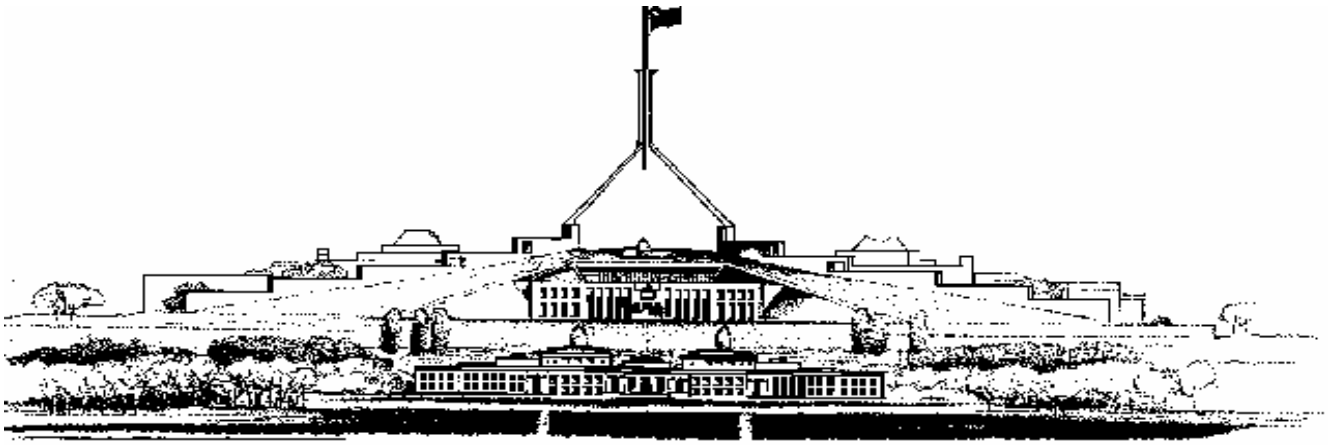
COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



SENATE

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No. 4, 2004
THURSDAY, 25 MARCH 2004

FORTIETH PARLIAMENT
FIRST SESSION—SEVENTH PERIOD

BY AUTHORITY OF THE SENATE

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SITTING DAYS—2004

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THURSDAY, 25 MARCH

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Thursday, 25 March 2004

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

NOTICES

Presentation

Senator Coonan to move on the next day of sitting:

That, on Monday, 29 March 2004:

(a) the hours of meeting shall be 12.30 pm to 6.30 pm and 7.30 pm to 11.30 pm; and

(b) the question for the adjournment of the Senate shall be proposed at 10.50 pm.

Senator Allison to move on the next day of sitting:

That the Senate—

(a) supports the call from a collaboration of those with an interest in rural health that has produced the document 'Good health to rural communities', a 10-point plan which recommends that:

(i) small rural hospitals be utilised as centres for quality healthcare and training,

(ii) procedural rural medicine be sustained through the development of a national strategic approach,

(iii) the Medical Specialists Outreach Assistance Program and other initiatives be expanded to ensure integration with local healthcare services and support to sustain local healthcare capacity,

(iv) higher medical rebates be available to all Australians,

(v) the role of practice nurses be extended to allow them to provide other Medicare-funded services,

(vi) advanced nursing practice be supported in areas where access to healthcare is difficult,

(vii) a local government medical recruitment infrastructure fund be established for councils that have to acquire facilities,

(viii) high quality broadband services be provided for rural communities to give doctors and their patients access to on-line information,

(ix) bonded medical school places be made more attractive and effective by scholarships and other incentives, including higher education contribution scheme exemption, and

(x) overseas trained doctors be given access to suitable supervision, support mechanisms and mentoring, in order to remove unnecessary barriers to their contribution to rural health; and

(b) encourages the Government to adopt these recommendations, particularly those relating to grants for walk-in, walk-out clinics, noting that this was recommended by the Australian Democrats in 2003 as one way of overcoming the barriers to doctors practising in country areas.

Senator Bolkus to move on the next day of sitting:

That the time for the presentation of the report of the Legal and Constitutional References Committee on the capacity of current legal aid and access to justice arrangements to meet the community need for legal assistance be extended to 11 May 2004.

BUSINESS

Rearrangement

Senator ABETZ (Tasmania—Special Minister of State) (9.31 a.m.)—I move:

That—

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

No. 10 Privacy Amendment Bill 2004

No. 11 Dairy Produce Amendment Bill 2003;

(b) after consideration of these bills, the following government business orders of

the day be called on to enable second reading speeches to be made till not later than 2 pm today:

No. 2 Military Rehabilitation and Compensation Bill 2003 and a related bill

No. 4 Migration Legislation Amendment Bill (No. 1) 2002

No. 5 Textile, Clothing and Footwear Strategic Investment Program Amendment Bill 2004; and

(c) this order does not prevent the bills being called on in the course of business earlier in the day.

Question agreed to.

Rearrangement

Senator ABETZ (Tasmania—Special Minister of State) (9.32 a.m.)—I move:

That the order of general business for consideration today be as follows:

(1) general business notice of motion No. 824 standing in the name of the Leader of the Opposition in the Senate (Senator Faulkner) relating to the politicisation of the public sector; and

(2) consideration of government documents.

Question agreed to.

LEAVE OF ABSENCE

Senator FERRIS (South Australia) (9.33 a.m.)—by leave—I move:

That leave of absence be granted to Senator Johnston for the period 30 March 2004 to the end of the autumn sittings, on account of parliamentary business overseas.

Question agreed to.

NOTICES

Postponement

Items of business were postponed as follows:

General business notice of motion no. 823 standing in the name of Senator Sandy Macdonald for today, relating to Taiwan and the World Health Organization, postponed till 31 March 2004.

General business notice of motion no. 827 standing in the name of Senator Harris for today, relating to the establishment of a select committee on the Lindeberg Grievance, postponed till 29 March 2004.

OPTIONAL PROTOCOL TO THE CONVENTION AGAINST TORTURE AND OTHER CRUEL, INHUMAN OR DEGRADING TREATMENT OR PUNISHMENT

Senator BROWN (Tasmania) (9.34 a.m.)—by leave—I move the motion as amended:

That the Senate—

(a) opposes the recent recommendation of the Joint Standing Committee on Treaties against ratification of the Optional Protocol to the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment;

(b) concludes that the reluctance to ratify the optional protocol is caused by the Australian Government's indifference to human rights in Australia and that this indifference includes, but is not limited to:

(i) the refusal to allow independent inspections of immigration detention centres in Australia and the Pacific,

(ii) the acquiescence by the Australian Government to the indefinite detention of David Hicks and Mamdouh Habib at Guantanamo Bay by the United States of America, and

(iii) the human rights abuses being committed in Afghanistan and Iraq;

(c) expresses concern that not ratifying this protocol would obviate a system of regular visits to be undertaken by independent international and national bodies to places of detention in order to monitor conditions and ensure that torture and other cruel, inhuman or degrading treatment or punishment is not used; and

(d) calls on the Australian Government to ratify this protocol immediately.

Question agreed to.

HUMAN RIGHTS: BURMA

Senator RIDGEWAY (New South Wales) (9.34 a.m.)—I move:

That the Senate—

(a) notes that:

(i) in the week beginning 14 March 2004, Burma's military government refused entry to United Nations (UN) Human Rights Special Rapporteur, Mr Paulo Sergio Pinheiro,

(ii) Mr Pinheiro released a report into the state of human rights in Burma in January 2004, which recommended that all restrictions on freedom of expression, movement, assembly and information be lifted, and that there be no further arrests for participation in peaceful political activities, and

(iii) Mr Pinheiro was seeking to enter Burma to conduct follow-up investigations before reporting on the state of human rights in the country ahead of a meeting of the UN Human Rights Commission in Geneva in the week beginning 28 March 2004;

(b) acknowledges that the human rights situation in Burma remains extremely grave, with severe restrictions on political freedoms and continued use of forced labour, torture, child soldiers and other serious abuses; and

(c) calls on the Government to use all diplomatic means to ensure that the Government of Burma:

(i) cooperates fully with the UN investigation,

(ii) heeds the recommendations of the UN Special Rapporteur's report, and

(iii) restores the rule of law to Burma.

Question agreed to.

PARLIAMENTARY ZONE

Approval of Works

Senator ABETZ (Tasmania—Special Minister of State) (9.35 a.m.)—At the request of Senator Troeth, I move:

That, in accordance with section 5 of the Parliament Act 1974, the Senate approves the proposal by the Department of Parliamentary Services to extend the approval for temporary vehicle barriers around Parliament House.

Question agreed to.

COMMITTEES

Regulations and Ordinances Committee

Ministerial Correspondence

Senator TCHEN (Victoria) (9.36 a.m.)—On behalf of the Standing Committee on Regulations and Ordinances, I present a volume of ministerial correspondence relating to the scrutiny of delegated legislation for the period June 2003 to February 2004.

National Capital and External Territories Committee

Statement

Senator LIGHTFOOT (Western Australia) (9.36 a.m.)—I am wondering if I should seek leave to make a statement from the Joint Standing Committee on the National Capital and External Territories. The statement is with respect to draft amendment 39.

The PRESIDENT—It does not seem to be on the red.

Senator LIGHTFOOT—I did advise early this morning that I would be making the statement. It is about two minutes long.

Senator MACKAY (Tasmania) (9.37 a.m.)—by leave—It might be helpful for Senator Lightfoot to apprise us of precisely what this is before we—

Senator Abetz—Give us a little teaser.

Senator MACKAY—Yes, that is right. We have no idea what he is talking about.

Senator LIGHTFOOT (Western Australia) (9.37 a.m.)—by leave—The best explanation might be to read it.

The PRESIDENT—No, you had better explain it.

Senator LIGHTFOOT—The statement is with respect to draft amendment 39, which concerns State Circle and several streets behind State Circle and which was approved last year. The amendment was brought before the Joint Standing Committee on the National Capital and External Territories for that to be amended, even though it was approved. The committee approved it yesterday and, as a consequence, it was only put out in statement form this morning. I suppose it is, in effect, a report by the joint committee.

Senator Faulkner—This is a most irregular occurrence, but having heard that less than impressive explanation we will still grant leave.

Leave granted.

Senator LIGHTFOOT—I thank the Leader of Her Majesty's Opposition for his generosity this morning in allowing me to read this two-minute statement, which it has taken me five minutes to explain. I thank the opposition for their cooperation. I wish to inform the Senate of the Joint Standing Committee on the National Capital and External Territories' recent examination of draft amendment 39 to the National Capital Plan. The most recent version of this draft amendment was formally brought to the committee's attention by the minister, the Hon. Ian Campbell, in January 2004. The committee held a public hearing into this matter on 23 March 2004. The committee heard evidence from a potential developer, residents-lessees of the area and the National Capital Authority. As a result, the committee was able to advise the minister of our views on this version of draft amendment 39.

The committee is satisfied with the provisions of the February 2004 version of draft amendment 39 except for two items—building height and plot ratio—contained in the proposed development conditions for sites fronting State Circle. The committee shares the concerns of the majority of residents-lessees of the area with regard to these aspects of the development conditions for sites fronting State Circle.

The proximity of the Deakin-Forrest residential area to Parliament House gives it national significance. Given this significance, the committee believes that the existing low- to medium-density residential character of the area is the most suitable and should be retained and that future development in this area should reflect this character. It is therefore the unanimous view of the committee that the building height provisions applying to sites fronting State Circle between Hobart Avenue and Adelaide Avenue be revised and that the plot ratio provisions be considered as a consequence.

For all sites fronting State Circle between Hobart Avenue and Adelaide Avenue, the committee recommends that building height be no more than two storeys, that no point be more than eight metres above the natural ground level immediately below regardless of whether or not the blocks are amalgamated, that plot ratio for the residential redevelopment of existing blocks remain at 0.4 and that, in the case of amalgamated blocks, it be a maximum of 0.8.

The committee, however, acknowledges that, in the light of the recommended height restriction of two storeys, the building envelopes and setbacks would need to be reconsidered by the National Capital Authority. The committee therefore awaits the advice of the authority on the questions of plot ratio, building envelopes, setbacks and related conditions, given a height restriction of two

storeys for the State Circle sites. The committee trusts that the government will agree with this recommendation and that the amendment will be revised accordingly.

BILLS RETURNED FROM THE HOUSE OF REPRESENTATIVES

Message received from the House of Representatives agreeing to the amendments made by the Senate to the following bill:

Migration Legislation Amendment (Migration Agents Integrity Measures) Bill 2003

Message received from the House of Representatives returning the following bill without amendment:

Australian Crime Commission Amendment Bill 2003 [2004]

COMMITTEES

Scrutiny of Bills Committee

Reference

Senator CROSSIN (Northern Territory) (9.42 a.m.)—I move:

That the following matters be referred to the Standing Committee for the Scrutiny of Bills for inquiry and report by the first sitting day in March 2005:

(1) The Government's responses to the committee's *Fourth Report of 2000: Entry and Search Provisions in Commonwealth Legislation* and, in particular, whether there has been any resultant impact on the practices and drafting of entry and search provisions.

(2) A review of the fairness, purpose, effectiveness and consistency of entry and search provisions in Commonwealth legislation made since the committee tabled its Fourth Report of 2000 on 6 April 2000.

(3) A review of the provisions in Commonwealth legislation that authorise the seizure of material and, in particular:

(a) the extent and circumstances surrounding the taking of material that is not relevant to an investigation and the use and protection of such material; and

(b) whether the rights and liberties of individuals would be better protected by the development of protocols governing the seizure of material.

Question agreed to.

PARLIAMENTARY ZONE

Approval of Works

Senator BARTLETT (Queensland—Leader of the Australian Democrats) (9.43 a.m.)—by leave—I wish to speak to the government motion that has been passed regarding the temporary vehicle barriers in the parliamentary zone. I did not want to delay the motion by denying formality, nor do I want to speak against the motion. I do want to state briefly that the Senate has just agreed to continue having the temporary vehicle barriers—the oversized plastic white Lego blocks, as they are often described—around Parliament House. As I said, I did not vote against the motion but I think it needs to be noted how extraordinarily unsightly these things are and how unsatisfactory it is that they have been around for so long. I am pleased to see that the motion relating to the approval of works suggests that they will disappear eventually and be replaced with something more workable. I am not a security expert, but I am not convinced that they are overly significant in preventing terrorist attacks on Parliament House. I do think they very significantly affect the visual amenity of what is otherwise a very significant building to international visitors as well as to Australians. I just wanted to put on record my strong desire that they disappear as soon as reasonably possible.

The PRESIDENT—I agree with the last part of your statement, Senator, and I am trying very hard to make sure that happens.

KYOTO PROTOCOL RATIFICATION BILL 2003 [NO. 2]

Report of Environment, Communications, Information Technology and the Arts Legislation Committee

Senator EGGLESTON (Western Australia) (9.45 a.m.)—I present the report of the Environment, Communications, Information Technology and the Arts Legislation Committee on the Kyoto Protocol Ratification Bill 2003 [No. 2], together with the *Hansard* record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator EGGLESTON—I seek leave to make some comments on this report.

The PRESIDENT—I do not think you need leave. You can just comment on it.

Senator Faulkner—He does now that the damn thing has been put. This morning has been a joke. We have already had the question put.

The PRESIDENT—You are seeking leave to take note of the report, Senator?

Senator EGGLESTON—I seek leave to take note of the report.

The PRESIDENT—Is leave granted?

Senator Faulkner—No. I am sorry, Mr President, but do you mean he is seeking leave to move a motion that the Senate take note of the report? I want to be clear on what we are doing now.

Senator EGGLESTON—You are quite right, Senator Faulkner. I seek leave to move a motion that the Senate take note of the report.

