to consolidate and converge the variety of interests and expectations—a challenge that has proven difficult to overcome to date.

Pratt Water has analysed the key issues that need to be managed and resolved in securing appropriate investment and operational certainty for such projects and is now looking for a way of implementing these findings in 'real life' projects that are likely to receive the support of both public and community stakeholders, together with potential financiers. There is a range of regional water-saving projects that have been on the books for many years but which have yet to be implemented. This is partly due to funding and financing uncertainty. Many parties are also looking for a signal from the appropriate levels of government that particular projects will receive government support, encouragement or assistance with facilitation. Support may not necessarily mean financial support but, rather, facilitation or assistance to draw together the various approval parties to clarify the application of regulations to new structures. We are focusing on a number of high-priority projects and we promote the most promising ones towards financing and implementation.

That brings me to the dovetailing of Pratt Water into the National Water Initiative. We have a significant opportunity now in this House and in all of the state parliaments to be able to advance with historic decisions that will ensure the future for all Australians for many years to come. A popular children's novel, *The Girl from Tomorrow*, and its sequel, which were pro-

duced as a children's television series, focused on the future—the year 2500. This is a children's novel but it talks about water being more valuable than gold. While it certainly seems far-fetched to us, it is something to consider. Written in the 1980s, this novel sent a powerful warning, even then, that our valuable resource could not last forever. We already live in a world where clean drinking water is not a reality for all. By protecting our valuable resource we can ensure that everybody has access to water, whether it be for agricultural uses or for drinking and everyday use.

Since this government was elected, it has been committed to implementing a plan to protect our water resources for the future and to ensure that we use this resource more wisely. Well before I came into this House, I would go around to schools with these policy issues to see how schoolchildren could become water wise and perhaps go home and teach their parents what was needed to ensure a consistent water supply for the future. Now that I am in the House I am able to participate more and be more involved to ensure these future issues are addressed. I am very pleased to have been part of the National Party working team which looked at various ways to conserve water into the future. The National Water Initiative was a historic agreement that was a result of the commitment by the Deputy Prime Minister and Leader of the National Party, the Hon. John Anderson, to see that this idea become a reality. No person has been more influential in the water debate than the Leader of the National Party, the Deputy Prime Minister. It was through his great work that the majority of the states were brought together to see the sense of the National Water Initiative. He also brought to the table users and entitlement holders. They were very concerned for the state of their future until the Deputy Prime Minister, John Anderson, brought together a realistic National Water Initiative. It was really pleasing to see the state and territory leaders come on board with the initiative. But then, disappointingly but probably predictably, we saw them walk away from the agreement during the election campaign.

That leads me to contributions made yesterday in this place. It was appalling and shocking to see the Labor speakers, fresh from their latest internal leadership and turf war battles, troop into this House yesterday, one after the other, to disown Labor's policy, to rewrite history to favour their party, to substitute intelligent policy debate with untruths and to put on the table their real lack of understanding as to how water effectively helps to utilise the productivity of this nation. Firstly, there was the disowning of ALP policy and the issue of competition payments to fund the Australian water fund. Let us make no mistake about it. During the election campaign, the state premiers walked away from the initiative that everyone had worked so hard to bring to the table. They disowned it because of some furphy that they were being robbed of their national competition payments.

In his speech on this issue, the member for Wills said in relation to point 4 of his amendment that competition payments should continue to be paid to the states and territories for essential services such as schools and hospitals. But what was said during the election? Something very different, of course. It is a case of saying one thing during the election and another thing here in parliament. I recall that during the election campaign one of the opposition members came to my electorate and said, 'Kay Hull says one thing in her electorate and quite a different thing when she comes into the House.' Let me say that these people opposite have come into this House and have said something totally different from their actual policy.

This is what the Labor Party said on competition payments in its plan for the environment and heritage released during the election: 'The assessments of state performance payments have gone into state coffers rather than improved water management, and progress in some states has been slow.' That is very different. What has changed since the member for Wills owned those words? An election, of course. Why did the member for Wills not read that part of the policy during his speech? He read large slabs of the rest of the rejected and failed policy into *Hansard*. I ask the question again: why did the member for Wills not read that part of the policy during his speech in this House? The policy can no longer be found on the ALP's web site. I think the Labor Party's airbrushing of policies from their web sites has been mentioned before—you will certainly see that this one has been airbrushed out. But these are the little treasures that one keeps: 'The assessments of state performance payments have gone into state coffers rather than improved water management, and progress in some states has been slow.' These were things that the Labor Party said.

Just as amnesia on the substance of their plan for environment and heritage has gripped the collective minds of the Labor speakers on this bill, they seem to have forgotten that the Leader of the Opposition grabbed \$800 million in those same competition payments that they objected to going into the National Water Initiative. The Leader of the Opposition grabbed \$800 million in those competition payments to fund his failed hospital policy, but that was okay—that was fine. The pontificating on competition policy is nothing but hot air from most of the speakers. The Australian Labor Party know—or they should know if members are actually doing their jobs—that the national competition policy agreement was only ever going to run to 2005-06. Claims by Labor states and territories and subsequently by federal Labor that they have somehow been dudded are categorically wrong. The Commonwealth included funds for a continuation of national competition policy beyond that year—in case COAG decided to continue NCP—in much the same format of sharing the economic benefits.

The hypocrisy of the Australian Labor Party was absolutely breathtaking in the debate on the bill in this Main Committee chamber yesterday. As I said, I sat in my office and was appalled. The states in their submissions on the future of national competition payments to the Productivity Commission, which is currently undertaking a review, suggested that they do not want to engage in more reform beyond 2005-06, but they still want their money. The rice industry is a classic example, whereby the Premier of New South Wales, Bob Carr, says: 'We want to save the rice industry, but we don't want to take it off the table. I don't want to go back to COAG with all of my Labor premiers and ministers and get agreement to take rice off the table. I do not want to deregulate. I want to keep my rice industry with vesting powers and a single desk—I am absolutely desperate to fight for that.'

I would like to see Bob Carr come to the table with his Labor ministers and decide that they are going to take rice off the table. But at the same time, he cannot get the payments that he so dearly wants. On the one hand, he says: 'We need to save the rice industry. We do not want to deregulate it. We want to keep it with vesting powers.' On the other hand, he says, 'I want all the money that I can get for not deregulating.' Premier Bob Carr wants to have his cake and eat it too—very typical. Labor now complain when the Commonwealth does something constructive with national competition payment—such as put it into a National Water Initiative that secures the future of all Australians rather than prop up a failed system run by premiers in every state in this country.

Labor members who have engaged in debate on this bill have engaged in deliberate untruths. They really should come in here and apologise. As I said, Labor's contribution to the debate yesterday was absolutely appalling. Labor seeks to amend the government's motion before the House based on competition payments. It will fail. It is based on flawed thinking and flawed policy underpinnings. It is a sham. The member for Wills should be absolutely ashamed of his performance in the Main Committee yesterday. The Labor Party should be condemned for putting before the House a very flawed motion.

Labor's policy on environmental flow for the Murray is another mystery. There is no consistent policy. In this place yesterday, the member for Blaxland made a very interesting contribution. He said that the Labor policy was to release 1,500 gigalitres down the Murray. On the other hand, the member for Wills said it was 450 gigalitres. So who is right? Who is telling the truth? If they cannot even get that right when they come into the chamber, how do we expect the people of Australia, who are dependent upon the success of this National Water Initiative, to be able to understand where they are going to be able to go with Labor policy? It is one thing today to suit one constituency and another tomorrow to suit another constituency.

Labor is rewriting history in order to own water reform. The policy performance of the Australian Labor Party has looked at rewriting history. The 1994 contribution on water reform of the Council of Australian Governments was the collective contribution of states and territories and the Commonwealth. Present at the 1994 COAG meeting were the then Liberal Premier of Victoria, Jeff Kennett; the then Liberal Premier of New South Wales, John Fahey; the then Labor Premier of Queensland, Wayne Goss; the then Liberal Premier of South Australia, Dean Brown; the then Liberal Premier of Western Australia, Richard Court; the then Liberal Premier of Tasmania, Ray Groom; the then Liberal Chief Minister of the Australian Capital Territory, Kate Carnell; and the then Country Liberal Chief Minister of the Northern Territory, Marshall Perron. The policy drive for water reform was a collective thrust of the governments of the day: seven Liberal premiers and chief ministers, one Labor premier and one Labor prime minister. COAG operates on consensus, and the COAG policy is not owned by the Australian Labor Party, as was espoused here yesterday in the Main Committee by the member for Wills. He said, 'We started this; it us ours.' Do not let anyone be deluded—the member for Wills was yesterday trying to claim ownership of the National Water Initiative. That is another myth that we have dispelled. You should not try to rewrite history for self-gain unless you have gone and done your homework.

Under the Constitution, the Australian government can only work with the states and territories on water. Up until 25 June 2004 water policy was travelling well. Then, eight Labor premiers thought they should help out their federal counterparts on water policy during the election. I am sure that has to be something that they now regret, because the Labor premiers and their leaders earned the wrath of stakeholders and communities for reneging on the National Water Initiative agreement that they had signed on 25 June 2004. Perhaps it was done in order to help their federal Labor leader, but they have not been rewarded for doing this, because their federal Labor leader has at times rewarded them with public humiliation.

Basically, we need to look at how we can get back on track. We cannot get back on track with help from a dysfunctional Australian Labor Party. It is an Australian Labor Party that is so dysfunctional that its members came into the Main Committee yesterday and provided conflicting views. The issues that we are confronting here need to be addressed by this govern-

ment and can only be addressed by this government. We can refer to a couple of the other issues, such as decoupling the National Water Initiative and the Living Murray initiative, which has caused great concern through my electorate of Riverina. In fact, the National Water Initiative is underpinned by the Living Murray initiative. Signed on 25 June, the intergovernmental agreement on the Living Murray initiative says at clause 6:

Implementation of this Agreement will be dependent upon agreement by the Parties to the National Water Initiative Intergovernmental Agreement.

