### No. 142

# for the sitting period 9—11 May 2000

# 12 May 2000

## **ORDERS FOR DOCUMENTS**

The matter of the magnetic resonance imaging machines (see Bulletin No. 139, p. 1, No. 138, p. 1-2) came to something of a climax on 10 May with the tabling of three sets of documents:

- A large volume of documents in response to the Senate's orders for documents on 21 October 1999 and 10 April 2000.
- The report of the Community Affairs Legislation Committee on the hearings on the
  matter which it was directed by the Senate on 10 April to hold. In accordance with
  the Senate's direction, relevant departmental officers appeared and gave evidence
  to the committee. The committee reported that administrative deficiencies on the
  part of the department were disclosed.
- A report by the Auditor-General on the matter. This report also disclosed administrative deficiencies on the part of the department, and found that machines were purchased as a result of intelligence gained at a meeting with the minister just before the budget decision to make Medicare rebates payable for services rendered with the machines.

The Opposition claimed that the reports indicated impropriety on the part of the Minister for Health and Aged Care, Dr Wooldridge, in his dealings with radiologists, a claim still denied by the government.

During the dispute over the mandatory sentencing issue (See Bulletin No. 141, p. 1), the Senate asked the Human Rights and Equal Opportunity Commission to produce a report on the subject. A voluminous report was duly produced on 11 May but there was no opportunity to debate it. The report is critical of mandatory sentencing provisions.

In accordance with the Senate's order of 16 April the report on the safety of heavy trucks, which was provided to the Deputy President and released during the non-sitting period, was tabled on 9 May.

#### LEGISLATION

The difficulties arising from the government's advisers' interpretations of section 53 of the Constitution, which determines whether Senate amendments to financial bills are made in the form of requests to the House of Representatives, was again illustrated by the New Tax System (Fringe Benefits) Bill 2000. The issue was explained in the following statement by the Chair of Committees on 10 May:

A New Tax System (Fringe Benefits) Bill 2000 is not regarded by the government's advisers as a bill imposing taxation within the meaning of section 53 of the Constitution. The bill, however, results in taxpayers paying significantly more taxation, and the government amendments to the bill have been circulated as requests. The only basis for the amendments being requests would be that the bill imposes taxation. In the past, government advisers have also framed amendments as requests where they increase the amount of taxation payable under a bill, on the basis of the third paragraph of section 53. That paragraph refers to Senate amendments not increasing any proposed charge or burden on the people, but for amendments to fall within that paragraph there must be a proposed charge or burden on the people to be increased, in other words, in the case of a tax bill, it must be imposing higher taxation on taxpayers.

It would probably best reflect the past decisions of the Senate in relation to tax legislation if the bill were regarded as a bill imposing taxation and therefore the amendments treated as requests.

Any other amendments moved to the bill would also be treated as requests on that basis.

All of the amendments to the bill were processed as requests accordingly.

The Transport and Territories Legislation Amendment Bill 1999, an omnibus portfolio bill, was amended by the striking out of some provisions, but then deferred on 10 May to allow the government to further explain provisions relating to industrial relations law in the external territories. Another matter leading to the deferral was the moving of an amendment by the Democrats to overturn the mandatory sentencing laws of the Northern Territory, thereby reopening that issue.

The Jurisdiction of Courts Legislation Amendment Bill was again considered on 10 May, with the Senate agreeing to amendments made in the House of Representatives to amendments made by the Senate on the first consideration of the bill. The amendments made a minor clarification to the amendments made by the Senate.

The Corporations Law Amendment (Employee Entitlements) Bill 2000 raised the vexed issue of safeguarding the entitlements of employees of firms that go bankrupt. The bill was passed on 10 May with an Opposition amendment relating to the liability of a company for the debts of a related body.

#### **ESTIMATES HEARINGS**

The estimates documents arising from the government's budget were referred to the legislation committees on 9 May, thereby triggering the main round of estimates hearings of those committees beginning on 22 May and scheduled to last for two weeks. This year the supplementary hearings on the additional estimates for the current financial year occurred within two weeks of the hearings on the main estimates for next financial year, basically due to the change in the budget cycle. During the additional estimates supplementary hearings reference was made to a proposal that those hearings, which are confined to additional matters notified after the additional estimates hearings, be dispensed with, on the basis that any matters normally raised then could be raised within a short time at the main hearings. This would mean that there would be three rounds of estimates hearings each year rather than four.

#### PRIVILEGE: UNAUTHORISED DISCLOSURE

A reference was made to the Privileges Committee on 11 May of an apparent case of unauthorised disclosure of the identity of a witness who gave in camera evidence to the Economics References Committee during its hearings on the operations of the Australian Taxation Office. The circumstances were unusual, in that a member of the committee has conceded that he made the disclosure in question, but in circumstances in which the identity of the witness was in reality already public information. The President gave the matter precedence to allow it to be referred to the Privileges Committee on the basis that the Senate would want the advice of that committee on the circumstances and on whether any action should be taken.

### **AUDITOR-GENERAL'S REPORTS**

The Senate adopted on 11 May the recommendation of the Procedure Committee that standing order 62 be amended to provide that Auditor-General's reports remain on the Notice Paper, with Senate committee reports, until there has been an opportunity to debate them.

VACANCY FILLED

A vacancy in the Senate occurred and was filled during the Easter non-sitting period, with the

resignation of Senator Brownhill, National Party, New South Wales, on 14 April and the

appointment to the vacancy by the New South Wales Parliament on 8 May of former senator

Sandy Macdonald. Senator Macdonald left the Senate only in June last year at the turnover of

senators following the 1998 election.

SENATE DAILY SUMMARY

This bulletin is intended to provide Senate staff and others with a summary of procedurally

significant occurrences in the Senate. A new publication, Senate Daily Summary, provides

more detailed information on Senate proceedings, including progress of legislation,

committee reports and other documents tabled and major actions by the Senate. Like this

bulletin, Senate Daily Summary may be reached through the Senate home page at

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