Senator MACKAY (Tasmania) (9.46 a.m.)—by leave—At the joint whips meeting last night, the Government Whip and I, along with representatives from other parties, had a discussion about what we would do with reports from legislation committees. This has been raised by the government as a difficulty in that opposition senators are making statements with respect to legislation committees when comments should be properly made within the purview of the second reading speeches and in committee. Based on that, we had a broad agreement across the parties that we would attempt where possible, unless there were extraordinary extenuating circumstances, not to make statements on the reports of legislation committees.

Senator EGGLESTON (Western Australia) (9.47 a.m.)—by leave—As it happens, I was not at the whips meeting last night. I seek leave to continue my remarks.

The PRESIDENT—I am advised there is nothing to continue, so you cannot continue your remarks.

Senator Faulkner—I hope nobody reads the *Hansard* of this morning.

The PRESIDENT—I think the matter would be best left there.

BUDGET

Consideration by Legislation Committees

Report

Senator FERRIS (South Australia) (9.48 a.m.)—On behalf of the Chair of the Environment, Communications, Information Technology and the Arts Legislation Committee, Senator Eggleston, I present the report of the committee on the 2003-04 additional estimates, together with the *Hansard* record of the committee's proceedings.

Ordered that the report be printed.

GREATER SUNRISE UNITISATION AGREEMENT IMPLEMENTATION BILL 2004

CUSTOMS TARIFF AMENDMENT (GREATER SUNRISE) BILL 2004

In Committee

Consideration resumed from 24 March.

GREATER SUNRISE UNITISATION AGREEMENT IMPLEMENTATION BILL 2004

The CHAIRMAN—The committee is considering the Greater Sunrise Unitisation Agreement Implementation Bill 2004. The question is that the bill stand as printed.

Senator BROWN (Tasmania) (9.48 a.m.)—Last night I asked the minister if he could identify for the committee the minister for the environment in East Timor. I expect he will do that now, as we have had time overnight to consider it. I also draw the committee's attention to the article by Rowan Callick on page 10 of today's *Australian Financial Review*. It states:

> ... the East Timorese government has indicated it is unlikely to seek ratification from its own parliament.

That refers to ratification of the unitisation agreement. The article continues:

> Rather, it hopes to extend its sea boundaries to encompass the field, which is being operated by Woodside Energy Ltd, owner of 33.44 per cent.

Further on, the article says:

> The East Timorese government is determined to extend its boundaries to both east and west of the areas covered by the Timor Sea Treaty, which has been ratified by both countries and which grants East Timor 90 per cent of oil and gas receipts within that zone.
>
> Greater Sunrise straddles the boundary to the east, thus the need for a separate agreement.
>
> East Timor's Prime Minister, Mari Alkatiri, upset by Australia's issuing last month of an exploration licence in a disputed area next to Greater Sunrise, said the Sunrise agreement was signed "on the clear understanding that Australia recognised our claims and sought not to prejudice our rights in the Timor Sea".
>
> These rights included negotiating permanent boundaries "in good faith". Article 22 of the treaty says it "shall be in force until there is a permanent seabed delimitation".
>
> Woodside is expected to lobby in Dili for it to ratify the agreement on the revenue split, but the East Timorese government is understood to have decided to suggest the company first press Canberra to consider extending East Timor's sea boundary to the east. The border with East Timor follows that agreed between Australia and Indonesia in 1972.

I ask the minister: what is the state of play with Prime Minister Alkatiri? Could the minister acquaint the committee with the current political situation, which is quite obviously tense? We in this parliament are being asked to ratify an agreement which, according to the public indications, is falling down. East Timor is not going to ratify it as things stand. I think it is a very serious matter. If this ratification were to proceed, that would obviously be done on the basis that East Timor was reciprocating, but now we read that that is not the case. I would suggest that, if it is not the case and if the government cannot show us that it is the case, then we should hold off on this debate until we have a clear indication that East Timor, the other party to this agreement, is on board or has indeed walked away from it.

Senator ABETZ (Tasmania—Special Minister of State) (9.52 a.m.)—I will deal with some of the matters that I did not have time to deal with last night, and then some of the matters that have been raised this morning. The issue of employment was raised last night. The question, really, is whether this committee stage should be used as a remedial class for certain senators who have not bothered to read the IUA. It is quite obvious in article 18 of the IUA which provides for preference to be given to East Timorese and Australian nationals for employment in the unit area. The Timor Sea Treaty has a similar provision. I would have thought that anybody who had just the most basic, most fundamental interest in this issue would have bothered to read the IUA and acquaint them-

self with those basic issues rather than jump up and ask all sorts of questions and make inflammatory comments along the way, completely oblivious to what the provisions of the IUA are.

Senator Brown this morning has continued the nonsense of asking: what is the name of the minister for the environment in East Timor? If he does not know, I am sorry, but he will have to do that homework for himself. What is in a name? Whether the minister for the environment is called Joe or Max, quite frankly I am not sure that makes a difference.

Senator Stott Despoja—Or Josephine.

Senator ABETZ—Indeed, or Josephine or Maxine. I am not sure that it makes any real difference to the quality of the debate that we are going to have about this bill and about the IUA, or to the future development of the concept for the joint project. It is one of those sorts of stunts from this particular senator that are now becoming quite tedious. Asking a question like what somebody's name is, quite frankly, bears no relevance or relationship to the matter at hand. The matter at hand is: is this good legislation? Let us have a debate about those things. I know Senator Brown disagrees, but whether this legislation is good, bad or indifferent is not based on whether the minister for the environment is Max, Maxine, Joe or Josephine. It is completely irrelevant, but Senator Brown seeks to waste the Senate's time by asking the question again. I would have thought that, on reflection last night, he would have been so embarrassed at having proposed such a silly question that he would hope that it would be forgotten. In fact, I had forgotten it, thinking it was just a matter of overexuberance on Senator Brown's part without much thought being given. But for him to come back into this chamber after reflection and repeat the question defies all genuine logic and thinking on the legislation. Let us debate the legislation and the issues involved. Whether or not we know somebody's name does not bear any relationship to the issues that we need to deal with.

In relation to the article referred to, the government's position is that in order to give certainty we have agreed to implement this legislation. That is our position. As I understand it nothing has changed in relation to that. In relation to environmental approvals, which was raised yesterday as well, I can indicate that environmental approvals for the Sunrise LNG project have not been finalised, recognising that the project is still at the concept stage, as I said yesterday. This matter will be progressed when a formal proposal is made by the LNG proponents. In relation to the Sunrise unit area, however, following an exhaustive public review process the EIS for the offshore production facilities was approved by the Northern Territory and Commonwealth environmental agencies in May 2003. 'Production facilities' means the drilling and installation of wells; offshore platforms and processing facilities; offshore condensate storage and off-loading; and all other equipment required to process the gas to its first point of sale, the entry point to the offshore pipeline.

Senator BROWN (Tasmania) (9.57 a.m.)—I came this morning in a very constructive frame of mind and proceeded on that basis, but I see the minister has not done the same. I want to go to the substance of his response, however, and I first go back to the employment position. We understand from the documents before us that at the peak of this development there will be 4,000 jobs. The question I asked the minister last night was: how many of those jobs is it estimated will go to East Timorese nationals? The glib statement that preference will be given to East Timorese and Australian nationals does not answer that question. What I want to

know is: how many hundreds of East Timorese is it expected will be employed on the offshore development of this project? Frankly, I believe that the East Timorese will be cheated on this as well. I think this is all verbiage. I do not think there is any real intention to make sure that there is a fifty-fifty breakdown of the employment on the offshore installation. But, if there is, please let it be made clear to the Senate that that is the case. Let us have something concrete added to the statements about this being a development on behalf of both nations.

I will be taking the minister through the agreement shortly to see just how well he knows it. I have a couple of questions arising from what he has said. Firstly, he has made contradictory statements. He said that environmental approvals have not been finalised but then he said that the environmental impact statement was approved in May 2003 for the offshore facilities. I ask the minister: where is that environmental impact statement? Can he provide it to the committee now? If it has been approved then what is it that has to be finalised? There is a contradiction in those statements. Who did the EIS, the environmental impact statement, that was approved in May 2003 and who approved it?

Senator ABETZ (Tasmania—Special Minister of State) (10.00 a.m.)—A lot of issues have been raised. I do not think you could necessarily describe it as being constructive. Nevertheless, I have been accused of making a glib statement in relation to employment. That glib statement which Senator Brown refers to is, in fact, the statement signed off by the East Timorese government in the IUA.

Senator Brown—Under duress.

Senator ABETZ—Senator Brown, last time we had this debate you made all these inflammatory comments. At the end of the day, you were not prepared to withdraw them and you were bounced out of this place. When you run out of arguments you use hyperbole and emotive and extravagant language, as you do in every other debate that you involve yourself in. I simply say to you that the democratically elected government of East Timor signed that glib statement that you accuse me of making. If you accuse me of making it, so be it, but in so doing you also accuse the Prime Minister of East Timor of having signed off on that glib statement.

When you have a concept or a proposal for a project, you are dealing with general figures. If you ask for an exact number of East Timorese workers who may be employed on a future project, of course nobody can give that figure. Suffice to say that preference is to be given to East Timorese and Australian nationals. I would have thought that it was within the interests of any project developer to ensure that they employ as many nationals as possible, if for no other reason than to maintain the goodwill of the two governments with which they will need to cooperate.

In relation to the Environment Protection (Impact of Proposals) Act 1974, there is a report from Environment Australia that I am happy to table. It goes for 54 pages. There is some detailed information in that. There is also a covering letter that was signed by Gerard Early, First Assistant Secretary, Approvals and Wildlife Division. Although the letter that I am tabling does not have a date on it, I am advised that it was written in May 2003. I table the documentation.

Senator BROWN (Tasmania) (10.03 a.m.)—I would like a copy of that as soon as possible please. I did ask the minister who approved the environmental impact statement and I will put that question again. I also ask: who carried out the environmental impact statement which was approved? Could he give an outline of what is in the statement

and what work was done to assess the environment and then the impact on the environment of the development? By the way, the minister assured us yesterday that this was not yet a development and that he did not know about this EIS. But this morning it has become a development which has an intended environmental impact statement. I ask the minister if he could acquaint the committee with the contents of that statement so that we might know what the environmental impact assessment is. I ask what the state of the environment is now, what it will be after and what are the threats enumerated in this EIS from this project?

Senator ABETZ (Tasmania—Special Minister of State) (10.05 a.m.)—It is all explained in the documentation. I do not intend to delay the committee by reading through 54 pages and the letter of explanation. It is all there. If Senator Brown were genuinely interested in this sort of information, there would have been the opportunity to consult with the relevant minister's office to get it rather than seek to delay the Senate and for me, once again, to do his homework for him.

Senator BROWN (Tasmania) (10.05 a.m.)—It is the minister who has not done his homework. He hasn't got the foggiest. It is not good enough in a committee dealing with an important matter like this. The chamber has the right to be informed on the thrust and the impact on the environment of this proposed development which, just last night, the minister was telling us did not exist. We know it does. We now know that there is an environmental impact assessment, and the minister cannot give a summary of that to the committee. One has to see from that that the minister did not know that an environmental impact statement had been done and now he does not know what is in it. I see that he is getting advice on it.

Nevertheless, I ask him to explain to the committee whether there are any concerns expressed in that environmental impact statement about the impact of this development because it is very important. We are dealing here with the ratification of the agreement which will allow the development to proceed. It is the minister's job to inform the committee so that it can be sure that it is doing the right thing. You cannot do that if there is information relating to the environment in a 50-page statement—obviously a lot of work has gone into that—and the minister cannot inform the committee about any concerns that arise out of that environmental impact assessment.

I ask the minister to give us that information so that we can proceed from a point of being informed. It is a very serious matter. If the minister will not give it to us, the committee need to have time to look at the statement. I ask that the committee return to this at a later hour so that we have time to appraise this environmental impact assessment statement ourselves. I move:

That the committee report progress and ask leave to sit again.

Question negatived.

The TEMPORARY CHAIRMAN (Senator Sandy Macdonald)—The question is that the bill stand as printed.

Senator BROWN (Tasmania) (10.08 a.m.)—The committee will proceed on the basis of not knowing what is in that assessment until the debate is over. I object to that. That is not the proper way for us to be proceeding.

Senator Abetz—This is just wasting time.

Senator BROWN—It should not be wasting time, as the minister intervenes, because we should have a minister who is informing us as we go. The problem here lies with the minister. I ask at the outset, before I move to the provisions of this agreement which the

minister has studied and has challenged us about: is this an interim agreement? We understand that it is a provisional agreement; does that mean interim?

Senator ABETZ (Tasmania—Special Minister of State) (10.09 a.m.)—One of the great difficulties is that Senator Brown has a reputation in this chamber for wasting time going over the same ground time and time again and then, when you do not respond to some of the quite frivolous questions he raises, making all these personal attacks—that the minister does not have the foggiest idea et cetera—and getting into personal abuse and personal vitriol. I remind the Senate and Senator Brown that it costs $10,000 an hour to run this place. I think honourable senators have a duty and an obligation to keep in mind when they seek to filibuster during debates the great imposition they place on the Australian taxpayer.

The environment assessment report was done under the Environment Protection (Impact of Proposals) Act 1974. That is different to the EPBC Act. This report was done after full public review. Advertisements were placed, and a joint EIS document was prepared to meet Commonwealth and state requirements and released for public review from 15 December 2001 to 9 February 2002. There was nothing secret. To suggest that we are trying to hide things is just contrary to all the objective evidence. It was out there for full public review, and here I am on behalf of the government having to answer the sorts of things that the honourable senator should have known about if he had been genuinely tracking this as a matter of the sort of passion he now claims. I could understand his antics yesterday whilst we were on broadcast.

Senator O'Brien—He still is: on Sky. He's on broadcast because of Sky.

Senator ABETZ—How silly of me. There was I thinking that we were not on broadcast, but of course Sky broadcasts as well.

Senator Stott Despoja—I'm sure there are millions watching.

Senator ABETZ—You see, Senator Stott Despoja, the problem is that when you only have to satisfy two or three per cent of the population to get yourself into this chamber then all you have to do is appeal to a very small group within the Australian community, so the few who are watching Sky channel may do—but I agree with you. In relation to whether or not it is an interim agreement, I am not sure—and I served for some time on the initial Joint Standing Committee on Treaties—whether or not within international law there is a particular term 'interim agreement'. There may well be. I did not come across it during my studies as a law student, later as a lawyer or later as Chair of the Senate Legal and Constitutional Legislation Committee or in my time on the Joint Standing Committee on Treaties, but there might be such a thing. Mr Temporary Chairman Macdonald, with your experience in foreign affairs matters you may be able to assist the Senate but, as I understand it, this is a fully binding international agreement which stands by itself and is fully enforceable as such.

Senator STOTT DESPOJA (South Australia) (10.13 a.m.)—I have a query that I raised previously in the committee process but also in my contribution to the second reading debate. Again, it relates to the negotiations on the boundaries, the number of meetings that take place and the fact that, despite the requests of the Timor Leste government to meet on a monthly basis, Australia has chosen to have those discussions every six months. As I hope you would be aware, Minister, when I asked this question of officials at the committee on Monday night they indicated their preference for six-

monthly meetings but—as they can probably tell you—I was not satisfied with the response. I do not think that saying, 'It is a complex debate; obviously maritime boundaries take considerable discussion and you need time between meetings,' was a sufficient answer. I still think that six months is an ambiguous number.

What is the government's position and what is your position in relation to those meeting time frames? Given that it is quite a controversial issue, would the government consider changing that timetable? Would the government consider meetings on a more frequent basis to perhaps satisfy some of the needs and concerns of Timor Leste, recognising that every six months, twice a year, is not a lot of time in which to make a great deal of progress on the boundary discussions and negotiations? The least I am hoping for today is an acknowledgement that this is of disappointment to the Timor Leste government. Perhaps it is something we could consider just as an added demonstration of good faith in relation to those negotiations.