If it was good enough for the premiers to sign off on this on 25 June, it is good enough for them to now come back to the table and continue to sign off on it. The Minister for Agriculture, Fisheries and Forestry, Mr Truss, has indicated that this is the position—and that is exactly what the position is. This government's ministers do not say one thing and mean another.

Labor members were particularly hysterical about the Australian water fund during the election. The projects announced for Victoria during the election campaign were those that the Victorian government had requested joint funding for under the National Water Initiative. Are these same Labor members suggesting that the Victorian government has not undertaken a rigorous financial assessment of these projects? Are these same Labor members suggesting that the Victorian government has not undertaken the necessary studies?

I have to defend the Victorian government. It is a crazy position for me, to have to stand in the Main Committee and defend the Victorian government against its own party. Costings and rigorous assessments have been done, and the Victorian government recognised that. It takes a National Party coalition member to come into this House and defend the Victorian government. My goodness!

I may be of a different political persuasion, but in their contributions deliberate untruths were told by Labor speakers about the Victorian government in the vain hope of scoring a political hit. Let me say that it did not work. In most of the content of the speeches of these Labor members, particularly the member for Batman and the member for Grayndler, truth was a victim. Labor have made no contribution to the water debate, other than low-level muckraking. Rather than rising to the challenge to debate the substance of the bill, they got in the gutter with their performance and they stayed there. Do us a favour state Labor premiers: get back to the table and let us start looking at a future for the people of the Riverina that I represent, because their livelihoods are dependent upon this National Water Initiative delivering the objectives that it was designed to do by the National Party leader and Deputy Prime Minister, John Anderson.

Mr FORREST (Mallee) (11.16 a.m.)—I am delighted to stand here today, particularly because I am next to my National Party colleague Mrs Hull, the member for Riverina. I am also grateful for the acknowledgement from the Parliamentary Secretary to the Minister for the Environment and Heritage, the member for Flinders, and for the role that we have both played in getting to the position now where we can come in here and support historic legislation.

I would like to say three things in my contribution to this debate on the National Water Commission Bill 2004. I would like to talk about the value of this particular policy and why I am so supportive of it. I would like to speak specifically about a very important and significant project that is already included in what this legislation will roll out, involving an expenditure of initially \$2 billion. And, also, along with the member for Riverina, I would like to

express absolute disappointment in the contribution we have heard from opposition members with respect to this bill.

I come from a background of 23 years as a practising civil engineer. In fact, I often claim great credit: I am the only civil engineer in the federal parliament. In the latter part of my career, I was pursuing a consulting engineering degree and was engaged in consulting projects right across the Murrumbidgee Irrigation Area, which the member for Riverina represents, along the Murray Valley from Albury-Wodonga all the way to Mildura, Lake Cullulleraine and further south of that. As someone who operated in three of the nation's states, I saw the difficulties we have in terms of developing massive investment in irrigation developments which are so vital to the producers of food and fibre out there in Central Australia, north-west Victoria and southern New South Wales, and the most important issue I saw was the disparity in water policy across those three states.

Again, we are always reminded of the differences. We often hear quoted the difference between rail gauges in the states 'holding the nation back' in terms of development. In addition to that, problems have been created because of inappropriate use of water, salinity, land degradation and environmental damage, and a whole host of capital demands have arisen while solving those problems. So now we have something that I have fought for in my 11 years in this place—a national approach to how we use water in one of the driest and most arid continents in the world. We are, unfortunately, prolific users of water per capita. Of all the developed nations in the world, for us, being in such an arid continent, this is anathema. What this water policy does is focus on a whole range of things from better use to a greater consciousness of the way we use water right through the continent itself, as the member for Flinders said, uniting city with country because we are all in this.

It is a little unfortunate, but probably the final driver for the establishment of this policy occurred in the latter three or four years: the worst drought we have had in 100 years, right across continent, and certainly south of the Tropic of Capricorn at least. We have got ourselves to the stage now where there is hardly a water storage south of the Tropic of Capricorn that is more than half full. Some of those storages got as low as three or four per cent—the average was about 20 per cent—through the worst part of the drought. We are grateful for some winter run-off, but the problem is not going to go away. Corporately, the nation needs to drive on, joining city and country together, and this legislation provides a basis on which to do it.

For a long time now, section 100 of the Constitution has been a constraint in taking a national approach to the resolution of this issue. Under these arrangements, with formal agreements with the states through COAG agreements, we can tackle the issue. Over the years, particularly the last 25 years, we have seen great developments under models like this, particularly with regard to the Murray-Darling Basin. When I started my consulting engineering career, the operation was supervised by a toothless tiger in the form of the Murray-Darling commission at that stage. But major steps were taken towards progress in solving these problems when we formed a commission driven by a COAG-style agreement, where the states of Queensland, New South Wales, Victoria and South Australia agreed to meet in a ministerial council to resolve those difficulties, eventually getting to the stage where there was confidence for South Australian taxpayers' funding to be spent in Victoria and New South Wales,

and the other way around. That has produced tremendous results in attacking salinity. Now we have the basis to do that with the use of water.

So I feel immensely proud. There has been much discussion in joining city with country. I remember one day the member for Casey stood and supported me in the argument to achieve a direction which we are discussing today, and I am really grateful for that. I am grateful to the member for Flinders as well.

I am so excited about this bill and where it will go from here because there is a very specific project included in the initial \$2 billion allocation, which embraces my entire electorate. It is the water supply system for stock, domestic and township purposes referred to as the Wimmera-Mallee stock and domestic pipeline. It is now a project that has iconic national status. I am grateful for that. I am very proud of the fact that over the last eight or nine years we have been progressively piping that very inefficient channel system, to the extent that I can stand here today and say that one-third of this scheme is now piped.

The scheme was an engineering achievement of its time. It is well over 100 years old now. It took 60-odd years to construct. It is a credit to the engineering initiative in those days, back towards the end of the previous century and the early part of the last one. It is recognised as an iconic engineering project, the largest open channel system in the world, but it has served its time. This is a scheme that supplies water from the mountains of the Grampians in the south all the way north as far as Ouyen, which is nearly 300 kilometres, through a channel system consisting of 17,000 to 80,000 kilometres of open earth channel through some of the most porous country you could ever come across. It was very inefficient. Of all the water that left the Grampians—which was of the order of 200,000 or 250,000 megalitres—only 7,000 megalitres was ever used, consumed by humans or by the stock on the various farming properties through the region. And that has been going on for 100 years.

I can remember my late grandfather talking about the need to pipe the Wimmera-Mallee stock and domestic system. He said this debate was going on 60 or 80 years ago, way back then. I can remember as a young man—I must have been about six or seven—my father asked me: 'What do you want to do with your future, son? You're quite bright.' I said, 'I just want to be a civil engineer, Dad, and I want to get the Wimmera-Mallee stock and domestic system piped.' That is just me, but that commitment has been there through generations.

We are one-third of the way there, and now we can give a commitment that we will complete the whole scheme. I am quite excited about that. This program will operate over five years, and it is a great credit to all those involved that we have got to the point where we can debate such important legislation as this and have that system piped.

I will just give a context to the water that has been wasted every year in the system. People have trouble imagining what 200,000 megalitres looks like. It is enough water to fill Olympic swimming pools end-to-end from Melbourne to Darwin every year. So my community is quite excited about the commitment that has been given by the Commonwealth government. We are waiting for the state of Victoria to come on board and match the funding that we have allocated. There has been a whole lot of humbug associated with that over the last month or so, but I am sure that Victoria and the Premier himself will come on board because that project is just so vital to the whole of the north-west of Victoria, an area covering 75,000 square kilometres.

This brings me to my disappointment about the contribution that is being made by the opposition on this discussion and its very unfair attacks on the National Party and the role that it has played in establishing this water policy. I am very proud that the Deputy Prime Minister, Minister for Transport and Regional Services and now Acting Prime Minister has joined us in the chamber. This is one man who recognises the arguments that I have been putting for over a decade in this place and the absolute significance and importance of efficient water use. The constituencies that he, the member for Riverina and I represent are the food bowl of the nation. They are where the nation's precious horticultural products are produced. Important food products are produced in a clean, lean and green way. Fibre is also produced. It has been the backbone of the nation. I represent a district associated with Sunraysia, which is responsible for producing 68 per cent of the nation's export oranges. That is a proud record. I am very proud to be the representative of a determined industry sector that has had to compete against all odds to achieve that. It is absolutely committed to continuing the work to create export opportunities to sell that precious product for the nation's benefit. I had a group of citrus growers here yesterday who actually had that discussion with the Minister for Trade.

The National Party stands very proud of its contribution to this discussion and refutes categorically the contributions from the opposition. They have been disgraceful contributions, in fact. They are attempting to rewrite history. The member for Riverina's contribution argued the case that they got their policy position wrong. The reality is that the coalition parties put very good and responsible policy to the Australian people as part of the election campaign. Earlier than that, when we first announced the National Water Initiative and at that stage secured the support of the states, we said that this was the nation's foremost resource issue.

There are something like 13 million to 16 million people in Australia estimated to be currently on some level of water restriction. Sadly, the people in my constituency, especially those associated with the provincial city of Horsham, are in the worst situation. There is no green lawn in the city of Horsham. Water restrictions are still at stage 4. It is putting the community at severe disadvantage. We announced policy to address this. We also said that, with regard to the big issues and particularly the river, we are as concerned as those communities who live on the river are. We are very concerned. They say they have already forsaken, made a great sacrifice and contributed in the last 20 years to the river's ongoing health. They deserve to be recognised for that.