Senator ABETZ (Tasmania—Special Minister of State) (10.15 a.m.)—Senator Stott Despoja raises a very reasonable issue. I can understand the concern she has raised. I sought to address that in my summing up speech on the second reading. Senator Stott Despoja asked what the government's view was; then she slipped into another mode and asked what my view was. It will not surprise her to hear that of course my view is the government's view. In relation to the particular negotiations, I am sure Senator Stott Despoja realises that I am not the minister with the carriage of the actual issues. I am taking the bill through here but it is the responsibility of the Minister for Industry, Tourism and Resources, Mr Ian Macfarlane.

I understand that in general terms meetings for negotiations on sea boundaries usually take place on a six-monthly basis elsewhere. A lot of work is undertaken by officials and information needs to be gathered and gleaned from the issues that are raised at the meetings. I am more than happy to indicate Senator Stott Despoja's concerns to the minister and see what can be done in that regard, ensuring that Australia's interests are maintained, of course. Regularity of meetings does not necessarily mean that they would be productive meetings if the work that needs to be done between them is not able to be done within the time frame.

I do not claim to be an expert in what is a reasonable or unreasonable time frame other than being advised that it is, in general terms, six-monthly. I understand that on 12 November last year it was established that formal negotiating rounds would be held twice yearly, starting next month. Senator Stott Despoja, I will pass on to my colleague Ian Macfarlane your wish or suggestion that, rather than being held six-monthly, that time period be truncated. I think that is the best I can do in the circumstances.

Senator O'BRIEN (Tasmania) (10.18 a.m.)—While we are on that subject I would ask the minister to indicate the opposition's concern that apparently we are prepared to say to the government of East Timor that we have difficulty resourcing the negotiations better than on a six-monthly basis. Frankly, to suggest that work cannot be done between meetings only suggests that we are not prepared to apply the resources to allow the work to be done in time for more frequent meetings. The opposition strongly suggests to the government that, if the government of East Timor believes that there are matters which can be productively dealt with on a more frequent basis than six-monthly, we should attempt to meet their timetable and apply the necessary resources so that work can be done between meetings. If the East Timorese government finds it has difficulty

doing its work then perhaps that matter ought to be revisited in consultation with the Australian government, but it is very difficult in my mind to justify the position of six-monthly negotiations. Frankly, if the Prime Minister of East Timor is agitating for more frequent meetings, we would support that agitation.

Senator ABETZ (Tasmania—Special Minister of State) (10.20 a.m.)—I will briefly respond to Senator O'Brien. I may have misunderstood what Senator O'Brien said or I may not have expressed myself properly. I did not suggest that work could not be done between the six-monthly formal meetings—they are formal meetings, as I understand it, every six months—but there is a lot of work and contact that takes place in between those formal meetings. Those sorts of boundary negotiations are, by their very nature, complex. The timetable that has been agreed to between Australia and East Timor takes account of this. In any case, as I said before and as I understand these negotiations, there are discussions on an informal basis that it would be expected would take place.

Having said that, I fully accept that it is an issue that we, as an Australian government and nation, ought to be cognisant of. We will see what we can do in relation to the timetable. Having taken on board their concerns, I invite Senator Stott Despoja and Senator O'Brien to accept that, whilst they have raised a relevant issue surrounding the general issue, it does not relate to the actual bill that is before us, albeit it is of interest and relevance to the agreement that has been signed. The need for us to progress this is quite clear. I will pass on the sentiments of Senator Stott Despoja and Senator O'Brien to the minister.

Senator HARRIS (Queensland) (10.22 a.m.)—Could the minister give the chamber some understanding of how Australia initially laid claims to this resource we refer to as Sunrise? What I am looking for is the progression of the issue from Timor as a Portuguese colony to the point where Indonesia ultimately invaded East Timor and took possession of the island and obviously laid claim to the natural resources that lay off it. What was the transition from Portugal's authority or dominion over that area? My understanding is that Oceanic did have exploration permits granted under Portugal. I am looking for clarification of the process of when that resource was initially claimed by Australia and how Australia went about appropriating those exploration leases. To a large degree those are the concerns that One Nation has in relation to this whole process. There obviously had to be a formal transition from Portugal across either to an East Timorese entity and/or subsequently to Indonesia resulting from the invasion. Could the minister assist us with information in relation to that progression?

Senator ABETZ (Tasmania—Special Minister of State) (10.24 a.m.)—I am learning that I have to pick up my reading glasses from the optometrist. I have just been handed the report of the Joint Standing Committee on Treaties, *Report 49: The Timor Sea Treaty*, tabled in November 2002. There is 'A Brief History' at 1.4, page 2 that takes you through that. The brief history, unfortunately, goes over four pages. I will not seek to read all of that. What I might seek to do is give a brief explanation as I understand it. If I am wrong, I am sure I will get a whisper in my left ear.

As I understand it, one of the ways for a country to lay claim to the resources contained in the sea or under the sea under international law is to go to the edge of the continental shelf. Australia has a continental shelf that reaches across to the Indonesian archipelago and East Timor further than the half-

way mark, as I understand it. We have laid claim based on the continental shelf being part of the country's economic zone under international law.

In relation to the transition from Portugal to Indonesia and to East Timor, I am just trying to think that through. I confess I had not given it consideration until Senator Harris raised that. It would seem to me that the rights that may have accrued to Portugal and then to Indonesia and then to East Timor would have been exactly the same under international law, because Australia's claim was based on the continental shelf. During the period of time that the people of East Timor were governed by Portugal, then Indonesia and now under self-government—and I do not want to sound flippant to Senator Harris—the continental shelf did not shift, so Australia's entitlements have not changed by virtue of the unfortunate occurrences the East Timorese have had to suffer over the years. I am not sure I can assist Senator Harris further other than to say that I have been advised that there is some discussion of the history of this on the DFAT web site as well. I am not sure if I am necessarily able to take the matter any further.

Senator HARRIS (Queensland) (10.28 a.m.)—I thank the minister for that detailed answer. Australia has always laid claim to the resource on the basis of the continental shelf, as he has explained. But that position is somewhat in conflict with Australia's support of the principle of the international agreement of the sea in which Australia's position prior to this issue was, I believe, that the international boundary should have been halfway between the two. As I said in my speech in the second reading debate, Australia withdrew from that agreement in March of last year. That would indicate that, to some degree, that was as a result of realising that this resource would lay well outside of Australia's jurisdiction.

The other area of concern that One Nation has with the structure of the legislation pertains to the way in which the resource rental tax and any other revenues that are gained from this area are distributed. I place on record my thanks to the minister for the briefing the government provided yesterday in relation to some of these concerns. I understand that 90 per cent of the revenues that are to be derived from the granting of the leases and the revenues that will come from that are to be split 90-10. In other words, East Timor will derive 90 per cent of those revenues from the establishment of control of the leases and 10 per cent will obviously come to Australia.

In relation to the resource rental tax itself, that will be Australian revenue. When we look at the proportion of the boundary as it lies at the present moment, 80 per cent of that production lies within Australia's area, so it is one thing to say publicly that East Timor will receive 90 per cent of the revenues from the resource when, in actuality, that is not fiscally correct because the greater percentage of the volume of the resource sits within Australia's designated area and Australia will keep the entire revenue from that resource rental tax. When we look at the resource rental tax, it is somewhat complex because it is based on the profits that the petroleum company derive from revenues from that resource. There are exploration costs that could be amortised over the volumes of the field but, ultimately, that petroleum company comes up with a profit from that resource.

The Australian government receives 40 per cent of the petroleum company's profits—that is what the resource rental tax is. Philosophically and morally One Nation has a problem with that. If the government were to say that they would provide to East Timor that portion of the resource rental tax on the same basis of 90 per cent of it going to East

Timor and 10 per cent of it being retained by Australia, then One Nation may give quite different consideration to the outcome of this legislation. But while it stands that 80 per cent of the resource is claimed by Australia and Australia will derive 100 per cent of the resource rental tax on that, I have a problem. So I would ask the minister: firstly, is my understanding correct and, secondly, is the government prepared to consider placing that revenue from the resource rental tax on the basis of the same split of 90 per cent to East Timor and 10 per cent to Australia?

Senator ABETZ (Tasmania—Special Minister of State) (10.34 a.m.)—In relation to a previous matter Senator Harris raised—if I can quickly backtrack—this particular Joint Standing Committee on Treaties report on the Timor Sea Treaty is most informative, in particular paragraph 1.9, which I have had the opportunity of squizzing through. It indicates that, with regard to the Timor Trough, as it is known, Portugal was of the view that it was merely an indentation and therefore the boundary should be in the median or the halfway mark, whereas Indonesia was of the view that the Timor Trough represented the edge of the continental shelf. On that basis Indonesia took a different view from that of Portugal. I dare say it is a geological issue as to whether it is a mere indentation or whether it is the edge of our continental shelf. I will leave it to others to argue that but I understand there is a wealth of evidence to suggest that the Timor Trough is, in fact, the edge of our continental shelf.

Mr Temporary Chairman, I am getting it from both sides now. I thought I was completely confused with Senator Harris's question; now the advice I have been given has added to that confusion in my mind. But, simple soul that I am, I will try to explain it in simple terms. As I understand it, the resource rental tax that Australia will get will be levied only on that which is harnessed solely from the Australian side of the boundary. The 90-10 split is for the joint development field, so there will be no resource rental tax from the joint area. Did I do justice to Senator Harris's question? I hope I have. That is as good as I can do at the moment, Senator Harris.

Senator HARRIS (Queensland) (10.37 a.m.)—Yes, Minister, what you are saying is absolutely correct. I think it would assist the minister if one of his advisers showed him a document that I provided to the department yesterday. It is a colour copy. The minister will then be able to follow what I am saying.

Senator Abetz—I always like coloured pictures. It helps me to understand.

Senator HARRIS—Yes, a picture tells a thousand words. This one is exceptionally good.

Senator Abetz—I have it now.

Senator HARRIS—I apologise that I have not provided that for the opposition. There was nothing untoward about that. During the minister's answer to my next question, I will try and get another copy of this for the opposition and everybody else in the chamber, because it does very clearly depict the situation I am explaining to the minister. The minister's answer is exactly correct. On the joint area there will be no resource rental tax applicable to Australia. But if the minister looks at the diagram, he will see an orange outline. That is the joint area. Sunrise and Troubadour sit largely to the east of that. This is the point I am making: the eastern boundary on that is an arbitrary line. This arbitrary line is being negotiated, I understand, between Australia and East Timor at this point in time.

What I am saying very clearly to the chamber is that if Australia were, in a very generous way, to say to East Timor, 'We will move that boundary to the east so that the whole of that resource would then sit within

the joint area' then the suggestion I am putting to the minister would be a reality—East Timor would get 90 per cent of the resource rental tax and Australia would retain only 10 per cent. One Nation's interest here is to try and ensure that East Timor does derive the maximum benefit from this resource. When we look at what East Timor has gone through as a nation, very few of us here would ever wish that on anyone. I would think that Australia, being the compassionate nation that we are, would look very favourably at assisting East Timor by ensuring that the majority of the benefits from this resource go to East Timor.

At the present moment, we have the IMF in East Timor and the World Bank making loans to assist the East Timorese people. If my figures are correct, my understanding is that Australia, over the 30 to 40 years of the life of this field, will derive approximately $8.9 billion in resource rental tax from this field. I know it is easy for me to stand here and hand out what is perceived to be Australia's revenue, but I think that, in this case, a lot of Australian people would stand beside me and agree that if Australia could do this for East Timor then this could—and, in all probability, would—put East Timor on a very strong, independent financial footing. That is the reason I am arguing this so strongly. Yes, we have, at the present moment, an arbitrary boundary set. What One Nation is asking is: can that boundary be moved to the east to take in the entire Sunrise and Troubadour field? That resource rental tax would then be split, with East Timor getting 90 per cent of it and Australia receiving 10 per cent. While the minister is considering that, I will quickly get some colour photocopies of this for the opposition and the other senators—if they do not have it at their fingertips.

Senator ABETZ (Tasmania—Special Minister of State) (10.43 a.m.)—I commence my response by congratulating Senator Harris and thanking him for taking the opportunity of getting a personal briefing on this matter from departmental officials. He has gone to the bother of informing himself rather than coming in here with uninformed questions and expecting others to do the homework for him. He has shown a genuine interest in this issue by seeking to inform himself as best he possibly can. By doing that, he does save the Senate some considerable time. As I understand Senator Harris's proposition, he is saying that if the boundary could be moved to the east then more of the gas field would fall into East Timorese territory. He says that the line that has been drawn on the eastern boundary is an arbitrary line. It is, to a certain extent, an arbitrary line—albeit that it has been negotiated as being the eastern boundary. With respect to Senator Harris, I suggest that if we were to move it on this map by a millimetre or however much further to the east then that also would be an arbitrary line.

But, as I understand it, the eastern boundary is in fact a permanent boundary over which there is no discussion, and the discussions that are taking place between East Timor and Australia refer to the northern boundary. That is the area over which we are engaged in dialogue with the East Timorese government. My attention has been drawn to paragraph 2.4 of the Joint Standing Committee on Treaties November 2002 report, report No. 49, which states:

> Annex A of the Treaty establishes the JPDA along the same boundary delimitations as ZOCA—
>
> zone of cooperation—
>
> set out in the Timor Gap Treaty between Australia and Indonesia. Within the JPDA, Australia and East Timor will jointly control, manage and facilitate the exploration, development and exploitation of petroleum resources.

There is a map on page 2 of the report that details that. But, as I indicated earlier to Senator Harris, the eastern boundary is a permanently delimited boundary between Australia and Indonesia. I am not sure that I can take it further than that at this stage, other than to say that I accept that, to Senator Harris, that would not necessarily be a satisfactory way of handling the matter. The departmental officials are, of course, available for further discussion. That may well be after the legislation has been dealt with, but I am sure that they would be able to satisfy you and ease your mind on some of the concerns that you do have.

The TEMPORARY CHAIRMAN (Senator Lightfoot)—Senator Harris, it might be appropriate to seek leave to have that document tabled. That would assist Hansard and it would also assist others who are not present but who are busy elsewhere in this building to appreciate what detail there is there.

Senator HARRIS (Queensland) (10.47 a.m.)—I seek leave to table the coloured hard copy of the document.

Leave granted.

Senator HARRIS—In closing, I thank the minister for the clear detail as to which boundary is being negotiated. I come back to my statement that, by having a fixed eastern boundary, 80 per cent of the resource is still sitting in Australia's area of jurisdiction. My point is that, if for nothing other than a compassionate reason, I believe it would be a wonderful gesture by the Commonwealth of Australia to make a commitment to splitting that resource rental tax. Let the resource sit where it is for the purpose of the boundary, but a commitment from the Commonwealth to divide the finances from that resource rental tax on the 90-10 split, and for 90 per cent of that to go to East Timor, would underpin East Timor's finances and their ability to rebuild their nation. It would give them long-term stability and it would make them far less exposed to having to go to the International Monetary Fund or to raise funds through other avenues to rebuild their nation. This resource has the capacity to underpin and to provide to the East Timorese people an opportunity for expansion and a better standard of living and to remove their exposure to any form of debt for the next 30 to 40 years. We may not be willing to move the boundary, but I think we should be willing to split that resource rental tax, with 90 per cent going to East Timor and Australia retaining the other 10 per cent.

Senator STOTT DESPOJA (South Australia) (10.51 p.m.)—I have another question to put to the minister. At the committee on Monday night, I asked about the issuing of new exploration licences. I thank officials for the response, but I just want some clarification. My understanding is that, since the IUA in March 2003, Australia has unilaterally granted at least two—not one, but two—exploration licences in areas of the Timor Sea neighbouring Greater Sunrise. The permit numbers that I have here are permit NT/P65 on 22 April 2003 and permit NT/P68 on 23 February 2004.