At the same time, it is recognised that the challenges of the next 20 to 30 years are going to require even more sacrifice from them. We said that we would address these two important issues, but we would not sacrifice the interests of those people who are the wealth creators. The reason that such strong provincial centres like Swan Hill, Kerang, Cohuna and Mildura are there, contributing billions of dollars to the nation's GDP so far out in remote Australia, is that they use water efficiently and properly. We said we will not sacrifice their ongoing potential for wealth creation and we want to encourage them to continue the investments they are making in the efficient use of water. That is what we said. That is certainly what I said during my election campaign.

The opposition proposed a policy that had no rigour to it and which nobody believed, particularly those 16 million people in water restriction areas. They saw the coalition policy, jointly announced and supported by the Liberal Party and the National Party, as a responsible approach to the nation's single most important resource issue. Because the opposition did not

win—the Australian people chose us—that is the end of the matter. The responsibility of the opposition, I would think, is to go to their state Labor colleagues and convince them that this is the greatest opportunity the nation has ever had and to get on board.

There has been bleating in the debate about the use of competition policy funding. I had to put up with the Minister for Water in Victoria, John Thwaites, saying that, as a result of this announcement of \$167 million to pipe the Wimmera Mallee stock and domestic system, we will have to close hospitals and police stations in Horsham. That is a ridiculous assertion. Yes, the Commonwealth wants to see competition payments—the \$800 million it cost the nation—spent in a proper way and in the way they were intended, which was to encourage competition.

The only way I have seen the \$200 million that Victoria receives being spent is in an annual allocation it makes to local government. That has been wisely spent. I think from memory it is around \$16 million per year. That encourages all of the local government entities across Victoria to market test the services they provide, to engage in competitive tendering so that ratepayers can be assured that services being provided are at a market tested rate. That is a good thing to do and that is what competition policy is all about. End users can have confidence that the services they are paying for are at the proper rate. For the rest of it in Victoria, especially in regard to water reform, I believe it is an absolute basket case.

I support the contention that the Commonwealth has the right to say how its federally tax-payer funded commitments should be spent, especially when they are under the heading of competition payments. The rest is bleating. I said so at the time and I am really disappointed to hear contributions from members of the opposition prolonging that discussion. The Commonwealth is determined to make sure that proper projects are funded. I am delighted to have the member for Gwydir here and to acknowledge his presence in my constituency way back then, at the end of September, and to acknowledge the support that the constituency enjoyed.

The Commonwealth has been committed to piping the Wimmera Mallee and now they are giving us a future plan and, further than that, insisting that the funding be provided over the next five years. That is very positive and very affirmative and it has given the whole of the north-west of Victoria an enormous fillip, to the extent that they have sent me back to this chamber with historically the highest vote the region has ever provided. Water was very much the centre of the election campaign for both contenders, and there was a four per cent swing against the Labor Party's policy. There was a very strong vote along the river that said: 'We reject the opposition's approach to solving the problems embraced under the concept of a Living Murray. We reject their approach and we certainly reject their stumbling refusal to add their commitment to the piping of the Wimmera Mallee.'

During the campaign, the Leader of the Opposition brought the current member for Kingsford Smith to the junction of the Murray and Darling basins to announce their policy. Other members have made contributions about that policy because it was an absurd approach. When asked the very question that everybody out there wanted to hear—about their commitment to the most important project which the region thinks ought to be addressed in any discussion about water—both stumbled. The current member for Kingsford Smith said he did not know much about these matters and the Leader of the Opposition was no better.

The Australian people have made their judgment. They have decided that it is the coalition and conservative parties that have more responsible policy. My suggestion to all those speak-

ers who have made such disparaging and despicable remarks under the protection of parliamentary privilege is that they get the message and do their job to encourage their Labor state colleagues in all of the states which they come from, particularly Victoria and New South Wales, to get on board. I am delighted to support this legislation. I am proud of it and I am proud of the contribution I have made to it over a decade. I feel I am enjoying quite a historic occasion here, as the only civil engineer. I particularly thank John Anderson, the member for Gwydir and Acting Prime Minister, for the support that he has provided to good policy. I commend the bill to every member of the chamber.

Mr ANDERSON (Gwydir—Minister for Transport and Regional Services) (11.36 a.m.)—I present a supplementary explanatory memorandum to the National Water Commission Bill 2004. I think it has been circulated. I thank everyone who has contributed to this debate on water. I think it hardly needs to be said that we are at a point in our history where the Australian people recognise the importance of getting water usage in Australia right, that it needs to be ecologically sustainable. We are very, very heavy users of water by OECD averages—we are about 30 per cent above average usage, in one of the driest continents on earth with perhaps the most unpredictable rainfall. The reality is that we need, we have a responsibility, to do a lot more in terms of water efficiency and the management of our national water.

We have progressed through the National Water Initiative arguments and debates. I think that, broadly speaking, in pursuit of good public policy, as many senior commentators have noted around the country, we have had a reasonable degree of goodwill. In fact, we have had probably more goodwill from the state premiers in many ways, I have to say, than has been reflected in some of the contributions from the other side in this place during the debate on the National Water Commission. I think that says something quite profound in itself. We are now at the point where we need to move ahead and we need to move ahead quickly. I think the community expects that, I really do. Right across Australia, urban, coastal and inland Australians want us to move and to move comprehensively. So, in the setting up of the National Water Commission, we of course see a major step forward, a very proud one, and that is what this is all about.

There are a few comments I would like to make on the debate that has happened in this place. Let me say at the outset that one of the issues that has been raised by the ALP relates to competition payments. The member for Wills, I note, said in his speech and in section four of his amendment that competition payments should continue to be paid to the states and territories for essential services such as schools and hospitals. He actually recognised something very different during the campaign. It has probably been airbrushed out now. But while the member for Wills was busily writing into *Hansard* large slabs of Labor's failed policy from the election, it is worthy of note, I think, that he left out a very significant, very telling part of their own environment policy. That was:

The assessment of State ... performance payments—

that is, competition payments—

have gone into states coffers rather than improved water management, and progress in some [sates] has been slow. [sic]

That is very different. What has changed since the member for Wills owned those words during the election? He saw then the nub of this problem—that is, that the states have not been prepared to take forward water reform post the 1994 COAG agreement properly.

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There have essentially been two failures, and they are related. One has been in the proper defining of property rights as required by the 1994 COAG agreement and the other, which is related, has been the lack of progress towards a proper market and, where necessary, to proper adjustment assistance to the people who have to cope with change. One of the interesting things about this debate is that, the further you live away from river and water dependent farm communities, the more you think you know about it but the less you really know about it. That is the reality.

David Suzuki, the famed environmentalist, made some very interesting and telling remarks. I have to say that I do not always agree with his outlooks. He made a point a little while ago that study after study, incident after incident, event after event around the world have demonstrated quite conclusively that, if you want to cut to the chase with an environmental problem and find the solution and implement it in the most efficient, effective and timely way, you will begin with consultation and quality interaction with the people who live at the coalface with the environmental problem and who have no intention of leaving. So when you start to talk about bringing water back into equilibrium where it has been over-allocated, where you talk about the need to move to greater water efficiency, where you talk about the need to balance ecological and economic outcomes, if you really want to make progress, you sit down in good faith and negotiate with water users.

I make those remarks in the context of recognising that probably over 70 per cent of consumed water in Australia is used by farmers. They are not the end users of the water. It is very important to understand that. People who eat and people who wear clothes are the end users of that water—here and overseas. There is a moral component to this as well. Australia is a very significant global exporter of food and fibre to a world that needs those products. We provide very high-quality products at very low prices. We really need to keep that production up. We need to remember that people have to eat, people have to be clothed. They need those natural resources that are so dependent upon water for their production. The point that I want to draw out of all that is to say that to try and pretend that you can resolve these issues from the isolation of the ivory towers of Canberra, Melbourne, Sydney, Brisbane or Adelaide for that matter is a nonsense. You really have to get out there and talk to the people who are using the water.

You also need to be able to agree with them that you will make decisions based on science and sound knowledge, not on emotion, ideology or the pursuit of green votes in the great urban areas based on mythology rather than on sound information. If we go back to Labor's failings here, the reality is quite simple: they failed to properly progress the issues of investment security and property rights in the states and they failed to communicate effectively with those communities who are going to wear all the adjustment issues. That is why reform has been so delayed. It is certainly not the case that the federal government have dropped the ball on water reform. To claim that is to overlook the reality that the states have the legislative responsibility, and the necessity for them to get on with the job of delivering on it was acknowledged in the COAG agreement of 1994. They did not. We have needed a dramatic overhauling of the whole thing. It has to be said as well that, to be frank about it, the National Competition Council arrangements did not work particularly well and we need the National Water Commission to oversight water in a way that reflects a better understanding of the whole water debate in its length and its breadth.

It seems to be forgotten as well that the Leader of the Opposition grabbed \$800 million in competition payments—if that is the way you want to look at it, in the language that they use—to fund his failed hospital policy. Of course health is important; of course our hospitals are important. But I make this point: that is for the states to look after and to meet their responsibilities on. At the time of the COAG competition payment agreements they had no knowledge at all that they were going to end up with a GST windfall. In Queensland alone, this year it is probably five times the value of the competition payments. Secondly, I make the point that they were to be discontinued after the middle of 2006. The states knew that. They were all busily writing their submissions to the government asking for it to continue. Why would they ask for it to continue? Because they knew that there was no reason for them to believe that it would automatically continue. Interestingly, they were saying there should not be any more reform. 'We have done it all,' they said, 'we just want the money anyway.' It does not wash. The Labor Party acknowledged during the campaign that the states had been slow. It acknowledged that not enough money had been going to water. Its arguments on competition payments as a justification for the states walking away are as shallow as the premiers' arguments were when they did it.

Let me come to another issue. There has been this extraordinary attempt to say, 'Of course, water policy going back to 1994 was the Labor Party's.' It was a COAG agreement in 1994, and I would remind those opposite who was in government in those days. The people sitting around the COAG table at that time included the Liberal Premier of Victoria, Jeff Kennett; the Liberal Premier of New South Wales, John Fahey; the Labor Premier of Queensland, Wayne Goss; the Liberal Premier of South Australia, Dean Brown—

Ms Burke—Where are they now?

Mr ANDERSON—It was your side in this place that said historically you deserve the credit for it because it was a Labor agreement in 1994. I am responding to the points that you made. They always talk when they are uncomfortable. They always interrupt and interject when they are uncomfortable. They always know when their hypocrisy is highlighted—

Mr Ripoll—Ha!

Mr ANDERSON—Isn't it wonderful? There was the Liberal Premier of Western Australia, Richard Court; the Liberal Premier of Tasmania, Ray Groom; the Liberal Chief Minister of the Australian Capital Territory, Kate Carnell; and the Country Liberal Chief Minister of the Northern Territory, Marshall Perron. There were seven Liberal premiers and chief ministers, one Labor Premier and one Labor Prime Minister. This is just the Labor Party trying to rewrite history again. The caning that the federal Labor Party handed out to the premiers for the loss of the election shows that they do not return support with support. It is time the Labor states got on board with the NWI. We do not expect any help from the currently dysfunctional rabble that the federal Labor Party have regrettably become.

I come to a couple of other issues. This idea of decoupling the National Water Initiative from the Living Murray goes right back to the heart of the issue I raised earlier. We will not progress the water issue in this country until we deal fairly and squarely with the people who have to make the adjustments. The National Water Initiative sets out the need to base decisions on science and on consultation. That is what the National Water Initiative is about. On that basis you then go on to establish property rights certainty, which is critical. Without that you will not get these communities cooperating on this great national task. It will not happen.

That is the point I make. The further you live away from these rivers and the further you live away from the water users and the people who produce our food and our fibre, the less understanding you have of it and the more you have this idea that you can have this command and control approach: 'Thou shalt give up 1,500 gigalitres.' By the way, what is it that the Labor Party is asking for?

Mr Forrest—They don't know yet.

Mr ANDERSON—They don't know yet. We have got 1,500 gigalitres from some Labor spokesmen and 500 from others. The point is that, as was recognised by COAG, the Living Murray process is dependent upon agreement to the NWI. The principles underpinning the NWI have brought the goodwill and the cooperation of those people who are going to have to make the adjustments in our major river systems, our major water systems. Pull out the NWI and go ahead without it and you will see all of the flaring of the resistance, all of the up-in-arms attitude that I do not blame country communities for showing that has stalled water reform to this point in time. I am vehemently opposed to the separation of the two. If the Living Murray process is to work, the NWI must be acknowledged and it must be, if you like, ignited and put back in place. There are a heap more things that could be said on this but I suspect time is going to run against me.

The other aspect of the National Water Initiative that needs to be recognised is that it is about more than just the Murray River. During the campaign, I was intrigued while travelling through Queensland by the number of times that people said, 'The National Water Initiative is terrific and so too is your policy of the \$2 billion for water projects across the nation.' What a stark contrast that was with the Premier of Queensland who said, 'We signed up to the NWI but there is not much in it for Queensland.' If he gets out there and talks to Queenslanders who are using water to create jobs, wealth, food, fibre and exports, they would tell him that the NWI is very important. That is the same right across the nation—it really is. In urban, rural, regional, coastal and remote Australia the NWI is the way forward and I do believe the state governments should sign up on it quickly.

Finally, I notice some attacks on the decisions we made during the campaign have a certain flavour of deja vu about them—they were not properly costed, they were not this, they were not that. I will just say that perhaps you would like to go and suggest in relation to the Wimmera-Mallee pipeline, for example, to the Victorian government that they have not done their work properly. Perhaps the unsuccessful federal Labor Party could go to the, regrettably from my point of view, very successful Victorian Labor Party and say: 'Listen, we know a lot about how to run a country and you obviously do not know how to run a state. We've been able to convince the Australian people that we don't know how to run a place; you've been able to convince people that you know how to run a state. Let us tell you how to do things.' That is a bit rough on the Victorian government, I would have thought. I will defend the Victorian government against attacks, particularly by Labor speakers from Victoria in this place—extraordinary—particularly by the member for Batman and the member for Grayndler, who have demonstrated some pretty wild, loose and woolly treatment of the truth in this place.

I have got some modest amendments here which I think reflect our willingness to deal in good faith and goodwill with the states. They underscore the cooperative approach which we expect the commission to bring to its function in relation to the National Water Initiative. In response to some of the things that have been said by those opposite, I thank members for

their contribution to the debate. As I have said, we are now setting in place the elements required to continue the imperative of water reform in Australia. We secured that agreement of the National Water Initiative in June. We announced during the campaign a major investment through the Australian water fund in practical, on-the-ground water measures. We are now establishing a National Water Commission, which will help drive that national water reform process through its dual roles in the National Water Initiative on the one hand and the Australian water fund on the other.

By moving the government amendments today, we are indicating the Commonwealth's desire to work with the states to improve long-term economic, environmental and social water outcomes. We need now to move forward with this important reform agenda to improve Australia's water management, and so I do urge state and territory governments to recommit to the initiative as quickly as possible. I believe that the parliament should now pass the bill to enable the National Water Commission to undertake its important functions to the fullest possible capacity and extent.

Question agreed to.

Original question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr ANDERSON (Gwydir—Minister for Transport and Regional Services) (11.54 a.m.)—by leave—I move government amendments (1) to (4):

- (1) Clause 7, page 4 (lines 15 and 16), omit "or COAG, where relevant,".
- (2) Clause 7, page 4 (after line 18), after paragraph (1)(b), insert:
 - (ba) to advise and make recommendations to COAG on matters referred to in paragraph (b);
- (3) Clause 7, page 7 (after line 6), after subclause (4), insert:
 - (4A) The NWC is to give advice and make recommendations to COAG under this section by giving the advice and making the recommendations to the parties to the NWI at the same time as the advice is given, and the recommendations are made, to the Minister. Parties to the NWI that are given advice and to whom recommendations are made under this subsection are not required to be given the advice or the recommendations by the Minister.
- (4) Clause 7, page 7 (line 9), after "paragraph (2)(c)", insert "or subsection (4A)".

Mr KELVIN THOMSON (Wills) (11.54 a.m.)—The first observation I make about the government amendments is that we received advice of them yesterday, which was after the meeting of the parliamentary Labor Party and one day before the National Water Commission Bill 2004 was brought on for debate. That is an unsatisfactory legislative process. There ought to be more time for consultation and more respect for the parliamentary processes involving the opposition and other parties. This has all the hallmarks of legislation on the run and that is most unfortunate. Having regard to the shortcomings in the time available for consultation, nevertheless we have not experienced objections being lodged to these amendments and therefore we do not propose to oppose them.

We will be moving an amendment seeking to delete reference to some words in subclause (4) in relation to paragraph (2)(c). We are doing this because the way in which paragraph (2)(c) is omitted has the effect of exempting the Commonwealth from conditions to be applied to the states concerning the need for the plans of parties to the National Water Initiative to be consistent with that initiative. We believe that if this is good enough for the states it ought to be good enough for the Commonwealth as well. One of the amendments which I will move seeks to ensure that we do not have that double standard. I want it to be understood by the House that in not objecting to subclause (4)—and we are quite happy to see the reference to subsection (4A) inserted—we are not acquiescing to the inclusion of paragraph (2)(c), which I intend to refer to shortly.

Question agreed to.

Mr KELVIN THOMSON (Wills) (11.57 a.m.)—by leave—I move opposition amendments (1) to (6):

- (1) Clause 7, page 7 (lines 8-9) omit
- "(other than in paragraph (2)(c)".
- (2) Clause 8, page 8 (line 11-14), omit subclause (2), substitute
 - (2) Commissioners are to be appointed by the Minister, by instrument in writing, on the nomination of the parties to the COAG Water Reform Framework
- (3) Clause 8, page 8 (lines 15-17), omit subclause (3) substitute
 - (3) A nomination of a person for appointment as a Commissioner must be made by resolution of the parties to the COAG Water Reform Framework
- (4) Clause 24, page 15 (line 14), omit
 - "and", substitute "or".
- (5) Clause 24, page 15 (after line 14) insert
 - "(iii) any COAG agreed programs."
- (6) Clause 44, page 23 (lines 20-25), omit the clause.

There are three issues that I want to make reference to in speaking in favour of these amendments. The first concerns the issue of clause 44, which is referred to in amendment (6). We propose to omit this clause because we want to see transparency in the assessments being carried out by the National Water Commission. Clause 44 says that the National Water Commission can make its assessments available to the public under a range of provisions only with the agreement of the minister. It further says that the National Water Commission must not make any other advice or recommendation available to the public. From our point of view, that is not good enough. We have to have transparency in these matters. As I indicated yesterday in my speech in the second reading debate, we have seen way too much abuse by the National Party of programs like the Natural Heritage Trust, the Envirofund, the Roads of National Importance and the Regional Partnerships program. We do not want to see the Australian water fund go the same way and be used by members opposite for pork-barrelling purposes. One of the safeguards we have for that is for this advice and these recommendations to be made public rather than kept under wraps and kept behind closed doors. So we are moving that clause 44 be deleted in the interests of transparency and in the interests of accountability.