First of all, I ask the minister to confirm whether or not that is indeed the case. I can certainly see one of his advisers nodding. Clearly, the government considers this to be appropriate, but I wonder if the government acknowledges whether there is room for that kind of unilateral activity to be considered as showing poor faith, certainly not good faith. Is it the government's understanding that under international law we are obliged to refrain from unilateral exploitation in areas where there may be overlapping claims? Is that indeed our obligation under international law? What is the government's response to that?

Senator ABETZ (Tasmania—Special Minister of State) (10.52 a.m.)—I will deal quickly with the issue that Senator Harris raised in his contribution. I understand his sentiments. I think that is a proper debate to be had—whether this nation wants to be more generous to the people of East Timor. If that is our wish and desire as a nation, I would like to think that we could achieve that in a way which would not compromise the integrity of our international boundaries. I understand the sentiment of what Senator Harris is saying but I suggest to him that, as it relates to the rest of the world, the precedent of adjusting international boundaries for the purpose of showing generosity means that you forgo that part of your sovereign area for, I would imagine, all time. I would be concerned about the precedent that that would set. I simply suggest to Senator Harris that the generosity of spirit that is being shown by him and One Nation to East Timor might be able to be achieved through another mechanism rather than through adjusting international boundaries. I leave that on the table for Senator Harris to consider.

In relation to Senator Stott Despoja's contribution, I can confirm the licence letters and numbers she read out. I understand that licences NT/P65 and NT/P68 have been granted. NT/P68 lies only slightly within the area. I have been advised that East Timor has made claims, as suggested by Senator Stott Despoja. Some of those areas contain producing fields. The government does not accept that East Timor has rights over the deposits in those areas. It is the government's view that these deposits are within areas of the continental shelf over which Australia has sovereign rights. Australia has exercised its sovereign rights in this area over an extensive period of time. The grant of the permits does not contravene Australia's obligations under international law.

Senator STOTT DESPOJA (South Australia) (10.55 a.m.)—Thank you, Minister. I go again to the issue of good faith and the perception that Australia is not necessarily operating in good faith, first of all in relation to those licences. Could you let us know now, or take it on notice, what feedback the Australian government has had, if any, from the Timor Leste government on those licences?

I thank you for your answer about international law although I think it is going to be a matter for debate in this chamber. There will be different views as to whether we are fulfilling our obligations under international law in proceeding with that unilateral exploration. I ask the government this, and I can probably predict the answer from the last answer: is it not the case that we should not be issuing new licences in that area until we have a determination on the permanent boundaries? Regardless of the government's perceptions of international law obligations, shouldn't we, as part of our good faith agenda, not be issuing new licences until there is a permanent determination of the boundaries?

Senator ABETZ (Tasmania—Special Minister of State) (10.57 a.m.)—My advice is that the previous Labor government in 1974 advised Portugal that they should never grant any permits to Oceanic at the time. Australia's position under successive governments has been quite strong in this area. The argument I put again is that under international law it is quite appropriate to say that your zone of economic influence et cetera is the boundary of the continental shelf—until it is decided otherwise. That is what has been negotiated. It has been that way now for 30 years this year, so Australia has maintained a very consistent line with the former rulers, if you like, of East Timor—Portugal. Our position as a nation has not wavered, be it under a Labor government or a Liberal govern-

ment, and there have been a number over the past 30 years. Having said that, somebody might be making a claim or disputing that, but we have asserted for a long period of time that we are entitled to that view under international law. Australia believes that what we are doing is appropriate and we do not see it as a breach of good faith. We see it as doing what we are entitled to do and what we believe we have been entitled to do for over three decades.

Senator STOTT DESPOJA (South Australia) (10.59 a.m.)—I am well aware now of the government view in relation to our obligations under international law, even though I think a number of people consider that where there is a case of an overlapping claim we are obliged to not proceed with that unilateral action. Does the government have legal advice that declares or insists we are meeting our international obligations and that we are not in any way in conflict with those international obligations? I have a second question but I will wait for the minister.

Senator ABETZ (Tasmania—Special Minister of State) (11.00 a.m.)—I know that there is, and quite properly, within the Australian population a great feeling of support for our friends in East Timor and I think that was witnessed by this government's decision to assist the people of East Timor by sending in troops. I do not think the goodwill of the Australian people and this government towards the people of East Timor can or should be questioned. The fact that now East Timor and indeed, prior to them, Portugal have made certain claims does not of itself make those claims right or substantiated and, as a result, we believe that we should continue as we are. So often claims are made that, at the end of the day, are not supported under law. We believe that whilst a claim has been made it is not sustainable under international law and that is why we are proceeding as we are. The general legal advice on this is, as I indicated earlier, in relation to the international boundaries and the continental shelf, and I am not sure that I can necessarily take that any further. A challenge or claim has been made. The question is: should we stop everything in response to that or do we say that we are going to continue because we believe that after such a lengthy period of time the law is on our side? Potentially we could argue that the claim is not necessarily being made in good faith and, while I am sure it is, we have a different understanding of the law and our entitlements.

Senator STOTT DESPOJA (South Australia) (11.02 a.m.)—I do not seek to prolong this but I would just like to finish with this particular matter and raise one other. I am not going to get into a discussion about good faith. I think my views are already on record. Without doubt there is a question of whether the government is acting in good faith, not only in dealings with the government of Timor Leste but also, I think, internationally as well. I want to know if that different perspective to which you referred, the different legal view that the government has about our obligations under international law, has been substantiated by recent legal evidence that the government was willing to provide to the chamber.

The second question I have relates to another issue that I raised: the frequency with which Australia is planning on having meetings with the Timor Leste government—six monthly, as has been discussed, as opposed to monthly—and the request by the Timorese. I acknowledge the minister's response to me earlier and I thank him for saying that he will take this up with the relevant minister, but I have a specific question now for the minister to answer, preferably within the committee stage of the bill, and that relates to resources. The response that I have had from the minister and officials in terms of the rationale for those meetings on a six-

monthly basis relates partly to resources as well as to the complexity of the debate and the legal matters at hand. What resources are being provided by this government to the relevant departments in order to expedite the negotiations? That includes people power and money, if the government will put that information on the table. Is it the case that greater resources are required and, if so, will the government provide greater resources to the relevant departments in order to expedite the negotiations?

Senator ABETZ (Tasmania—Special Minister of State) (11.04 a.m.)—My advice is that diplomatic communications regarding the matters raised by Senator Stott Despoja form part of the framework of bilateral negotiations and are confidential. I am sure that Senator Stott Despoja would also acknowledge that the legal advice that the government receives is government-in-confidence. On this matter, I simply suggest to her that her leader, Senator Bartlett, is a member on the Joint Standing Committee on Treaties and I would assume that they may have explored in general terms the issue of what the law is and what the legal advice is. I am not sure whether the committee did or not but possibly that would be a better forum for that in the future.

In relation to resources and money being made available to ensure that we have more than the six-monthly meetings, as I understand it, it is not an issue of resources and money as such. It is more an issue of having valuable discussions. It was decided in November last year to have the first meeting in April this year—next month—and then to have formal discussions every six months. In fact, I would anticipate that after the first discussion in April 2004 officials from both sides will have a lot of work to do and will undoubtedly communicate with one another between the six-monthly meetings. It is not that nothing gets done in between the six-monthly periods. My anticipation is that a lot of work will be done. I have already acknowledged and accepted that I will take Senator Stott Despoja's concerns to the minister to ascertain whether that timetable can be usefully truncated. I am sure that the minister will take up the concerns of Senator Stott Despoja and Senator Harris, who I think raised the issue as well, and we will see what we can do in that regard.

Senator BROWN (Tasmania) (11.07 a.m.)—I will ask the minister about recent negotiations with Indonesia on the boundaries. For clarification for the committee, I ask: has Australia moved towards an agreement with Indonesia on confirming the 1972 seabed boundary on either side of the Timor Gap? If it is negotiating or has so moved, what relevance does it see for East Timor on both ends of the so-called gap and for its interests, which are very clearly compromised by the 1972 seabed boundary negotiated between the then Australian government and the Suharto regime, against, I might add, the wishes of Portugal?

Senator ABETZ (Tasmania—Special Minister of State) (11.08 a.m.)—This is very much outside the legislation we are debating, but nevertheless I can inform Senator Brown that my understanding is that Australia's maritime boundaries with Indonesia are settled. The 1972 seabed agreement is in force and, as I am informed, there are no negotiations to change it. It is in force and there is no intention by this government to try to change that, and the advisers indicate that they are not aware of any approaches from Indonesia to change it. So, in response to Senator Brown's question as to whether Australia has moved towards an agreement with Indonesia on the 1972 seabed boundary, that has now been in place for over 32 years and there are no further discussions being initiated from either side of that boundary.

Senator BROWN (Tasmania) (11.09 a.m.)—The point here, though, is that, on both the eastern and western side of the Timor Gap, we now have a third party that is very concerned about that boundary—that is, Timor Leste. We have three countries interested in where the boundary starts and finishes. I ask the government whether it has had representations from East Timor about that. Has the matter been settled to the satisfaction of Timor Leste as far as the boundaries on either side of the Timor Gap are concerned?

The TEMPORARY CHAIRMAN (Senator Lightfoot)—The question is that the bill stand as printed.

Senator BROWN (Tasmania) (11.10 a.m.)—I think the minister is seeking advice on the matter. I note that Portugal's dispute with the boundaries was refused a hearing at the International Court of Justice because the Suharto regime refused to allow jurisdiction, which is just what the Howard government is doing now with the same boundaries. The Labor spokesman, Senator O'Brien, might clarify ALP policy here as to whether Labor would, if necessary, be amenable to the International Court of Justice being an arbiter if the boundaries could not otherwise be resolved. That is implied but not explicit in Labor's policy on the matter.

While the minister is getting advice on that, I want to come back to the environmental impact assessment and ask the minister: is there a time limit before which work must begin or be completed on this project? It is quite important as far as the environmental assessment is concerned, which was done under the previous Australian Environment Protection (Impact of Proposals) Act, which is no longer law. Under what legislation and by what process would any variations to the proposal be assessed? Would that be under the old law or under the new EPBC Act in Australia?

Senator HARRIS (Queensland) (11.13 a.m.)—I am just seeking clarification. I understand that Senator Brown has amendments to move.

The TEMPORARY CHAIRMAN (Senator Lightfoot)—Please proceed. The gentleman in the gallery should take a seat.

Senator HARRIS—Mr Temporary Chairman, I am seeking clarification from you in relation to standing orders. I understand that Senator Brown has spoken twice concurrently but he has amendments to move. Does that standing order preclude Senator Brown from now moving his amendments?

The TEMPORARY CHAIRMAN—It does not now.

Senator HARRIS—I know it does not now, because I have stood, but I am seeking some clarification. Had I or no other senator stood, would that have precluded Senator Brown from moving those amendments?

The TEMPORARY CHAIRMAN—Yes.

Senator McGAURAN (Victoria) (11.14 a.m.)—On a point that may be of interest to you, Mr Temporary Chairman, that is not just a gentleman in the gallery; that is the member for Aston.

The TEMPORARY CHAIRMAN (Senator Lightfoot)—I do not know what that statement was about, Senator McGauran, but I guess it will be recorded in *Hansard*.

Senator STOTT DESPOJA (South Australia) (11.14 a.m.)—He is a gentleman—we acknowledge that. I ask a question of the minister. I know there was some discussion, certainly in the second reading stage and in the committee stage, about Australia's decision to withdraw from the ICJ. I note that, in response to some of our concerns and some of our questions, the government has said

that this is actually a general withdrawal for the purposes of maritime boundaries and that it is not specific to the issue and the negotiations involving Timor Leste. I want to get on the record from the minister a confirmation or otherwise that Australia's decision to withdraw from the ICJ occurred only two months before Timor Leste's independence and when the Timor Sea Treaty was signed. Is that the case? Can the government confirm that?

Senator ABETZ (Tasmania—Special Minister of State) (11.16 a.m.)—There was a release issued by the then Attorney-General, the Hon. Daryl Williams AM QC MP, and the Minister for Foreign Affairs, the Hon. Alexander Downer MP, on 25 March 2002 which sets out the government's position on that. Believe it or not, I do not think that it would be fruitful for me to seek to add to the joint statement of the Attorney-General and the Minister for Foreign Affairs which was publicly released at that time.

Senator STOTT DESPOJA (South Australia) (11.17 a.m.)—I thank the minister for an answer. My understanding is that the government has previously indicated that one of the reasons that Timor Leste was not given any prior notice of this government's decision to withdraw from the ICJ was to prevent any actions being taken or commencing before Australia's withdrawal. That suggests to me that it is a very specific decision by Australia to withdraw from the jurisdiction of the ICJ and to do so in a way that would potentially disadvantage Timor Leste. So, despite the responses we have had and the arguments we have heard that suggest this was a general decision in relation to maritime boundaries, it smacks of a very specific decision affecting Timor Leste—that is actually one of the reasons that have been put on record. Does that not suggest, Minister, that it is a bit disingenuous to argue that this was a general withdrawal, as opposed to a very specific withdrawal, which was done in a way that does affect Timor Leste and was done two months before its independence?

Senator BROWN (Tasmania) (11.18 a.m.)—I will be moving Australian Greens amendments R(1) and R(2) on sheet 4200 revised (2). The reason for these amendments comes out of the debate we have just had. We believe that Australia has and should have an obligation to abide by not just the letter but the spirit of the international treaties it signs, and it just cannot be selective about that. The minister might laugh about it, but it is important that we establish propriety in these matters. The propriety here is that when you sign an agreement like this you do not selectively withdraw if you do not think you are going to win a court case—and that is what has happened here. Australia has withdrawn from the jurisdiction of the International Court of Justice because it believes, looking at rulings over the last decade, that the international court is likely to come down and say the dividing line between Australia and Timor Leste is halfway between, which would mean, we aver, that the gas and oilfields we are dealing with are East Timorese. If you do not abide by that because you think the ruling will go against you, then you are withdrawing from international jurisdiction just as it was meant to be under this legislation.

That is what President Suharto did. You might expect it of dictatorships but you do not expect it of democracies which support the rule of law and the arbitration of international courts—and Australia signed that agreement with that spirit. It has been stated that there is a list of other countries which have not signed the agreement. So be it, but many countries have signed the agreement. We are in an age of globalisation and the Howard government is a leading exponent of globalisation, but surely the rhetoric about globalisation wears a bit thin when you have

international courts to rule on global disputes and the government says suddenly, 'Because claiming ownership on the East Timorese side of the sea is not going to serve the safety or security of Australia, we withdraw.'

It is just not acceptable behaviour. That is why I have asked the Labor Party, as the alternative government, what its position will be if it comes to office. It is a matter for the impending election. I notice that the Labor Party's policy does say that East Timor will be treated fairly. Ultimately, if there is a continuing dispute between Australia and Timor Leste then going to the court is the way of resolving it. Timor Leste has to abide by the outcome: if the court decides that it is a continental shelf matter then Timor Leste loses. Australia has to abide by the outcome: if the court decides that the line should be down the middle then Timor Leste gains, as we believe it should. It is really very important for both sides to be unequivocal about this. The Greens have moved this amendment because it would require that the International Court of Justice be opened again as the avenue for resolution of a dispute which is becoming intractable and extraordinarily damaging to our relationship with Timor Leste and therefore our relationship with the neighbourhood, not just for now but for decades to come.

The second amendment puts a time limit on the establishment of the boundary and the agreement to it, and this act would cease to have effect if that agreement is not made by the end of 2006. It may be asked: what if the international court has not made a determination by then? Clearly, the parliament would have to reconsider and change this date if that were to be a matter of contention at the time—and of course we can do so. The problem with the current situation is that there is no date. It may take 30 years to extract the oil and gas. The behaviour of the Australian government indicates that it is not anxious to have the border matter resolved. As Senator Stott Despoja and Senator Harris have been pointing out, the East Timorese wish for frequent negotiation on this has been spurned by the Howard government, which says the meetings should be six-monthly. And of course the court which could resolve the matter has been spurned by the Howard government,. The evidence clearly is that the Australian government wants to have this agreement put in place and the oil and gas extracted before the boundary matter is settled. If we as a parliament do not put in a time and date then this could drift on for the next three decades. Increasingly, the goodwill that we have in East Timor will turn to hostility as that happens.