As I foreshadowed, the first amendment that I moved in relation to clause 7 proposes that the words 'other than in paragraph (2)(c)' be omitted. Our intention in doing that is to ensure that the Commonwealth is subject to the same standards as the states in ensuring that its plans are consistent with the National Water Initiative. Paragraph (2)(c) says that we need to have plans which are consistent with the objectives, outcomes, actions and time lines stated in the National Water Initiative and to accredit those plans in accordance with the National Water Initiative. In clause 7 that does not include the Commonwealth—it is exempted from that requirement. It seems to us that the Commonwealth ought to be subject to the same provisions and obligations as the states, and therefore we are moving amendment (1), which would omit those words 'other than in paragraph (2)(c)'.

The third issue that I want to refer to is the way in which commissioners are to be appointed. As things stand, the government has the capacity to appoint the chair and three of six commissioners, which is clearly a majority. We believe that there needs to be a more cooperative arrangement. Indeed, the member for Riverina and the minister in summing up referred to the COAG process as being a cooperative arrangement. We think that ought to be reflected in the appointment of commissioners, so we are proposing changes in the wording which would ensure that commissioners are appointed by the minister on the nomination of the parties to the COAG water reform framework and that a nomination of a person for appointment as a commissioner must be made by the resolution of the parties to the COAG water reform framework.

We do not want to see a situation where the Commonwealth simply says, 'We've got the power to appoint a majority here and we will dominate that National Water Commission,' and therefore prejudice and jeopardise the cooperative framework. It is important if we are to make steps forward in this area that we continue to have a cooperative framework in place rather than one of dominance of the Commonwealth, with the Commonwealth telling the states what will happen and when it will happen. That is exactly the problem that the minister was referring to in his closing remarks when he talked about the Commonwealth suddenly announcing that the way in which the National Water Initiative was to be funded would be from the competition policy payments from the states. (Extension of time granted) There had been no consultation or discussion with the states. This issue had not been flagged at the COAG meeting in June this year. No indication was given to the states that the Commonwealth intended to fund the National Water Initiative in that way. That was not a cooperative process and it was not a consultative process; that was simply the Commonwealth telling the states how things would happen. We do not want to see a continuation of that, with the Commonwealth dominating the National Water Commission appointment process in the way clause 8 proposes. I have therefore moved these amendments to clause 8.

While I am on the subject of cooperative processes between the Commonwealth and the states, I note that the member for Riverina contested my analysis in the second reading debate—that is, that Labor got water reform going and the government subsequently dropped the ball. She made reference to the involvement of state Liberal governments back in 1994 when the COAG water reform agreement was hammered out. That is quite true—there were state Liberal governments involved at that time—but the issue here was national leadership, and I was calling for national leadership. That was forthcoming back in 1994 but it disappeared with the change of government in 1996. Everything I said about the absence of na-

tional leadership on these issues by this government and its desire to abdicate responsibility to the states stands. Everything about that is correct. Frankly, the member for Riverina is one of those members who have been in denial and she is part of the problem rather than part of the solution.

The member for Mallee said that the National Party stands proud and that these are arguments that he has been putting for a decade. I say to the member for Mallee: why have you had to put these arguments for a decade? The reason you have had to put these arguments for a decade is that your government has abdicated national responsibility and dropped the ball.

Mr Forrest interjecting—

Mr KELVIN THOMSON—Yes, blame the states—same old story. Under your party's stewardship of these things the health of our rivers has been going backwards, and your constituents will suffer from this neglect.

Mr Anderson—Who has constitutional responsibility for water?

Mr KELVIN THOMSON—Finally, the Minister for Transport and Regional Services, as he just did with his interjection then and as he did in his summing up, is still trying to blame the states and say that it is their fault. Most of his remarks he obviously plagiarised from the member for Riverina and I do not need to respond to them further. But he did refer to the decoupling of the National Water Initiative and the Living Murray initiative. The truth is that they are two different processes. What he engages in here is an excuse for inaction. Why does the minister think that Western Australia and Tasmania are not on board for the National Water Initiative? Quite clearly, it is because of this attempt on the part of the government to insist that those things be linked. In conclusion, I urge the House to support these amendments. They are amendments which are based on the important principles of transparency, accountability and cooperation between the Commonwealth and the states. They are all-important elements of an appropriate and sustainable national water policy framework for this country.

Question negatived.

Bill, as amended, agreed to.

Ordered that the bill be reported to the House with amendments.

AVIATION SECURITY AMENDMENT BILL 2004

Debate resumed from 1 December.

Second Reading

Mr ANDERSON (Gwydir—Minister for Transport and Regional Services) (12.06 p.m.)—I move:

That the bill be now read a second time.

I think it is recognised that it is an unavoidable reality that national security remains a very high priority for the country and it certainly does for the government. It is a reflection on our times that it is essential for us to continue to protect our transport system and its passengers against very real threats. It is in this context that I present this bill for the parliament's consideration.

Aviation security is kept under constant review to ensure that measures remain appropriate to current intelligence on threats to Australian aviation. Most recently, there was a compre-

hensive review of aviation security following a revised threat assessment issued by the Australian Security Intelligence Organisation in July 2003.

As a result of this aviation security review, the government announced a major expansion of the nation's aviation security regime on 4 December 2003. As a part of the expansion, background checking has been extended to a larger part of the aviation industry in recognition of the nature and level of the threat. The threat assessment has highlighted pilot identification as an important issue that must be addressed as part of aviation security requirements in Australia. Ensuring that pilots and trainee pilots are subject to security checking will reduce the likelihood of persons who might pose a threat to aviation gaining access to aircraft through legitimate means.

I acknowledge that some might see the need for such scrutiny of all of our pilots as an unwelcome imposition on an innocent group within our community. On the other hand, we must move with our changing times, in which an aircraft in the wrong hands has become a lethal weapon.

This bill has two parts. The first part deals with the issue of background checking of flight crew, while the second part deals with minor amendments mainly of a transitional nature.

I will not dwell on the minor amendments, which deal primarily with transitional arrangements for programs approved under the Air Navigation Act after the commencement of the Aviation Transport Security Act. I will, though, focus on the changes to the background checking provisions.

Currently there are legislative impediments to the most efficient implementation of the government's decision in relation to the background checking of flight crew and trainee flight crew. The most efficient process is to fully integrate background checking into the licensing process so that we can all be assured that all holders of a pilot's license have withstood rigorous, if confidential, scrutiny of their background.

The legislative impediments are broadly the absence of a head of power in the Aviation Transport Security Act 2004 which enables the background checking of pilots, and subsection 9(5) of the Civil Aviation Act 1988, which prevents CASA from having responsibility for aviation security.

This bill will remove those legislative impediments and provide a background checking process that is both effective and efficient.

The bill inserts division 9 'Security Status Checking' into the Aviation Transport Security Act.

New section 74F will allow the Secretary of the Department of Transport and Regional Services to determine that a person has an adverse security status based on the results of background checks. The effects of such a declaration will be that the person is precluded from holding a security designated authorisation. A security designated authorisation will be defined in the regulations and will include, but not be limited to, all flight crew and trainee flight crew licences. This is intended to provide a mechanism preventing would-be pilots assessed as having an unacceptable security history from obtaining or retaining a pilot's licence.

The procedure by which the Secretary of the Department of Transport and Regional Services will come to such a decision, and the kinds of factors which will have to be considered by the secretary in making such a decision, will be set out in the regulations. These provisions

have been included in acknowledgement that denying a licence is a most significant decision that has to be seen to be based on valid security concerns rather than any form of arbitrary decision making.

It is envisaged that these procedures will include considering the results of a check of the person's criminal history, their immigration status, and the results of a security assessment conducted by ASIO in relation to the person. This is the same as the checks undertaken on other aviation industry employees with access to aircraft and the secure areas of airports when they apply for an aviation security identification card (ASIC).

In addition, the bill will remove the impediments to CASA having responsibility for aviation security. This is not intended to make CASA a security agency, but rather to ensure that CASA is not unnecessarily precluded from contributing to the government's desired security outcomes through the exercise of its functions. This is a further sign of our troubled times and the extent to which 'security is everybody's business': all government agencies, whether they are used to seeing themselves in such terms or not, have a contribution to make to our national security. The government is doing everything it can to ensure that all of our agencies work together in our quest for our national security.

The changes contained in this bill are part of a broader government strategy of ensuring that sensitive transport infrastructure and the public at large are protected from acts of unlawful interference with transportation. They will complement the ASIC regime which applies at airports and the maritime security identification card system which will apply at ports.

I present an explanatory memorandum to this bill.

Mr RIPOLL (Oxley) (12.12 p.m.)—I rise to speak on the Aviation Security Amendment Bill 2004. There is no doubt that aviation security and safety is of paramount importance to all Australians. It really is a massive issue and one that needs to have the very close attention of government to ensure that its workings are robust and adequate for our environment, as people keep referring to. Aviation and security have always been a significant management and policy matter for the Australian government and, for that matter, the aviation industry. The Australian public has always had justifiably high expectations that the government will provide a stringent aviation safety and security regime. Obviously since the terrorist attacks on the United States in September 2001, it is even more essential that governments and aviation organisations throughout the world take greater steps to guarantee the safety and security of air travellers. This bill is the latest addition and it will provide a comprehensive legislative framework for the implementation of a rigorous and robust national aviation security program.

From the outset, it should be perfectly understood that Labor support the passage of this very important legislation through the parliament. But, at the same time, nobody should get carried away with congratulating the government for having done a marvellous job, something out of the ordinary or extra; nor should they think that somehow, because this bill is going through the parliament and we support it, the government has done something out of the box, as it were, to ensure a safer and more secure environment. It has done nothing more than its duty and responsibility—and, might I add, in a very lengthy manner. As I said, rather than congratulating the government, I think its approach has been extremely sloppy and tardy, particularly in its response to the nation's need for an updated, modernised aviation security regime.

The Howard government has been aware of the need to upgrade our security regime for quite a number of years. Back in 1998 the Australian National Audit Office released a report entitled *Aviation security in Australia*. This report concluded that while Australia complies with international standards, as embodied in annex 17 of the 1944 Convention on International Civil Aviation, the so-called Chicago convention, there are areas where Australia's aviation security regime could be strengthened even further. Way back in 1998, three years before the September 11 attacks, the issue was flagged. The government knew the issue was there and the government took a very long time to react.

Following those tragic attacks on the United States in September 2001, there was a renewed urgency for updating our aviation security system. It became of absolute, paramount importance. Those events fundamentally changed the way the world thinks about aviation security. We have just heard from the Minister for Transport and Regional Services in this place and he made reference to changing needs and how much more needs to be done by government. Those events in the world in September 2001 highlighted how an aircraft can become a very symbolic and deadly weapon. They also highlighted that there is never room for complacency and that aviation safety and security can always be improved. I believe that, even after this bill passes through the House, there is room for improvement and there are other ways that the government can look more broadly at the transport industry, not just at aviation.

It has taken the Howard government an unbelievable 2½ years—or nearly three years, in fact—after these attacks to fix our security legislation. It was not until 30 months after those events that the aviation security legislation was finally passed. The government floundered for an unacceptable period while it sought to come to grips with and understand the demands of modernising the country's security policy framework. Despite this long delay the Howard government still did not get it right; hence the need for this legislation today. This bill, as I have just said, can be improved on. It is certainly a work in progress. It is just another in a long series of bills being presented in an almost ad hoc fashion by the government over an unnecessarily extended period of time. In fact, this bill is simply a bandaid to existing legislation which has all of the hallmarks of having been drafted on the run. It is quite amazing, given the number of years that have elapsed, that that can be the case. In public interest terms, my view is that it is completely unacceptable.

This bill is a collection of legalese and bureaucratic speak which assumes that everybody fully understands the entire continuum of the legislation. It is simply a work in progress supported by benign statements of good intent and cliches about the importance of air safety and security. We have heard those again quite clearly from the minister. We got the same old words thrown out to us about how important it is and how the government is somehow better at this than anybody else. We hear the talk, but when it comes to the walk—when we actually look at the bill, how long it has taken and what is inside it—we start scratching our heads and saying, 'Where is the rest of it and why did it take you so long?'

While the government should be harshly criticised for their ad hoc approach to this important legislative area, the real criticism should focus on the fact that the government have been so slow in responding to these very important matters of public air security. My question to the minister, although he is no longer here to hear it, is: why did it take so long to get this bill into the House? It certainly was not held up by the Labor Party—or anyone else, for that mat-

ter. At every given opportunity the government like to remind Australians that they take the issue of national security very seriously. So do we. In fact, we take it so seriously that we think the time this has taken is not acceptable. It has been nearly six years since the government first received advice from the Australian National Audit Office that Australia needed a stronger legislative and regulatory framework. Six years! It is a disgrace. I do not want to overemphasise it, but six years, when you really consider the changing environment and the rhetoric that we get from the government on this issue, is just simply not acceptable. Thank God we are actually here today with a bill that will improve the security regime.

I read the comments of the Minister for the Environment and Heritage, Senator Ian Campbell, in the Senate with regard to this issue. I want to put on the record, at least in the House of Representatives, some of his comments and challenge them. The minister tried to somehow say that it was in Labor's political interest to paint the government's security measures over the months and years since the attacks in this way and that it was some sort of jibe to get political points. I do not think you could accept that and any reasonable person looking at it would think that. Given that it is three years since September 11 and six years since this was first flagged, and given the sort of rhetoric and need to change, I do not think it is reasonable to say that we have done this for political points.

I think it would be more reasonable to say that the reason the government has introduced this bill and the reason I am in here speaking about it being so important is that we actually need air security. We actually need this legislation. But it has taken this government way too long to get it here. The minister referred to the leadership of the government, the National Security Committee, the very skilled and dedicated people doing the work in this area and how comprehensive this is. Let me just say that that might be the view of the minister but it is certainly not my view. I believe that when people see these measures, while they are very necessary, it certainly would not be their view either.

The minister again talked about the government's high-level strategy in terms of decisions it made about regional airports. In the last few minutes I have, I want to specifically outline a case in which I can demonstrate the government's haphazard approach and lack of security. I am not just talking about regional airports; I am talking about major airports where the system, the regime, has failed. There is nothing in this bill that will address those issues. I am not talking about something that might happen; I am talking about something that has already happened. I read carefully the comments of Senator Ian Campbell, and his view about the security regime concerns me. He talked more about great democracies, presidencies of the United States and ASIO—it almost read like a grade 12 speech that somebody made on an issue that they did not quite understand—than about the actual matters of security in the legislation itself.

The bill is supported by the Labor Party and does some very important things. I want to put on the record the two significant parts of the bill. The first schedule amends the Aviation Transport Security Act 2004 and also the Civil Aviation Act 1988. It allows for background checking of persons who have access to secured areas, restricted areas, within airports, and that would also extend of course to regional airports. These are the people who are required to hold an ASIC, an aviation security identification card. The cards cannot be issued to persons who, amongst other things, have a criminal record, are considered by the secretary to constitute a threat to aviation security, are unlawful noncitizens and so forth. An important part of

the security regime is that, in trying to make sure those secured areas within airports are safe, we as passengers—the travelling public—the government, the authorities, CASA and everyone else who is involved in this feel some level of confidence that, by this regime coming in, the people who are contained in those designated areas have had security and background checks.

The legislation also goes further to allow CASA, as a delegated authority, to do the background checking of pilots and prospective pilots and also, very importantly—and maybe even more importantly—of aircrew and people who work in air services around aircraft. We have seen a number of minor incidents to date where that issue is obviously of great importance. It means that the Civil Aviation Safety Authority will for the first time play a role in aviation security, not just safety. I think this is a positive move. It is something that we on this side support, and it probably should have been done some time ago. The mere fact that CASA will take on this new security role highlights the approach taken by not just Australia but all countries in terms of our new security regime.

I would like to discuss a number of other issues, but I am conscious of the time. With the House adjourning soon, I would like to put on the record now that I will be seeking leave to continue my remarks later. While I have time now, I want to raise a very specific issue about this bill which I think should be of grave concern to the government and which the government should take note of. I want to relate the details of an incident that happened on Friday, 23 July 2004, on flight EK421 at 10.30 p.m., involving a passenger who was a Kenyan resident. This passenger was, by mistake—and I know government members are dealing with some things at the moment, but they should pay very close attention to this—boarded on the flight without going through the correct procedures; that is, the passenger was not checked for a passport, was not checked through immigration control and was given no security checks whatsoever. It is beyond belief that in mid-2004 it would be possible for any passenger on an international flight at a major airport—in this case, Perth airport—to pass through the system and board an aircraft without having a passport check, an immigration control security check or, for that matter, any other check.

Apparently that specific passenger had a broken leg or something of that description and was late for the plane and they rushed the person through. The person had checked in late but, before the aircraft had taken off, the agent, the security person responsible for taking care of this vital security program at the airport, notified their supervisor of the error of allowing this person, a Kenyan resident, to board an international flight at Perth airport, a major airport in Australia. That supervisor made the decision not to inform the airline and allowed the plane to leave. That is a shocking revelation and has some frightening connotations attached to it.

That supervisor then reported this to their manager, who later instructed the supervisor to suspend the agent, the security contractor who had allowed that to happen. The following day, that agent was interviewed by a manager and their employment was terminated. That discussion might be for another place, but I want to specifically raise my concerns about the security matter itself. What concerns me is what unfolded through that episode: the manager of that airport security warned all the staff not to speak about this incident as it would be likely that people would be sacked—they would lose their jobs or their public security contracts—if it were found that they allowed a breach of security to happen.

Mr Brendan O'Connor—It's ironic.

Mr RIPOLL—It is ironic, but it really is frightening. You can imagine the environment: we have security people contracted to ensure our safety. We can have all the legislation in the world but it will do absolutely nothing if it fails at the delivery end when a person makes a mistake, reports it to a supervisor, and the supervisor and managers make a decision to allow that flight to continue. That is of grave concern to me. While there have been a number of government members coming in and out of here, I am a little bit concerned that they seem to be almost unconcerned about this issue. They seem not to think that this may be important, and that is even more frightening for me.

It came out later through some questioning in the Industrial Relations Commission that the manager from the organisation that allowed this aircraft to leave stated that the reason he allowed it to leave was that it would have cost them \$300,000 to dump the fuel and return the aircraft to the home base. An economic decision overrode what I believe was a much more important security decision.

We are in this House talking about very important security improvements at regional airports and background checking of prospective pilots, aircrew and so forth. That is all fine and well and we support it, but the system falls down at the coalface when a passenger, a Kenyan resident, is allowed to board an international flight without any checks whatsoever. When that happens, there is a grave problem with the security regime in Australia, and this government does not seem either to be aware of it or to be doing anything about it.

It gets worse though, Mr Deputy Speaker Quick; you would think that was bad enough. After the person involved admitted they had made a mistake, reported it and was sacked, they took their case to the Industrial Relations Commission. The case was bound by secrecy. They chose not to follow through with the case so that they were able to speak out on this matter—they thought it was so serious. I commend that person for doing this. But it raises a number of very serious issues that the government should take specific note of. Firstly, there is the issue of having a security regime in this country where security contractors at airports allow this sort of thing to happen after a mistake has been made. There is an environment of fear and intimidation when a person who makes a mistake and reports it, as they should, gets sacked for it—word gets around pretty quickly—and then the manager instructs people not to tell anyone about their mistakes. The environment is going to fall to bits and the legislation we have here will be worth absolutely nothing if this is allowed to happen, because people will not report their mistakes. They will do their job but if a mistake is made they will bury it under the carpet and hide it. This is not an acceptable situation.