People are seeking simple resource justice around the world; it is a major global issue. What led to the meltdown in Seattle a couple of years ago and to the failure of the talks in Cancun last year was the injustice of the way resources are dealt with by the rich countries vis-a-vis the poor. If ever there was a clear case of that—and unfortunately Australia is involved in it—it is the perceived injustice of the sea boundary between Australia and Timor Leste. If you want to resolve an injustice then you go to court and have the matter settled. That is what these amendments do. They are at the heart of the matter; they are extremely important. I would expect that the opposition, in the spirit of its own policy, would support the amendments. They do not conflict with opposition policy; in fact they complement it and make it more specific. I would expect that the government, if it cannot meet these dates, should be telling us now what its targeted resolution date is. All the evidence stacks up to the government not wanting a resolution of this matter. It does not have the courage of its convictions to allow the international court to settle the matter as it should.

The TEMPORARY CHAIRMAN (Senator Lightfoot)—Senator Brown, do you intend to take those amendments one by one or are you going to move them together? You will need to seek leave if you propose to move them together.

Senator BROWN—I will take them one by one, thank you.

Senator Abetz—Which one is he going to move?

The TEMPORARY CHAIRMAN—Amendment (1).

Senator Abetz—Mr Temporary Chairman, on a point of order: this is a clear example of wasting time. The honourable senator has spoken to both his amendments in the one speech. They clearly flow on from one another. It is quite appropriate that they should be dealt with together. When he is given the opportunity to ensure that the Senate business be expedited, he straightaway says, no, he wants them dealt with separately. I would ask Senator Brown to reflect. I seek his agreement that these two amendments be taken together to save the time of the Senate.

The TEMPORARY CHAIRMAN—It is Senator Brown's choice as to whether he takes them separately or together.

Senator BROWN—Senator Abetz may be out of the loop, but there has been an indication to me by at least one other party in the place that the vote is not the same on both amendments. Therefore I intend to have them put separately. That is the proper thing to do in respect of all parties in the parliament. It is not time wasting. It is an extremely important matter. It would help if the minister were prepared to give information on the basis of the amendments put forward. I move the first amendment:

R(1) Page 3 (after line 24), after clause 4, add:

5 Referral to International Court of Justice

> If the matter of a permanent maritime boundary between Australia and Timor-Leste is not finally agreed by 31 December 2005, the Minister for Foreign Affairs of the Commonwealth must refer the matter to the International Court of Justice for adjudication.

I will come back to the agreement, which is the matter at hand.

Senator Abetz—Excuse me, I was on a point of order.

The TEMPORARY CHAIRMAN—I beg your pardon, you were on a point of order, Senator Abetz. I ruled on it but I did not make that quite clear. I make it quite clear that there is no point of order, that Senator Brown has the option of moving his amendments together or singly.

Senator BROWN—That is a correct ruling, Mr Temporary Chairman. Article 6 of the agreement, which is the subject of the amendment as well as the bill, refers to the unit operator. It says:

> A single Sunrise Joint Venturer shall be appointed by agreement between the Sunrise Joint Venturers as their agent for the purposes of exploiting the Unit Reservoirs in accordance with this Agreement ... The appointment of and any change of the Unit Operator shall be subject to prior approval of the Regulatory Authorities.

In article 8, 1(a) says:

> Either Australia or Timor-Leste may request the Unit Operator to undertake a redetermination of the Apportionment Ratio.

I ask the minister to explain the function of the office of unit operator. What would happen if either Australia or Timor Leste made that request to the unit operator to undertake a redetermination of the apportionment?

Senator ABETZ (Tasmania—Special Minister of State) (11.30 a.m.)—This is exactly the sort of waste of time that this

chamber has to put up with time and time again. Senators from the Australian Democrats and One Nation sought a briefing on some of these matters before the matter came into the Senate. They did their homework and sought clarification on a whole range of issues so that we could truncate this debate. We are now going back to seeking explanations on the treaty that went through, as I understand it, the Joint Standing Committee on Treaties. It was considered by that parliamentary committee and now Senator Brown is taking us through the treaty. It has been signed by the Prime Minister of East Timor and by the Australian government. It has the force of international law now as a treaty between the two governments and we are seeking, by the actual legislation before us, to implement this treaty. Senator Brown, in his previous comments, talked about a selective approach to treaties. It is very interesting that he does not seem to want this particular treaty that we signed with East Timor implemented.

In relation to the International Court of Justice, the misrepresentations made by the honourable senator were manifold. I suggest to him that mere repetition of bland assertions does not turn them into fact in the absence of evidence. In relation to the International Court of Justice, out of 189 members only 61 members have signed up. Only about one-third of the world community have signed up to the International Court of Justice. Out of that one-third, the majority have reservations in relation to the jurisdiction of the International Court of Justice—a majority of the 61 members. So Australia is not some international pariah having put its own reservation on the International Court of Justice; it is with the majority of the countries that have signed up to the International Court of Justice in putting on a reservation.

At the end of the day—and this might come as a surprise to Senator Brown and the Australian Greens—the first obligation of the Australian parliament is, in fact, to the Australian people. We have a huge maritime boundary—I was about to say bigger than anybody else's but I am not sure whether that is necessarily correct, so I will not say that; but pretty big by world standards would, I think, be a safe assertion to make. We seek to negotiate these things. I can see the lawyers already rubbing their hands at Senator Brown's amendment. They can see the trips to The Hague or wherever the International Court of Justice sits and they can see the meter ticking over.

If there is one thing that has really taken hold in the Australian community in recent times it has been alternate dispute resolution. You do not rush off to court every time you have a little problem; you sit down, negotiate and see whether you can achieve an outcome. That is what we are doing with New Zealand, on the other side of the map of Australia, on the south-east part of our nation. On the north-west part of our nation, we are having dealings with East Timor. That is as it ought to be. The amendment is to put in these arbitrary timetables that say, 'If a matter is not determined by 31 December 2005, well, guess what?' If I were the East Timorese government reading this amendment, if it were to get in, I would sit back and say, 'We are not negotiating one little bit and, as a result, off to court we go.'

I would be gobsmacked if this matter were resolved in the International Court of Justice within 12 months. But Senator Brown's amendment would mean that the legislation would no longer be in force. What is the purpose of this legislation? It is to give effect to the treaty that East Timor signed with Australia. You have to ask what motivates Senator Brown with this type of amendment. It is not to implement this particular international treaty. It seems now that he is cherry picking on international treaties. They no longer

seem to have this great aura that we should bow down and worship them, as Senator Brown would have us do with the International Court of Justice. He now wants to cherry pick as well, which is very interesting. In fact, that is what you ought to do as a sovereign nation. You ought to have a look at each international treaty and ask a very simple question: is it within Australia's interest? I confess, standing in the Australian parliament, that is one of the major tests I apply to any international treaty that we might sign: is it within Australia's interest? It should surely be one of the fundamental questions.

We, along with the majority of the countries that have signed up to the International Court of Justice, have put that ruler over the International Court of Justice and said, 'It's pretty good but we've got reservations in certain areas.' We are able to put those reservations into the International Court of Justice treaty and we have done so, along with the majority of the countries that have signed up to it. That is acting responsibly not only internationally but also nationally.

I indicate that article 8 of the unitisation agreement allows redetermination of the apportionment ratio upon technical grounds at the request of either treaty partner. A redetermination of this kind must not occur within five years of any prior technical redetermination. Redetermination on any other ground may occur at any time by agreement between the parties to the treaty.

The government oppose the Green amendments because they seek to put unrealistic timetables not only on the negotiations but also on the International Court of Justice. I would have thought that if you had legislation in this country saying that the High Court had to make a decision by a particular time or else, the judiciary would take a very dim view of that. If I were the International Court of Justice I would be saying if this were passed, 'Fancy this Green senator from Tasmania trying to put a timetable on the International Court of Justice'—and that is basically what he is seeking to do. These are ill-considered amendments. The government's position is that we will not be referring this to the International Court of Justice, because we prefer to do things by negotiation. Seeking to force the matter into court and forcing unrealistic timetables on the International Court of Justice is not the approach of this government.

Goodwill to East Timor has been shown by this government in particular and by all Australians. We have made a significant contribution to East Timor and we will continue to do so. It is a matter of regret when two good friends cannot agree on something, but to try to play the card that just because two good friends cannot agree on a particular matter it is going to sour relations and blow up into a Seattle type situation is to use the sort of extravagant language that we have unfortunately become quite used to from Senator Brown.

It might be interesting for people to know that the honourable senator speaks with the same sort of passion, the same sort of emotion and the same sorts of adjectives in relation to the people of East Timor as he does in relation to the issue of whether or not we ought to be wearing jackets in this chamber. It is an act that is repeated time and time again. We have now spent a considerable period of time on this bill. The position of the government on these amendments is quite clear, and I do not intend to take any further part in the debate on them.

Senator O'BRIEN (Tasmania) (11.40 a.m.)—Again, the Greater Sunrise Unitisation Agreement Implementation Bill 2004 and the Customs Tariff Amendment (Greater Sunrise) Bill 2004 relate to simply implementing matters already agreed between

Australia and Timor Leste. As far as the opposition is concerned, only those matters that are agreed between Australia and the sovereign nation of Timor Leste should be referred to in this legislation, because what this legislation is proposing to do is to implement that agreement—to give effect to the agreement on Australia's part, understanding that Timor Leste has to do exactly the same or the treaty will fail.

Giving effect to those matters is intended to clear the way for the Greater Sunrise project to go through its processes: obtain its investors; make its capital decisions; proceed with the processes of appropriate approval, dealing with both nations; consider the options as to whether there will be processing in Australia, at sea or in East Timor; and get on with the job of getting the project up and running. When that happens, and only when all of that happens, will any revenue flow to either nation.

The opposition's position in relation to the continuing negotiations with East Timor about a final settlement on sea boundaries is set out clearly in my contribution to the second reading debate, and I do not intend to repeat it. We have given a very clear and unequivocal commitment in that regard. But I should also say that we have noted with extreme concern in the past the government's decision to withdraw from the jurisdiction of the International Court of Justice. This has had the consequence that neither Australia nor Timor Leste now recognises that court's jurisdiction on these matters.

So, to make a purely technical point on the amendment, the suggestion that ultimately the matter has to be referred to the ICJ is not feasible unless decisions are taken by the governments of both nations to support such a proposal. Putting an amendment in this bill to say that that will happen would, if it became law, probably render the continuation of the unitisation process quite difficult. But let us get back to reality. The opposition believe that the government will simply reject this amendment, and we will not insist on it if the consequences are to delay the project. So I do not think we are going to buy into this argument. We think it is really quite false in relation to what this is about. The opposition when in government will negotiate in good faith with the government of Timor Leste to resolve outstanding issues.

One should understand the consequences that delaying this project might have. That is the issue we should consider at the moment. There was an article in yesterday's *Australian* on page 26 titled 'Qatar pumps up volume on LNG market' by Nigel Wilson, which said:

> Competition facing Australia in the rapidly expanding international liquefied natural gas market was underscored yesterday when Qatar announced it would treble LNG production to 60 million tonnes by the end of the decade.
>
> Australia exports 7.5 million tonnes of LNG a year and if all projects come together may lift output to around 20 million tonnes next decade.

One of the projects that would lift us to around that level is the Gorgon project, which is not in an area disputed by Timor Leste. All of this LNG coming on the market will have an impact on the commercial viability, saleability and price of LNG in the future, so anything which delays the coming on stream of gas from this project may mean that the project will not go ahead at all if the markets cannot be found. There are markets which are available but, with that amount of LNG coming onto the market from Qatar over the next decade, we cannot be confident that the future will see opportunities to market gas from projects such as this.

I do not believe that the government of Timor Leste want to see this matter delayed. They would appreciate that the consequences

of delaying the project are worse than the consequences of proceeding now. The unitisation agreement has their support. We are not going to stand in the way of it coming into effect, nor are we going to stand in the way of the project commencing in a timely fashion, because the risks are probably a lot greater for Timor Leste if we do that. We do not want to take that risk.

Senator STOTT DESPOJA (South Australia) (11.47 a.m.)—I rise to address the amendment before us moved by Senator Brown. The Democrats will be voting differently on the two amendments. We will be supporting the first amendment moved by Senator Brown but we will not be supporting the second amendment, even though we understand and are quite sympathetic to the intent of the second amendment. I will obviously address that when we come to it.

I begin by stating that while we have strong views on this issues—it has been probably one of the most passionate and emotive debates we have had in here for a while, although of course we have many—I do not think we need to resort to personal attacks. I do not think it is necessary. I am sure we can talk about each other's motives at another time but I would prefer we stick to the issues at hand. I am certainly trying to be very disciplined in this regard and I ask other people to be as well, but if they do not want to that is up to them.

Attacking the first amendment on its grounds, one claim is that it would result in increased illegal activity, that lawyers would be rubbing their hands with glee and that this would be almost a point of first resort instead of a point of last resort. That is something we really need to remember when we are talking about the ICJ's role. That is captured by this amendment: it is a very clear acknowledgement that it is the place of last resort for dealing with these kinds of disputes. That is its intention. That is how it will be and should be used. This amendment attempts to encapsulate that.

This amendment imposes an obligation on the Australian government that, if the maritime boundaries have not been permanently determined by 2005, the matter will be referred to the International Court of Justice. That is a reasonable time line. Perhaps the worst fault I could argue about is that it is perhaps slightly simplistic. One of the things that would make this more workable would be if we had a better, more expeditious time line in relation to the negotiations. Hence, my continual reference to that monthly request by the Timor Leste government and Australia's decision to have six-monthly meetings. If that is a problem of resources then let us make sure that the resources are provided to the departments or to the departmental officials. If there are other reasons we need to hear them outlined.

The intention of the amendment is clear. It is basically to provide an incentive to the Australian government to proceed with the negotiations expeditiously and in accordance with international law. It recognises that the jurisdiction of the ICJ is not something that should be invoked immediately but, as I said, should be an avenue of last resort when negotiations fail to reach an agreement. I have already stated that the Democrats believe it is in Australia's best interests to support the structures and principles of the international legal system. Clearly those principles have been established to protect international collective security and to result in the just resolution of disputes and international peace. In practical terms, what does this mean for us? It means submitting to the rule of law, even if sometimes it is not in our immediate or short-term financial interests. Surely that is the message we should be sending not only to our newest nation and neighbour but also, indeed, to the rest of the world.

The thing that seals it for me in relation to the ICJ is that if we are so confident of Australia's position then we should have nothing to fear from subjecting our claim to the international legal arena. If our legal stance is so strong and we are so confident of it, why are we so nervous about the ICJ? I have taken on board the minister's comments that there are other nations that have withdrawn or are not part of it. In our case that is specifically in relation to maritime boundaries. I again put on the record that Australia covertly withdrew from the ICJ for the purposes of maritime boundaries two months before the independence of Timor Leste without prior notification to East Timor at that time that that was our plan. In rationale provided since, the government has suggested—I believe it was Alexander Downer, our Minister for Foreign Affairs—that one of the reasons for that withdrawal was a concern about the commencement of claims by Timor Leste—that is, they were anxious that claims could be made or would commence, hence the decision not only to withdraw but to withdraw in private.

I have one remaining question to the minister on this issue: were there any other potential claims that Australia was concerned about at the time of its decision to withdraw from the ICJ or was a potential claim by Timor Leste the primary motivation behind its covert lodging of the declaration in New York? Is there something else that we do not know about? Were there other claims at that time?

Senator Abetz—The joint statement answers all that.

Senator HARRIS (Queensland) (11.53 a.m.)—I rise to put on the record One Nation's consideration of this amendment. I would like to commence by saying that, if the Timor Leste parliament were to support the matter being referred to the International Court of Justice for adjudication, that would be the sovereign right of the East Timor people and One Nation would very clearly recognise that right. I also believe that, irrespective of what happens with this amendment, East Timor could pursue that particular action, so to some degree the amendment that we have in front of us will not fail, even if this amendment is voted down.

If we were considering an issue in relation to the International Criminal Court, One Nation would have quite a different stance on this, favouring extradition in criminal cases involving Australians residing overseas or other Australian citizens. Just as other countries should have and maintain jurisdiction over their citizens in criminal matters, Australia should maintain sovereignty over Australian citizens in international criminal matters. Where is the relevance between the two? The relevance is that the International Criminal Court relates to criminal activities while the International Court of Justice should and would adjudicate on issues that are unresolved between countries. One Nation has a very clear policy of ensuring that Australia's sovereignty is not in any way abridged. I indicate to the chamber clearly that I will abstain from voting on the Greens amendment and in abstaining clearly show that this is an issue that rightly should and probably will be addressed by the East Timorese people.

Senator BROWN (Tasmania) (11.56 a.m.)—I think it would be fair for the minister to answer Senator Stott Despoja's simple question about the motivation for withdrawing from the ICJ and its ability to determine maritime boundaries as far as Australia is concerned. The failure to do so corroborates the obvious answer, which is yes, it was motivated by the forthcoming independence of Timor Leste and the recognition by the Australian government and the oil companies with it, including Woodside, that it would put

under a cloud the determination in the Timor Gap Treaty, infamously agreed between Australia and Indonesia in 1989, that the boundaries would go against the interests of Timor Leste in favour of Australia. So it is an important amendment we bring forward here.

In response to Senator O'Brien's comments on why Labor would not support it, let me say that the parliament must always remain, and is constitutionally established as, the maker of the laws of this country and the ultimate determining authority. It is not the executive, it is not the Prime Minister and is not the Minister for Foreign Affairs; it is the parliament. When it comes to matters like the failure of the executive and the Minister for Foreign Affairs and the Prime Minister to do the just and honourable thing, which is to have this matter referred to the International Court of Justice, of course, it is not only the prerogative but I believe the responsibility of the Australian parliament to address that shortcoming. The argument that this might delay this project is not ethical.

We have submissions from a number of East Timorese groups and their supporters talking about the bullying of Australia and the unseemly haste in getting East Timor to sign the treaty on Independence Day. I was there and I recognised at the time the misgivings in East Timor about that. We cannot get away from that. Let me read from the submission to the Senate from the East Timor Independent Information Centre for the Timor Sea. This is signed by 13 groups in East Timor, specifically by Demetrio do Amaral, the Director of the Haburas Foundation, the national environment organisation, but also by representatives of the East Timor NGO Forum, the East Timor Centre for Small Business Administration, The East Timorese Institute for Reconstruction Monitoring and Analysis, the East Timorese Women's Communication Forum, the East Timor Study Group, the Pro-Democratic Students' Movement—

Senator McGauran—They got themselves well organised. I wonder who helped them.

Senator BROWN—The government might sling off in that patronising fashion with that interjection about the East Timorese organisations but, on their behalf, I resent that. It is also signed by the President of the East Timorese Union Confederation, the Policy Analysis Division of the Human Rights Foundation, the Director of the Labour Advocacy Institute for East Timor, the Administrative Coordinator of the National East Timorese Students' Resistance, the Timor Socialist Workers' Union and the Coordinator of the Kdalak Suli Mutu, Maria Angelina Sarmento. In summary it says:

1. East Timor is a sovereign nation which has no maritime boundaries, and whose claims overlap those of Australia.

2. East Timor should not be subjected to illegal historical precedents or made to negotiate under pressure.

3. The current Treaty was written too quickly and, for example, does not adequately protect the marine environment.

4. Revenues from oil and gas in the disputed territory should be held in trust until the boundaries are agreed to based in principles of international maritime law.

Addressed to 'Dear respected members of the Australian Parliament' it says well down in this very considered submission which has a trace of anguish built into it:

Under pressure by oil companies, Australia in turn—

having committed itself to resolving the maritime boundary question following the principles of international law—

pressured East Timor to sign the treaty within hours of becoming independent. This is not an appropriate way to relate to a new neighbour

which is just developing governmental and democratic structures. This treaty, which has a 30-year term, will greatly affect East Timor's ability to meet this new nation's basic needs. More time must be taken to allow East Timorese people and their representatives to fully understand all aspects of the issue.

For example, the current treaty does not adequately protect East Timor or Australia's marine environment. As a new nation, East Timor has not had time to develop proper environmental laws or practices. It may be appropriate for us to rely on Australian law, but as a small, underdeveloped nation, East Timor may have different needs and concerns than Australia. Providing a stable environment for oil companies must not be prioritised over protecting the future of East Timor's sea, land, natural and human resources.

The groups involved go on to ask that we:

1. Do not ratify the Treaty which was signed by Australian Prime Minister John Howard and East Timorese Prime Minister Mari Alkatiri on 20 May 2002 in Dili.

2. Carry out a review of the 20 May 2002 Treaty with attention to the fact that East Timor should receive the oil and gas reserves in the Timor Sea in concordance with the rights and principles laid out by the international law of the sea.

3. Settle the question of maritime boundaries between the two nations in accordance with the principles of the UN Convention on the Law of the Sea (UNCLOS), accepting the decision of the International Court of Justice on matters related to international maritime law.

4. Ask the Governments of Australia and East Timor to agree that all revenues from oil and gas fields in disputed territory must be held in a Trust Fund until there is settlement of the boundaries.

They go on to say:

We hope that this settlement can be arrived at by negotiation between Australia and East Timor, but if that fails, there must be impartial arbitration procedures available. After settlement, this Trust Fund will be divided based on the boundaries between the two nations.

There is a sense of appealing to our own sense of justice written through that. We then looked at a submission to the Senate from Ms Janet Hunt, who many will know is an Australian of extraordinary note who has had a long history in international affairs, social justice, the environment and Australia's ability to do the right thing when we are dealing with people overseas who are working at a disadvantage with a rich and powerful nation like ours. In her submission Ms Hunt says:

Over half of post-conflict societies return to conflict and the possibility of East Timor becoming a failed state should not be ruled out. This is not in Australia's interest, let alone East Timor's. One of the major factors in its ability to consolidate its democracy will be its ability to deliver some socio-economic benefits to its rapidly growing and young population, and for this it will need substantial revenue. Depriving it of revenue which it should be legally entitled to is not smart policy.

So it is important that we consider what is happening here. In response to the minister, I go back to the *Australian Financial Review* article from today headed 'Timor explores new boundaries' by Rowan Callick, the Asia-Pacific editor. It finishes with a reference to the pressure building in the United States about this injustice. Other senators have referred to the appeal to the Australian government from 53 members of the US Congress marshalled by leading leftist Noam Chomsky. The article says:

Professor Chomsky, the principal fund-raiser for the East Timor Action Network in the US, which exercises strong lobbying power in Washington, said the network had shown the government of Australia "the world is watching as talks begin on a permanent maritime boundary with East Timor".

"It is putting Australia's Prime Minister on notice that what is at stake in these negotiations are East Timor's rights as an independent nation to establish national boundaries and to benefit from its own resources," he said. "Without public pressure, Australia profits by waiting out the exhaustion of the resources."

The article goes on to say:

> On March 9, members of Congress led by Massachusetts Democrat Barney Frank wrote to Prime Minister John Howard calling on Australia "to move seriously and expeditiously in negotiations with East Timor to establish a fair, permanent maritime boundary and an equitable sharing of oil and gas resources in the Timor Sea".

The article concludes:

> The US is building a massive embassy in Dilli.
>
> Mr Alkatiri, who has accused Australia of deliberately dragging out the boundary negotiations, has hired American academic Peter Galbraith, who strongly criticised Canberra two years ago when he was employed by the United Nations in the team negotiating the Timor Sea Treaty with Australia.

That article, as I said, begins with the line, 'East Timor is starting to walk away from what it sees as inadequate deals'. It goes on to say that East Timor is moving towards not ratifying the very matter we are ratifying through the vote coming up in the Senate today. That is because what we are being asked to ratify here is manifestly unjust. What we on the crossbenches are arguing is: bring the justice back into it, and give Australia the dignity that we are going to lose in the coming debate about this matter by doing so. It is as important for our country and our sense of justice as it is for the East Timorese struggling to build a strong democratic country, a near neighbour of ours, in the years ahead.

I have one further point to make on this. It is extremely important that the alternative government make it clear that the International Court of Justice will be brought back in as a dispute resolving mechanism if we can not get a decision between East Timor and Australia. I know Senator O'Brien made a submission a while ago, which was a good one. The Labor Party's policy, as amended, says that Labor recognises that the people of East Timor have the right to secure, internationally recognised borders with all neighbouring counties and that a future Labor government will negotiate in good faith with the government of East Timor in full accordance with international law and all its applications, including the United Nations Convention on the Law of the Sea. The Labor Party's policy says that, in government, Labor will do all things reasonably practicable to achieve a negotiated settlement within three to five years and that the conclusion of the maritime boundary should be based on the joint aspirations of both countries.

What is missing there is a clear indication that if the matter cannot be settled then the International Court of Justice will be given the arbitration power. I think it is very important that we hear that from the alternative government. It will make a difference to the people of East Timor, as well as to the many Australians who will increasingly see the injustice of the position that the current government has taken on this matter. *(Quorum formed)*

Question put:

That the amendment (**Senator Brown's**) be agreed to.

The committee divided. [12.17 p.m.]

(The Chairman—Senator J.J. Hogg)

Ayes……	11
Noes……	46
Majority……	35

AYES

Allison, L.F. *	Bartlett, A.J.J.
Brown, B.J.	Cherry, J.C.
Greig, B.	Lees, M.H.
Murphy, S.M.	Murray, A.J.M.
Nettle, K.	Ridgeway, A.D.
Stott Despoja, N.	

NOES

Abetz, E.	Barnett, G.
Bishop, T.M.	Boswell, R.L.D.
Brandis, G.H.	Calvert, P.H.

Campbell, G.	Carr, K.J.
Chapman, H.G.P.	Collins, J.M.A.
Conroy, S.M.	Cook, P.F.S.
Crossin, P.M.	Denman, K.J.
Eggleston, A.	Ferris, J.M. *
Forshaw, M.G.	Hill, R.M.
Hogg, J.J.	Humphries, G.
Hutchins, S.P.	Johnston, D.
Kirk, L.	Knowles, S.C.
Lightfoot, P.R.	Ludwig, J.W.
Lundy, K.A.	Macdonald, J.A.L.
Mackay, S.M.	Mason, B.J.
McGauran, J.J.J.	McLucas, J.E.
Moore, C.	O'Brien, K.W.K.
Patterson, K.C.	Ray, R.F.
Santoro, S.	Scullion, N.G.
Sherry, N.J.	Stephens, U.
Tchen, T.	Tierney, J.W.
Troeth, J.M.	Watson, J.O.W.
Webber, R.	Wong, P.

* denotes teller

Question negatived.

Senator BROWN (Tasmania) (12.20 p.m.)—I have some further questions coming out of the unitisation agreement. Article 9 talks about the administration of the unit area, and subclause (2) of that says:

> A Sunrise Commission ... shall be established for the purpose of facilitating the implementation of this Agreement and shall consult on issues relating to exploration and exploitation of petroleum in the Unit Area.

Then subclause (8) says:

> The Sunrise Commission shall consist of three members. Two shall be nominated by Australia and one shall be nominated by Timor-Leste.

I want to point out, as East Timorese groups have, that this effectively gives Australia total say over the administration of the Sunrise project. I ask the minister: why is it not two representatives of Australia and two representatives of Timor Leste, and who will be the Australian representatives on the administrative commission?

Senator STOTT DESPOJA (South Australia) (12.22 p.m.)—I want to put on record the Democrat view on the second amendment by Senator Brown. Has he moved that amendment? I was having difficulty hearing. Senator Brown, did you move that second amendment?

Senator Brown—No.

Senator STOTT DESPOJA—I will wait until you have done that. Will that proceed expeditiously, as we hope the negotiations on maritime boundaries will?

The TEMPORARY CHAIRMAN (Senator Sandy Macdonald)—The question is that the bill stand as printed.

Senator BROWN (Tasmania) (12.23 p.m.)—I have asked that question of the minister, and I ask it again. Is it not true that the administration of this area has effectively become an Australian bailiwick and that the representative of Timor Leste is outnumbered and therefore Timor Leste is effectively left without authority in the administration of the area?

The TEMPORARY CHAIRMAN—The question is that the bill stand as printed.

Senator BROWN (Tasmania) (12.23 p.m.)—It is not satisfactory for the minister to say nothing in response to an important question like that. We have been asked about it. The East Timorese groups are asking about it. It is going to be a further source of aggravation for East Timor down the years that they have no say in the administration of this area. They are effectively outvoted two to one by this unitisation agreement, which puts two Australians in the saddle and leaves the East Timorese as helpless participants in the administration of what they see as their territory. I remind the committee of the words of one East Timorese group which said, 'This leaves Australia occupying East Timorese territory.' They are very strong words but that is how it is being perceived by analysts in Dili, and you can see why. Under this agreement, Australia will have adminis-

trative control of a large and important resource that the East Timorese quite justifiably see as theirs. You can see why that has extended right up to the Prime Minister, who is now backing off from this agreement. I remind the government that the agreement has yet to be ratified in the East Timorese parliament. There is something of a focus coming on to the process there. No doubt the bullying by the Australian government will continue and no doubt the blackmail that is involved in saying 'if you don't proceed with this then you will not get any revenues at all' will continue. That is just not satisfactory.

Senator Abetz—Mr Temporary Chairman, I raise a point of order. Senator Brown on a previous occasion was required to leave the chamber for refusing to withdraw the word 'blackmail'. In the context of this debate he is accusing the government of engaging in blackmail. I do not know whether he wants to make a martyr of himself again but I invite him to withdraw what is a very offensive term as it applies to the government and our negotiations with East Timor.

Senator BROWN—On the point of order, Senator Abetz is quite wrong. I was asked to leave when I applied that term to the Prime Minister on a previous occasion. I have not done that on this occasion. But blackmail is blackmail. I have used it in a different context and it is appropriate language.

The TEMPORARY CHAIRMAN (Senator Sandy Macdonald)—On the point of order, it may not be an appropriate word, Senator Brown, but, in view of the fact that you are not using it in reference to a particular person—I do ask you to temper your language—you do not need to withdraw it.

Senator BROWN—I can understand why the minister cavils at the term. I presume the minister is going to remain out of the debate on my other question, but I am going to ask it anyway. Article 13 of this agreement is about abandonment and the prospect that the joint venturers, including Woodside, will abandon the project. I want to know this from the minister: in that situation, who pays? We in Tasmania, as the minister will know, have a sorry history of major mining organisations removing themselves when the profit days are ended and leaving the clean-up to the public purse. It is not going to be good enough for Australia to say, 20 or 30 years hence, 'We will readjust the boundaries now and give East Timor back its sea because it can bear the cost of the clean-up.' What is the arrangement for ensuring that Woodside et al pay the costs of any environmental or other damage done as a result of the project? What is, and who will take, the cost if the project is abandoned?

The TEMPORARY CHAIRMAN—The question is that the bill stand as printed. You do not have the call, Senator Brown.