My questions to the minister are simple. Is the minister aware of this and, if the minister is aware of this, what is the minister doing about it? If the minister is not aware of this, why not? It raises a whole range of issues when the intimidatory practices that might be enforced by these security firms on their own employees therefore reduce the level of security. If somebody does make a mistake, reports it, and a plane is allowed to take off, what is the point of having a security check in the first place? And we are actually talking about a person who is known. The more startling fact about all of this is that there was actually a warrant out for the arrest of this person. This person was a person of concern and yet they were allowed to board this plane with no security checks. In the few seconds I have left, I want to say that we do support this bill but we plead with the government to do something serious rather than just

talk about the security environment regime. Let us make our regional airports work properly. I seek leave to continue my remarks.

Leave granted.

Debate (on motion by Mr Neville) adjourned.

ADJOURNMENT

Mr NEVILLE (Hinkler) (12.30 p.m.)—I move:

That the Main Committee do now adjourn.

Avalon Airport

Mr GAVAN O'CONNOR (Corio) (12.30 p.m.)—Since entering this parliament in 1993, I have consistently argued for, lobbied for and promoted the development of Avalon airport in my electorate as a vehicle for job creation and future economic growth in the Geelong region. For the benefit of the House, let me briefly outline the potential of this extraordinary infrastructure asset. Avalon airport was formerly owned by the Commonwealth. It was sold in the early years of the Howard government to trucking magnate Lindsay Fox. Its economic potential base lies in three areas: a training facility for airlines, an international and domestic passenger and freight centre, and a manufacturing precinct for avionics and aircraft refurbishment activities.

My particular interest in the airport has concerned its development as a passenger and, in particular, freight facility, as well as its potential as a manufacturing precinct. Early in my time as member for Corio, I promoted Avalon as an air freight centre as it lies at the juxtaposition of other major transport assets—namely, the Princes Highway, the national standard gauge rail line and the port of Geelong, with ample surrounding land for future development. My interest was primarily in agricultural freight, drawing produce from a four-state hinterland, including productive Victoria, South Australia, the Riverina in New South Wales, and Tasmania. It was a dream shared by the great Ross Mellor of the Habitat Trust. My reason for supporting its development lay in using this infrastructure asset to reshape Geelong's economic base—diversify it and expand it—and provide an alternative option to the region in the face of structural changes to Geelong's manufacturing base, particularly in motor vehicle manufacturing and in textile, clothing and footwear manufacturing.

Given that central to the Avalon vision was the export of agricultural products, an important part of the Avalon puzzle was the movement of the fruit and vegetable market from Footscray to the Werribee corridor, to give further critical mass to the Avalon operation. I understand the matter is under active consideration by the Bracks government, and I would urge that it give serious consideration to the proposal in view of the substantial infrastructure and other developments that have taken place in recent years—namely, the third lane on the Princes Highway and the commencement of Jetstar's operation at Avalon—and future ones, such as the Geelong bypass, that have already been committed to by both sides of the House in the Commonwealth parliament and by state parliaments.

I understand the relocation will stimulate an initial investment of \$300 million, with \$1 billion additional investment over 20 years from the private sector. It is my view that the latter figure is understated, should the facility be located in the Melbourne-Geelong corridor close to the Avalon precinct. It would provide a huge stimulus not only to fruit and vegetable production and export in this state but also to the production of flowers and value-added seafood

products, particularly in the south-west and north of the state and in the local Werribee area. I have written to the Premier of Victoria and his ministers on the matter and genuinely hope that, when the decision is made, it takes full advantage of the extraordinary infrastructure assets of the airport at Avalon and the ample land around it, the port and the well-developed road and rail network.

Australia's export performance has deteriorated markedly over the wasted years of the Howard government. Given that we are now at the beginning of a new federal political cycle, and acknowledging the government's fetish for bilateral free trade agreements, it is likely that over the next 10 years there will be considerable pressure on Geelong's manufacturing firms. The recent signing of the FTAs with the USA and Thailand and the discussions under way with China and ASEAN nations will put further pressure on our automotive and TCF industries. I am not convinced that the Geelong community is aware of and focused enough on the impact these changes might have on our manufacturing base, and I will be taking steps in 2005 to stimulate community debate and discussion on these matters and to plan strategies to prepare for these substantial changes.

It is imperative that Geelong diversifies its manufacturing and service base and pursues new avenues of regional job creation and growth. The location of the fruit, vegetable and flower markets in the Melbourne-Geelong corridor, preferably near to Avalon, will provide additional stimulus to the further development of Avalon, most certainly stimulate further agricultural production in the immediate hinterland, provide a huge boost to regional job creation and growth, and go a long way to achieving a broad diversification of Geelong's economic base. It is my view that it makes good economic sense to provide new job opportunities in this area of the state given the huge challenges the community will face and the changes that will take place to its economic base in coming years.

Zimbabwe

Mr SLIPPER (Fisher (12.35 p.m.)—I have spoken out in the parliament and more widely in relation to the terrible situation in Zimbabwe, where the dictator Robert Mugabe is guilty of a whole range of offences. It is a situation where you have home invasions and people have their farms seized from them. The rule of law has been torn up and torture is the order of the day. Today in the parliament I have been asked by the Zimbabwean community on the Sunshine Coast to raise the plight of Roy Bennett, a member of the Zimbabwean parliament, an opposition member who won an almost totally black seat. In doing so, because he is a white man, he offended the ruling regime. In particular, I have been asked to raise the plight of this gentleman's wife, Heather Bennett. I want to quote from a letter that I have received. The letter says:

I met a very brave woman this week. Heather is 42 and married with two teenage children. Her 18 year old son has recently left home and her daughter is at boarding school and about to write public exams. These are about the only normal things left in Heather's life after almost five years of hell. As we sat and talked Heather's phone rang almost incessantly, but we had time to have a cup of coffee together. It was a very special coffee, home grown on their farm in Chimanimani.

Heather is the wife of an opposition Member of Parliament and she and her husband have lost everything in their determination to bring democratic governance to Zimbabwe. Being married to an MP hasn't meant chauffeur driven limousines, exotic weekend retreats and lavish dinner parties for Heather. It has meant rape, torture, murder, arson, looting and theft. All of these horrors have become personal experiences as they had happened directly to Heather and Roy Bennett and their friends and employees

in the past five years. None of the crimes committed against the Bennetts and their employees have been resolved. None of the perpetrators have been sentenced or imprisoned and none of the court rulings issued in favour of the Bennetts have been upheld or obeyed by Zimbabwe's police.

Being married to an MDC MP has meant fear, anguish and enormous personal sacrifice for Heather but amazingly, even now with her husband in prison, she is not angry and bitter or baying for blood and revenge. It is unlikely, but not yet clear, if Roy Bennett will be allowed to stand for Parliament again now that he has been convicted for pushing an MP to the floor and sentenced to a year in prison for the offence. Heather told me that even if Roy could never represent the people of Chimanimani in Parliament again, the five years have not been wasted. The Bennetts have stood up for what is right, spoken for those who cannot and helped build the New Zimbabwe we are all fighting for. Heather says at the moment she feels like she's flailing in a raging waterfall with demands tugging at her from all directions. But her focus is entirely on her husband, his safety and his health in prison. Heather can only visit Roy once every two weeks for ten minutes. All she can take him is a 50ml tube of toothpaste, a bar of carbolic soap, a small jar of vaseline and 6 individual pieces of fruit. This ten minutes every fourteen days has become the focus of Heather's life and she said it takes every ounce of her self control to get through those ten minutes without crying.

For pushing an MP who was shouting abuse at him in Parliament, Roy Bennett is sharing a four man cell with 17 other people. He is dressed in rags and working all day in the fields at Harare Central Prison. When I left Heather I drove past the Harare central prison this week so that I could describe the view. In temperatures of over 30 degrees C, men wearing ragged white shorts and short sleeved tops, trudge barefoot, without hats, in the burning sun carrying buckets. They walk to the river, bend, fill their buckets and carry the water back to pour on the vegetables. Others carry hoes and they bend and weed between lines of straggling greenery, watched by a bored prison official.

For almost five years I have been writing this letter to the world about events in Zimbabwe. It is men and women like Roy and Heather Bennett whose unceasing bravery and determination have given me the courage to keep going. When I left Heather this week I was ashamed that all I could offer as thanks for their example and inspiration was my words. Roy Bennett did not steal or loot, burn, torture, rape or murder, he pushed a man to the floor ...

Roy Bennett ... was sentenced by a partisan committee dominated by ZANU (PF) of the Parliament of Zimbabwe to an effective one-year in prison ... This sentence is unprecedented throughout the world. His 'crime' was to push over in Parliament the Minister of Justice ... who during debate had insulted and provoked Bennett beyond reason, calling his late father and grandfather 'thieves and murderers'. This 'offence' would have attracted a small fine had it been tried in a Zimbabwean court.

This is an outrageous situation and the world needs to be alerted to the appalling activities in Zimbabwe.

A division having been called in the House of Representatives—

Sitting suspended from 12.40 p.m. to 12.52 p.m. Australian Labor Party: Trade Union Movement

Mr TANNER (Melbourne) (12.52 p.m.)—Once again, a federal Labor election defeat has been quickly followed by calls for Labor to distance itself from the trade union movement. Some argue that the path to economic credibility for Labor lies in parting company with the industrial wing of the Labor movement. Some contend that Labor's industrial relations policy should be reshaped to meet the concerns of business organisations like the BCA and the ACCI. Others see electoral salvation in embracing the growing number of workers who are contractors, not employees. I regard these views as misconceived. They imply that Labor no longer has the strength to stand up for its values. They suggest that Labor may repeat its last

post-election experience of 2002 when the vital process of party reform was diverted into a self-lacerating and largely pointless debate about whether unions should have 50 per cent or 60 per cent of the votes in Labor forums.

Distancing Labor from its trade union connections is not going to deliver economic credibility for Labor. Adopting the big business lobby's industrial relations policies will not deliver better economic outcomes for working people. It has become fashionable to give credit for Australia's current economic prosperity to the Hawke and Keating governments. This is a good thing; that credit is well deserved. What is now largely forgotten, however, is that Hawke and Keating had a partner—the trade union movement. When credit for our prosperity is being handed around, a significant share belongs to the ACTU and to people like Bill Kelty, Laurie Carmichael, Simon Crean and Martin Ferguson. Trade union cooperation with difficult economic reforms provided the foundation for the success of the Hawke and Keating governments. That era is now over and there is no suggestion that the accord should be revived. The Australian economy, workplace and work force are now very different from 15 or 20 years ago.

Yet the lesson of this era for Labor remains a powerful one. We need to engage with the trade union movement, with the common aim of building a stronger, more competitive Australian economy. Rather than distancing ourselves from trade unions, we should be challenging the union movement to contribute more strongly to the renewal of Labor's agenda to build a better Australia. Such greater engagement will inevitably involve pain and controversy. The union movement has often been in a defensive, sometimes reactive, position during the Howard years—and understandably so. Breaking that pattern will not be easy.

There is a need for reform of our industrial relations system—but not the kind of reform that John Howard has in mind. Instead of exposing vulnerable low-paid workers to exploitation through individual contracts, we should be establishing new mechanisms to enable workers to upgrade their skills—the true source of job security. Instead of abolishing the right of workers to obtain redress for unfair dismissal, we should make the system simpler and cheaper by restricting the involvement of lawyers. Instead of further restricting the ability of workers and unions to collectively bargain, we should be developing the next wave of improvements to our superannuation system.

At a time when industrial disputes are at a record low level, it is ridiculous to claim that trade unions are a threat to Australia's future prosperity. The challenge for Labor is not to walk away from the union movement but to engage constructively with unions and with other groups to address the many difficult economic and social issues facing our nation. Renewing our national infrastructure, upgrading our skills and reviving our non-commodity exports will require big thinking and hard work. As representatives of two million working Australians, the trade union movement have a major role to play in this process. As the party of working men and women, Labor has a responsibility to these people to improve their living standards and life opportunities, along with those of the millions of other Australians who work for their living.

Hastings: HMAS Otama

Mr HUNT (Flinders—Parliamentary Secretary to the Minister for the Environment and Heritage) (12.56 p.m.)—Earlier this week I addressed the House on a plan for the development and improvement of Hastings and Somerville. I outlined four elements. I wish to give

this speech today to focus on a twin to the plan—the progress and development of the Hastings submarine project. The background is that, under the Federation Fund, the Commonwealth allocated to the Western Port Oberon Association HMAS *Otama*, which is an Oberon class submarine which has now been retired. As part of the grant under the Federation Fund, the Oberon association was given the submarine and \$500,000, with a fee of \$50,000 deducted for the price of the submarine. The submarine is currently moored off Crib Point and is awaiting a series of development approvals before it can be placed adjacent to the foreshore at Hastings for the benefit of the townspeople of Hastings, the Mornington Peninsula and tourism throughout Victoria.

I want to commend the HMAS *Otama* project and all those involved. I believe that the very recent appointment of a specialist chair to the Western Port Oberon Association, Mr Kevin Shea, is a defining point in the progress of this submarine and the entire submarine project. It is a project of incredible importance, and I believe that the appointment of Mr Shea—someone who has experience as a former managing director of the Port of Melbourne Authority, who has very good links with the state government and who has admirable corporate as well as maritime experience—is a great step forward. As part of that, I want to congratulate the president of the Oberon association, Mr Max Bryant, and the executive and all the members of the Oberon association for their unstinting commitment to the Hastings submarine project.

This project is critical for Hastings. The independent assessment prepared for the Mornington Peninsula Shire Council by MacroPlan estimated a gross annual benefit to the town of Hastings of approximately \$4 million through the placement and development of the submarine project. It is in fact an ideal modern tourism project. It has no impact on the environment, it is a great educational project and it provides icon status to the town of Hastings, which has been through hard times but which is making tremendous strides forward. It is twinned with proposals for marine education, the Coleman statue and a plan to use the waterfront at Hastings in a way which benefits the people of this beautiful area.

The submarine, I think, would be an iconic form of identity for the town of Hastings. It would complement the existing steps forward being taken. In addition to that, it would provide an area of pride and excitement for the primary school kids and people throughout the region. Already, primary school children are very excited about the project. Against that background, I understand that there is a small minority of people who consistently oppose this project. That is disappointing because it is both economically and environmentally sustainable, it grows from the community and it has overwhelming community support. I would respectfully ask those people to enter into dialogue, look at the benefits which it would bring to the community and not place their views in front of the overwhelming support of the community.

The next steps are as follows. Firstly, under the chairmanship of Mr Shea we need to bring together the state, the council, the marina, the yacht club, the fishing club and any other interested parties to work on a common understanding and plan for the foreshore area in Hastings and the way in which the submarine can be involved. Secondly, we must bring together funding. There has already been \$500,000 in Commonwealth funding. We look to the state for planning approval but also funding approval. In addition to that, we look for any private contribution on a philanthropic basis. Thirdly, under Kevin Shea, if we can pull together all of the people who have been involved then this project can come to fruition. I commend to the

House Kevin Shea's appointment, the Oberon association and the submarine project. (Time expired)

Medicare: Bulk-Billing

Ms BURKE (Chisholm) (1.02 p.m.)—Mr Deputy Speaker Causley, I would like to congratulate you on your reappointment to the position of Deputy Speaker and thank you for allowing us to continue the debate today. The health of our nation is vitally important. An editorial in the *Financial Review* prior to the election I think sums it up very well. It says:

Australia's health-care system does a good job for most of us, and our health outcomes are generally among the best in the world. But they should be, since we have a younger population than most rich countries and a climate that encourages healthy lifestyles. And health is heavily influenced by socioeconomic status, with Aborigines and other disadvantaged groups falling further behind, suggesting there is too little preventive and co-ordinated care.

The biggest obstacle to better health care is the fragmented structure of the system. The commonwealth directly funds out-of-hospital care through Medicare Benefits and pharmaceuticals, and jointly funds public hospitals with the states, which manage them. It also encourages people to take out private health insurance through lifetime cover and \$2.3 billion of subsidies ... As a result no one actually takes responsibility for ensuring the entire \$67 billion is being spent as well as it can be.

The election gave all sides of politics a great opportunity to actually sit down and say: 'This is broken; we need to fix it. Let us go back to basics and see where the health system needs to be mended.' But, no, the Howard government had no intention of doing that. Its intention was to come up with quick political fixes that will continue to need bandaid resolutions. The *Financial Review* article also says:

Like a harried emergency ward doctor, Health Minister Tony Abbott rushes around patching up the health-care system with an injection of funding here, a prescription of cash there and a constant patter of analgesic words. The latest additions to the Fairer Medicare package—extra bulk billing incentives in marginal seats and more generous private health insurance rebates for seniors—will lift its cost over three to four years to about \$3.3 billion.

They describe the Minister for Health and Ageing as rushing here and there patching things up but not coming up with good outcomes. We saw the introduction of what is known as MedicarePlus. That was when the government realised that people were concerned about falling bulk-billing rates. The Labor Party had run a very successful campaign emphasising that bulk-billing was in serious decline. So GPs who bulk-billed Commonwealth concession card holders and children under 16 would receive an extra \$5 or \$7.50, depending on their location, for each person they bulk-billed. We remember that one. All of Tassie got the \$7.50, regardless of whether or not they were regional or remote. That was to assuage Senator Harradine. I found that quite amazing, because at the time the bulk-billing rate in the seat of Denison down in Tassie was higher than the bulk-billing rate in the seat of Deakin, adjacent to my electorate in metropolitan Melbourne, where they were getting only \$5.

As the *Financial Review* editorial points out, they worked out that outer metropolitan seats across the country need some extra money, so they all got \$7.50. But this is not working. A recent email from a doctor in my electorate says:

I am writing to you as my local member.

For the past two weeks the Health Insurance Commission has crosslinked data to Centrelink to determine whether patients are eligible for Medicare Plus copayment items. This data link appears to be de-

fective and Medicare claims for numbers of patients are being rejected by the HIC. These are patients for whom my practice holds ostensibly accurate current Centrelink details, including documentation sighted at the time of consultation.

This is occurring in general practices all over the country.

When Medicare is contacted, they require that written details be separately submitted for each rejected claim and have withheld payment until each has been resolved. This affects the most at-risk impecunious patients who would be least able to afford to be seen were doctors to cease bulk-billing them until the problem is resolved.

An urgent policy solution is needed, namely that the claims be paid as previously and that the onus for ensuring that Centrelink documentation is both intrinsically correct and correctly linked to Medicare data be taken back to the relevant Government instrumentalities. Fraudulent claims by patients or doctors would be dealt with in the normal manner.

This is an urgent matter, as the current policy will soon spill into public notice and could easily result in the suspension of GP bulk-billing. I look forward to some quick action.

This is not an isolated instance; it is happening all over the place. Doctors who were reliant on that \$5 are no longer getting it and they are spending an inordinate amount of time and resources demonstrating to the HIC that these patients deserve the \$5. This is meant to be a quick fix but it is becoming a nightmare, and it needs to be resolved now. It is fairly simple: Centrelink has the data and HIC has the data. It should not be up to local GPs, who are already stretched to the hilt, to resolve a government problem.

Main Committee adjourned at 1.07 p.m.