Senator NETTLE (New South Wales) (12.28 p.m.)—Before we move on to the next amendment that we are yet to debate in the committee stage, I would be interested in hearing from the minister the explanation in relation to the question that Senator Brown has just asked about the Sunrise commission. It is set up in this agreement that is part of the legislation that we are passing today. The Sunrise commission is made up of two Australian representatives and one East Timorese representative. I would be interested to hear what the minister's explanation is as to how this provides a fairer forum of justice than the international court that makes decisions about sea boundaries. I would be interested to hear from the minister as to why a body set up in this agreement with two Australians and two Timorese is a more appropriate body to be administering the decisions in this agreement than an international court that is designed to determine maritime boundaries along the way.

Senator Abetz—That is what they signed up to. That is what was decided between East Timor and Australia.

Senator NETTLE—I note that the minister, whilst being unprepared to stand up and answer the question on the record, is currently interjecting in the chamber to say that this is an agreement that has been signed by the Australian and East Timorese governments. Everyone within the debate has acknowledged that. We have also acknowledged the voices in East Timor, coming from the Timorese people in particular, that are concerned about the manner in which the agreement was signed, among other things. Senator Brown has spoken about that and has used appropriate language to describe the way in which that agreement was signed. Now we see that with this legislation the government is proposing to ram through an agreement which will continue the dissension and the sentiment within East Timor that the Timorese have been robbed of their oil.

If the Australian government allowed this to go to the International Court of Justice, it would be open for all the world to see that that is exactly what the Australian government, with the support of the opposition, are doing here in the chamber today. They are saying: 'Let's draw a line between Australia and East Timor. Let's look at the oil on the Timorese side of the line and let's say it's ours. We won't say that all of it is ours; we'll just say that a bit of it is ours.' That is what the government propose to do. Government members will continue to stand up and argue until they are blue in the face that they think this is appropriate. But it is simply not appropriate to say: 'Let's draw a line between our reserves. We want some of the oil reserves on your side of the line.' That is what the Australian government are doing. They can talk with as much aplomb as they like about how they are doing this with their friends in East Timor and how they are looking after the people of East Timor, but it defies imagination to understand how oil that belongs to the Timorese should in any way be taken by Australians. That is the nature of this very agreement.

I am sure the minister, along with other members of the government, will continue here and elsewhere to speak about how this will benefit the East Timorese people. It does not. It never will. Ramming this piece of legislation through with the support of the government and the opposition in this chamber is not going to improve the situation for people in East Timor. It is not going to improve the capacity to deal with and make decisions about the resources between Australia and East Timor into the future. All it is going to do is perpetuate a sense that the Australian government believes it is appropriate to step into East Timor's area of jurisdiction and take its oil for the profit of Australian oil companies.

This agreement is simply not going to improve that situation. The minister can say as many times as he likes that this is the agreement and the government wants to bring it into play. There is another agreement, Minister. It is called international law, and that is where the boundary between Australia and East Timor should be determined. Australia has pulled out of that jurisdiction, so it cannot be determined at the moment by international law. The government is seeking to ensure that this legislation, not international law, determines who gets what oil.

This is just another example of the Australian government saying: 'We know better than international law. We know better about the way in which maritime boundaries have been decided around the world for a raft of different countries. We will ensure that our decision sticks, not a decision by the International Court of Justice.' It is not acceptable,

Minister. You can get up and argue or you can sit there and stay silent.

Senator Abetz—Thank you very much!

Senator NETTLE—It is not acceptable for us to take the oil of the East Timorese, and nothing you say is going to justify that case. The Timorese people will always know that Australia, their nearest neighbour, has come in and ensured that control of those resources—resources needed by one of the poorest countries in our region—is being determined by the Australian government, and they will always know that the Australian government believes that it should be able to determine the future of those resources, not the people of East Timor.

Senator BROWN (Tasmania) (12.34 p.m.)—I note that the minister has gone on strike. Nevertheless, there are very important questions here that ought to be answered. If there were a division in the parliament between the opposition and the government on this matter, there would be a very different debating circumstance here and there would be an enormous lengthening of the debate beyond the one we are having. It is not satisfactory for the minister to go on strike and not respond to the important matters that are being raised simply because it is the Greens, the Democrats and One Nation rather the opposition that is raising the questions.

I want to ask about the matter of the customs exemption. The minister might supply the committee with the estimates of the revenue forgone to the oil companies establishing the Greater Sunrise project through the waiving of customs duty both to East Timor and to Australia. The minister is indicating that he is not going to answer. I want to elaborate on it just so that we do not fail to put the matter on record. Let us say that the project, which is going to bring $30 million to the proponents, costs $4 billion to establish and let us say that there is a 15 per cent customs application which is waived. That is $600 million that is gifted to the oil corporations at the expense of the Australian and East Timorese exchequers. Even on the 20 per cent-80 per cent cut here, it is $120 million that East Timor will be deprived of as a gift to Woodside and its fellow developers in this oilfield. We frequently get into a debate in this place about people who are said not to pay their dues in terms of social services and so on. There is very rarely a debate about corporate welfare. But it is an extremely lucrative gas and oilfield being developed here. There is competition for it. Senator Harris has been talking about the dispute over the oilfield. I wonder whether the complainants, who think they were robbed and divested of their rights to develop this oilfield and who are not Australian, would get the customs break that is occurring with Woodside.

Whatever the case, we believe that the customs exemption should apply. I have seen figures showing that 40 per cent of the materials required for the development of this field will come from outside Australia and 60 per cent from inside, so that may diminish the figures I have been given. But I think that, to seriously deal with huge amounts of money like this, this committee needs to know from the minister, before the first litre of oil or gas is pumped, what the figures are for the revenue forgone to the Australian people and, in particular, to the East Timorese people through this agreement.

Senator NETTLE (New South Wales) (12.38 p.m.)—During this debate I thought it would be appropriate to pay tribute to an Australian who spent many years working on the issue of the oil which belongs to the Timorese and which is being claimed by the Australian government. That individual is a man by the name of Andrew McNaughton. Andrew McNaughton has advised the Timorese government on this issue, has worked with the Greens and, I am sure, has

worked with others to provide both advice and assistance on this matter. He has travelled to Canberra at each point at which the legislation has been debated. Unfortunately, due to his sudden passing away at Christmas time last year, he is not able to be here with us today. Yet there are so many in the Australian community who have been inspired by the work of Andrew McNaughton. I know they are driven to ensure that the fantastic work that Andrew has done to stand up for the Timorese and their rights in the face of such an onslaught by the Australian government is continued both here in the chamber and in the community. A raft of others who have been involved in the process will ensure this is so.

It is important that Andrew should be acknowledged for the work he has done for many years on this issue and that his spirit and his determination to work on these issues and to seek justice for the Timorese people should be carried on and continued here in the chamber. The Greens and others, I am sure, are very pleased to be a part of continuing the legacy of struggle that Andrew McNaughton has been so central to for so many years.

Senator BROWN (Tasmania) (12.40 p.m.)—I totally endorse what Senator Nettle has just said. It is so important that Andrew McNaughton is recognised in this debate. In fact, my first real working contact with Andrew was when he came to put up a series of pictures of East Timorese people being tortured. It was 1996, just seven years ago, and the President and the Speaker at the time banned that display from being shown in this parliament. Such was the relationship with the Suharto regime at the time. There was a lot of controversy about it. It was shown in the New South Wales parliament and later in the ACT Legislative Assembly, but it was banned in this parliament. The Suharto regime had such reach through the government and the opposition of the day—with very sterling exceptions—that the Presiding Officers were able to ban even a display of the reality of the horror of the situation in East Timor.

After that, Andrew McNaughton's selflessness, humanity and sense of social justice—and he would be outraged at what is happening today—were built into the centre of the relationship the Australian people have with the East Timorese people and the honour in that relationship, which is being undermined by what is happening in the agreement that we are asked to pass today. It effectively undermines the rights of East Timorese to have their schools, their hospitals, their roads and their security paid for in the years ahead through royalties from the development of this oil and gas quotient in the east Timor Sea. I turn now to the second Greens amendment on sheet 4200. I move:

> R(2) Page 3 (after line 24), after clause 4, add:
>
> ***6 Cessation of operation of Act***
>
> This Act ceases to have effect on 31 December 2006 if a permanent maritime boundary between Australia and Timor-Leste is not agreed to by that date.

This amendment is independent of the earlier one that did not succeed, which would have had the matter referred to the International Court of Justice. But it does, effectively, put a sunset clause on the operation of this agreement if the dispute, which must be resolved if this agreement is to be an honourable one, continues. This amendment says to the Australian government, 'Move on now and resolve the sea boundary dispute with East Timor in whatever way you will but resolution is required by the parliament.' That is an important move for this parliament when we are faced with a government which is being deliberately dilatory because it does not want to reach a resolution on the seabed

boundary, because Woodside does not want to reach a resolution on the seabed boundary and because it is not in the interests of the power politics of this country to do the right thing.

Senator Abetz—You can repeat it if you like; it doesn't make it true.

Senator BROWN—Senator, I do not think you honour yourself with such comments. The matter is important and I appeal to all parties to look at this sunset clause. It gives another 20 months or so for a determination to be made, and I commend it to all parties. It will at least give the East Timorese a sense that there is pressure on the Australian government for once—instead of the bullying of the East Timorese government to come to a resolution—and it is being applied by the Australian parliament, which wants the Australian government to be honourable about this matter in a way that it has not been to date. It is an important amendment, and it is one the Greens say reflects opposition sentiment in the matter as well as the sentiments of other crossbench members.

Progress reported.

PRIVACY AMENDMENT BILL 2004

Second Reading

Debate resumed from 9 March, on motion by **Senator Coonan**:

That this bill be now read a second time.

Senator LUDWIG (Queensland) (12.45 p.m.)—I rise to speak on the Privacy Amendment Bill 2004. The original bill makes five amendments to the Privacy Act 1988. The government describes four of these amendments as tidying up measures. Labor are pleased to be in a position to support the government in strengthening and improving privacy legislation where possible. We are very interested in seeing a well-functioning privacy regime in this country and even more interested in seeing the results of a full and proper review of the Privacy Act, which was due in December but is expected to happen some time this year. We look forward to hearing when this review is to be conducted and when a full response from the government will be available. Of course, that will obviously follow the review itself. The fifth amendment before us adds a further measure to the Privacy Amendment Bill 2003 by providing the Federal Privacy Commissioner with a new audit function. It will amend the Privacy Act to enable the Privacy Commissioner to audit acts and practices of Commonwealth agencies in relation to the personal information specified in the regulations. This function is additional to the Privacy Commissioner's existing function of auditing whether records are maintained by Commonwealth agencies in accordance with the information privacy principles.

Labor have indicated that we are prepared on this occasion to support this amendment because of the beneficial impact which it brings. However, we would like to note that this appears to be adding yet another set of functions to the Office of the Federal Privacy Commissioner, which is already under pressure, without any extra resources being provided. This was a matter that was explored in estimates, and the view of the opposition is well known to the Attorney-General. The reality is that, as with any funded agency, the Privacy Commissioner will probably be forced to find some way to reallocate existing resources to carry out these extra functions. In estimates the commissioner informed us he has already done so. However, this is a less than ideal outcome both for those citizens whose privacy is being protected by the functions of the Privacy Commissioner and for the office itself, which will be forced to provide further prioritisation to its already limited resources. I would urge the government to ensure that the issue of adequate resourcing is considered as part of

its full and proper review of the Office of the Federal Privacy Commissioner when it happens later this year. With these minor reservations noted, I am pleased to confirm that Labor are supporting the amendments before us to the Privacy Act. We reiterate our ongoing commitment to supporting further improvements to the Privacy Act in the future.

Senator STOTT DESPOJA (South Australia) (12.48 p.m.)—The Australian Democrats welcome the changes contained in this legislation, the Privacy Amendment Bill 2004. As some senators may know, we have had a long and active history of debating privacy law issues. I have certainly been very keen on this area and have responsibility for it as the privacy spokesperson for the Australian Democrats. I tabled a private member's bill in 1997 in an attempt to extend privacy laws to the private sector, something that the government enacted in 2000. Since then I have been campaigning on a variety of privacy fronts. One that remains elusive is the issue of genetic privacy.

We think that overall the legislation before us today will help to strengthen privacy protection in Australia. Essentially, we are dealing today with non-controversial measures that will ensure that the extraterritorial provisions of the Privacy Act apply to personal information about any individual, not just Australian citizens. The bill will also enable the Federal Privacy Commissioner to investigate complaints lodged by individuals who are not Australian citizens or residents. These changes are being made to address concerns raised by the European Union regarding the international transfer of personal information. They are particularly important given the global nature of information technology and that is why we are supportive of the changes. They will allow for industry-created privacy codes to cover acts and practices which are currently exempt from the privacy protection regime. In other words, they will allow privacy codes to create a wider scope for privacy protection than exists under the current regime. They will also enable the Privacy Commissioner to investigate matters which are currently exempt from the regime if they are included in a company or industry privacy code. We support this change.

Finally, the bill will amend the regulation-making power in relation to the use and disclosure of Commonwealth payroll numbers for the purposes of providing superannuation services. This amendment relates to two consecutive temporary public interest determinations made by the Privacy Commissioner which enabled superannuation funds to use and disclose Australian government service numbers in order to discharge their obligations under the Superannuation (Productivity Benefit) Act although this would otherwise be contrary to the Privacy Act, hence the necessity for this change. The commissioner indicated that his decision to issue a second TPID was based on an indication by the Attorney-General that the Privacy Act would be amended to facilitate this use of Commonwealth identifiers. The second TPID expired on 21 December 2003. Therefore, superannuation funds are currently unable to use AGS numbers in the discharge of their functions. This amendment will rectify that situation, and the Democrats note that it does have the support of the Privacy Commissioner.

While the Democrats welcome any strengthening of the privacy protection regime in Australia, we believe that there are more substantive improvements that are desperately required. In that respect we are disappointed that this bill does not go further. I think in some respects it is time for a stocktake in our country as to how we are going in relation to protecting the privacy of individual citizens and residents and others. In recent years the threat of terrorism has frequently been used as a justification for wind-

ing back human rights and, indeed, civil liberties. While the Democrats are absolutely committed to ensuring that Australians are safe from terrorism, we believe that many of the antiterrorism measures that have been introduced by this government have been unjustified. We are not convinced that they will increase security, and yet at the same time some of these measures do compromise hard-won rights and liberties. This is particularly concerning given that there is evidence to suggest that powers which are introduced by the government for one reason are increasingly being used for other reasons for which they were never intended. This is a phenomenon which the Privacy Commissioner refers to as function creep. It is a serious issue that we, as legislators, should be giving careful consideration to when we are debating new powers in this place.

I note that terrorism was cited as a reason for the massive increase in phone tapping that occurred last year. But, when you look closely at the figures in the annual report on telecommunications interception, it is clear that the phone taps relating to terrorism make up a very small proportion of the total number of phone taps. The annual report demonstrates very clearly the extent to which the privacy of individual Australians is being constantly violated by law enforcement agencies. Let us be frank: listening to private conversations between individual Australians is invasive and violates their right to privacy.

Of course, the government argues that there are strong policy justifications for infringing the right to privacy in a criminal justice context. If this is the case then it is vital that privacy infringements in this context can be clearly attributed to the investigation and, indeed, the prosecution of criminal offences. Unfortunately, though, the annual report suggests that this is not necessarily the case. While there has been a massive increase in the number of interceptions in the past year, there has been a decrease in the number of interceptions that have actually resulted in an arrest. The report reveals that a total of 3,058 interception warrants were issued to law enforcement agencies during 2002-03. This represents an increase of 41 per cent in the number of warrants that were issued over the past two years. It is important to recognise that each of these warrants could have permitted the tapping of hundreds of phone calls, so hundreds of thousands of phone calls were probably bugged over the past year.

The report also reveals that there were only 50 arrests for every 100 interception warrants issued, representing a decrease from the previous year. There was also a decrease in the number of warrants which yielded information used in the prosecution of an offence. So, while there has been this massive increase in surveillance, many of the conversations that are being bugged have no relevance to the administration of justice. Meanwhile, Australians are forced to pay more than $25 million for this invasion of their privacy. What is most disturbing is that these figures apply only to law enforcement agencies and do not include the extensive bugging that is going on by our intelligence agencies. The Democrats believe very strongly that it is time to reconsider whether or not this practice can continue to be justified.

Another outstanding privacy issue which needs immediate legislative action is genetic privacy. I know I talk about it a lot in this place, and I have been talking about it since 1996, but I am going to keep talking about it until we get legislation that protects people's personal information, their most sensitive information: their genetic make-up. At the moment we have no laws that deal specifically with genetic privacy and, indeed, nondiscrimination. Technological developments, as we know, are now making the collection,

storage and, indeed, use of genetic information less onerous. They have increased public awareness and concern about the need for genetic privacy and protection. The rapid developments in genetic technology have changed the basic identity of individuals so that it is now possible to distinguish between individuals on the basis of their genetic make-up, the sequence codes that make up genes and chromosomes in every cell of their body. It is extraordinary technology and a significant achievement which has the potential to provide considerable benefits—dazzling benefits; we are all aware of that—through treatment of disease, medicines et cetera. However, these advances have also brought with them the need to develop new laws to keep pace, inasmuch as the law can. We have to ensure that we get the full benefits of these technologies but at the same time ensure that people's rights are protected.

When considering the current privacy regime and the protections that it offers, it is important to recognise that there is a difference between personal information and genetic information. The key difference between personal information and genetic information is that genetic information is a permanent part of our lives and, indeed, the lives of our biological relatives. The Privacy Act does not, I maintain, provide adequate protection for that sensitive personal information, and it is for that reason that I tabled back in 1998 the Genetic Privacy and Non-discrimination Bill. It set out in detail the mechanisms by which human genetic information could be collected, stored and disclosed. The aim of my bill was to reassure the Australian community that genetic science and biotechnology should be used for the benefit of society and that legislation could indeed protect individuals against the misapplication of this technology. As we all know, it is very rare that private members' bills are debated, let alone passed. That bill went to a committee and after extensive investigation was debated on one occasion. More importantly, since that time we have seen some government action, prompted by that bill and some nagging.

We have seen a wonderful report come down from AHEC and the ALRC. I commend the members of the Law Reform Commission and AHEC who were involved in that process. But the report on the protection of human genetic information came down in 2002, and there is a series of recommendations as to what action is required. The inquiry covered a number of issues, including some in perhaps obvious areas—such as the ethical oversight of genetic research and the increasing use of DNA collection and testing by law enforcement agencies—and some in perhaps not so obvious areas, such as the regulation of genetic testing in the workplace, the collection and use of genetic information by the insurance industry, genetic testing by immigration authorities, DNA parentage testing, the use of genetic testing as an element in the construction of kinship and identity and the use of genetic testing to identify potential sporting champions. The report documented contemporary cases and controversies in all these areas.

While recognising that the issue of patenting of genes and gene sequences was deliberately avoided in the context of that specific inquiry—and I can understand why; the report and inquiry process was big enough as it was—that is another area we need to look at. I know that Senator Boswell is a strong supporter of examining the issue of whether or not people can own their genes and their gene sequences and of whether or not they have the right to patent that information. He will be pleased to know that my second reading amendment that was passed in the debate on the research involving embryos bill has also resulted in a new ALRC inquiry into

some of these issues. The inquiries are going on but we are not getting the legislative action, so my plea through the parliamentary secretary on duty today to the minister is that we get some action in these areas. Core scientific and technological innovation must be supported and must be promoted, but it must come with a strong regulatory environment established by government and monitored by independent authorities. Without the certainty that genetic information is safe, I think the community will continue to be reluctant in some ways to embrace the opportunities and the benefits that it offers.

In closing, I would like to take this opportunity on behalf of the Democrats to acknowledge and thank the Privacy Commissioner for his outstanding efforts over the past five years. I want to wish him well for his future. Malcolm Crompton, as many of you will know, will complete his term in office on 19 April. He has been a wonderful advocate for privacy protection in this nation and beyond. He was appointed as Australia's third Federal Privacy Commissioner on 20 April 1999. His given task—to take privacy protection in Australia into the new millennium—was not an easy one. He came into the role at a time when the federal government was looking to introduce a new approach to privacy protection, as everyone will remember, based on the 'light touch' system of regulation within the private sector.

He brought a great deal of experience to the task, with his background of various responsibilities. He commenced his professional life as a research scientist. I know that he relished the challenge of his life as Privacy Commissioner, particularly in that changing global environment. I think his work stands alone. It has been an incredibly impressive period of time. I have enjoyed my discussions and meetings with him, many and varied as they have been, over the years. I hope that honourable senators will join with me in not only wishing him well for the future but also congratulating him on his incredibly important contribution to privacy regulation in Australia.

Senator TROETH (Victoria—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (1.02 p.m.)—I thank senators for their contribution to the debate on the Privacy Amendment Bill 2004. This bill makes five minor changes to the Privacy Act 1988 to increase the coverage of the protections offered by the act. The bill clarifies that the protections of national privacy principle No. 9 are not limited to Australians. An unnecessary restriction on the Privacy Commissioner's powers to investigate complaints is removed. The flexibility of privacy codes is increased, the practicalities of superannuation arrangements for public servants are recognised and the audit powers of the Privacy Commissioner are extended. The bill reflects the government's continuing commitment to a privacy regime that meets the needs of all Australians. That regime is designed to meet the particular needs of the Australian community and structured to respond to the challenges of a world with increasing levels of information transfer. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

DAIRY PRODUCE AMENDMENT BILL 2003

Second Reading

Debate resumed from 24 March, on motion by **Senator Troeth**:

That this bill be now read a second time.

Senator O'BRIEN (Tasmania) (1.04 p.m.)—The Dairy Produce Amendment Bill

2003 proposes a number of amendments to the Dairy Produce Act 1986 relating to the operation of Dairy Australia, the industry services body that took over many of the activities of the Australian Dairy Corporation on 1 July last year. We should understand that dairying is one of Australia's great agricultural industries and one of Australia's great export successes. We have seen over the last 14 years the productivity of the industry almost double, with over 10 million litres of milk now being produced every year from a herd of just over two million cows. In the period of the doubling of production, the size of the herd has only increased marginally. That is just an indication of how well dairy farmers and the industry have taken up the challenge of working smarter, of improving herd quality, breeding and adaptation and especially of adopting on-farm advances in the science and technology of dairying.

Those gains have not come without some pain. In 1979 there were 22,000 dairy farmers, each milking on average 85 cows. By 2003 the number of dairy farmers had fallen to 10,500, while the average herd size had more than doubled to 195 cows. Today there are quite a few examples of farmers milking over 1,000 cows. A decade ago less than 40 per cent of production was exported, while today more than 60 per cent of production is exported. About two-thirds of our dairy exports are going to Asia, with Japan our single most important export market. In recent years dairy exports have been worth around $3.2 billion per annum, although the drought and lower international prices have eaten into this figure savagely over the last 12 months. Some farmers are facing serious problems, with most currently receiving between 22c and 34c per litre of milk depending mainly on where they are located. The low prices have been blamed largely on external factors, such as the strong dollar and the drought. For some farmers these prices are close to the 20-year average price, but for many—especially for those who in the past produced mainly whole milk for the fresh milk market—they represent a significant decline.

The single biggest problem for dairy farmers has been the drought, which has been estimated to have cost farmers in a number of areas around $1,000 per cow per annum. Rainfall in many dairying areas has been below average for seven years straight. Drought has reduced production and has forced up the cost of feed and other inputs, and it has highlighted the need to clarify a range of issues for farmers in irrigation areas. Many of these farmers face rising costs and cuts in water allocations. They are asking for a water policy that clarifies their rights and their position. Even with the problems currently facing the industry, I do share the optimism of the Australian Dairy Farmers Federation President, Mr Allan Burgess, who was quoted in last week's *Weekly Times* predicting a strong future for the industry based on strong demand for milk products and lower input costs.

It is less than 12 months since Dairy Australia was established as a Corporations Law company and already the parliament is being asked to make amendments to the legislation as a result of oversights, omissions and mistakes made at the time Dairy Australia was established. With this government and, unfortunately, especially with this minister, Mr Truss, this has become an all too familiar pattern, especially where previous statutory authorities have been converted into Corporations Law companies. The most important amendment contained in this legislation relates to the administration of the Dairy Structural Adjustment Fund. Under the current arrangements, the directors of Dairy Australia, as trustees of the Dairy Structural Adjustment Fund, could be held to be personally liable under the Corporations Act for any

liabilities that arise that could not be satisfied by that fund.

This bill proposes to retrospectively fully indemnify the directors of Dairy Australia against such liabilities. The minister advises that these amendments do not serve to indemnify the industry services body against liabilities that arise from acts of negligence, fraud, a breach of trust or other actions not in accordance with the principles of trust law. In addition, there are provisions in the Dairy Produce Act, and requirements imposed by the statutory funding agreement between the company and the government, that impose accountability requirements in relation to the management of the fund. Given that the Dairy Structural Adjustment Fund is fully funded, from the 11c a litre that consumers pay when they purchase a litre of milk, it is highly unlikely that liabilities will ever exceed available funds and that these provisions will actually be needed in practice. It is also highly unlikely that members of the current board of Dairy Australia would ever allow themselves, or the company, to be placed in a position where these provisions are needed. The board is led by Mr Pat Rowley, who is well known to be a tireless champion of the dairy industry and to have personally made great sacrifices to guide the industry through the murky waters of deregulation. It should be remembered in that context that it was the Howard government and this minister that forced state governments to deregulate the dairy industry by saying that there would be no $1.8 billion restructuring package unless the states deregulated.

While these amendments we are considering today are sensible—and I am advised that such provisions are normal practice when a statutory authority is privatised—I am concerned that we are making retrospective amendments to legislation for an entity that is less than a year old. If these provisions are so important, why didn't the minister include them in the original legislation setting up Dairy Australia? On this side of the chamber, we have become used to being asked to revisit government legislation to fix omissions and problems. Sloppily drafted legislation has become a hallmark of this minister and this government.

In his second reading speech in the other place, the Minister for Agriculture, Fisheries and Forestry expressly referred to the existing provisions of the Dairy Produce Act and to the statutory funding agreement as ensuring that the funds provided by taxpayers and dairy farmers to Dairy Australia are 'prudently and professionally managed'. But this minister has had previous problems relating to the accountability of boards and executives of Corporations Law companies set up to replace previous statutory authorities.

Dairy Australia receives and expends a considerable amount of money provided by Australian taxpayers and dairy farmers. It is vitally important that the public and the dairy farming community can have absolute confidence that this money is being managed appropriately. I have confidence in the current board, but there will come a time when these individuals will no longer fill their current roles. Labor want to be absolutely sure that the legislative structure we have in place provides for an appropriate level of accountability to this parliament, to Australian taxpayers and to dairy farmers themselves.

The minister thought he had the accountability structure right in the case of Australian Wool Innovation, another agricultural authority that was transformed into a Corporations Law company by this government. In the case of AWI, the Senate Rural and Regional Affairs and Transport Legislation Committee, chaired by Senator Heffernan, found:

Any concern that there was no effective accountability through the board to both the minister and levy payers and that there was no system of internal controls in place should have been quickly and fully investigated.

As with Dairy Australia, there was a statutory funding agreement between AWI and the Howard government setting out what the minister obviously considered to be adequate and appropriate accountability and internal controls. In the case of AWI, the minister has handed this company $55 million collected from wool growers as levies and $16 million collected from Australian taxpayers.

As early as February 2002, the minister was told that there were inadequate accountability and control systems in place, and yet he did not act. This was not an internal problem for the company but a pressing problem for the taxpayers and levy payers funding its operations. It was a direct and immediate problem for the minister. It required clear and decisive action. Unfortunately, as was the case with US beef quotas and the *Cormo Express* fiasco, the minister failed to take timely action. It is important that the lessons of the AWI fiasco are taken on board so they are not repeated in the future with other bodies, such as Dairy Australia. In his second reading speech on this legislation, the minister said that the Corporations Law and the statutory funding agreement would ensure the Dairy Structural Adjustment Fund would be 'prudently and professionally managed into the future'.

In the case of AWI it is clear that the equivalent provisions in the legislation and funding agreements related to that body did not provide adequate protection for either levy payers or taxpayers. The Senate AWI inquiry highlighted a number of problems in the government's preferred industry service body model. The committee formed the view that all expenditure by these private companies should be spent in accordance with the terms of their statutory funding agreements, and it recommended that all agreements should mandate expenditure consistent with the strategic plan, the operational plan and the research and development guidelines. I continue to believe there is a need to revisit all statutory funding agreements, with a view to incorporating these changes. We do need to be sure that the problems that occurred with AWI are never repeated in similar organisations, in this case Dairy Australia.

This bill also amends the act to enable the company to borrow or raise money by dealing in securities. The definition of 'borrowing' is also expanded to include activities such as raising finance by way of acknowledgement of debt and by hedging through currency or, indeed, through other types of contracts. Labor supports these amendments and will support this bill.

Senator BOSWELL (Queensland—Leader of The Nationals in the Senate) (1.16 p.m.)—The Dairy Produce Amendment Bill 2003 complements existing legislation to assist Dairy Australia in its administration of the government Dairy Structural Adjustment Fund. Briefly, the bill aims to provide indemnity for the directors of Dairy Australia from personal liability under the Corporations Act for certain legal issues that could arise in the administration of the trust. I understand that the risk of such a disaster arising is pretty remote, but I agree with Senator O'Brien that it is best to cover all your bets.

This bill gives us an opportunity to look at where the dairy industry is at the moment, since deregulation. As Senator O'Brien said, the dairy industry is probably our third biggest export industry and has contributed $3 billion to the gross value of our agricultural production. At the moment, we are exporting $2.5 billion a year in cheese, milk powder and other derivatives of dairying. Dairying has been a great industry for Australia. Some

people say that we marched on the sheep's back, and that is true to a certain extent, but I can remember that in the early sixties just about every town had a butter factory at one end that employed 20 or 30 people and sustained the town. So dairying has been a great employer for rural Australia.

I listened closely to some of the contributions to the debate on the deregulation package. I thought some of them were quite good, but others were way off the pace. In effect what happened—and Senator O'Brien will probably agree with this—was that the dairy farmers in Queensland and high-quota states were receiving 54c to 58c for their milk. They were then getting in additional cows and getting about 21c for manufacturing the milk, cross-subsidising the milk and therefore undercutting the Victorian dairy farmers in their exports. The Victorian dairy farmers said: 'We've had enough of this. We will deregulate.' It had nothing to do with the state governments and it had nothing to do with the federal government. The matter was driven entirely by the Victorian dairy farmers. Some people say that 89 per cent of the Victorian dairy farmers voted for deregulation, but they had a gun at their heads. Part of the question was: 'Do you want a package?' And that was the part that really forced them to say yes and to deregulate.

I think that sort of logic completely denigrates the dairy farmers. You are really saying that they have limited intelligence if they would vote for deregulation because they thought a package was there. The Victorian dairy farmers voted for deregulation on the exact date that the 1½c per litre levy for manufacturing milk was taken away. They did not do it because they were silly, they did not do it because they were bright and they did not do it because of a package. They did it because that was their wish. They did it because some of the states that were getting higher drinking milk prices were cross-subsidising and undercutting the Victorian dairy farmers, of which about 92 per cent are producing for export and about six or seven per cent for drinking milk.

It was a commercial decision made by the Victorian dairy farmers, and they would probably make that decision again if they were given the same choices. The government did not vote against deregulation and we did not have any legislation that would deregulate. The states deregulated, and I do not blame them. They had to do it because Victoria had deregulated. Once one state deregulated the whole lot had to go, otherwise we would have had Victorian milk travelling over the border, undercutting milk prices in New South Wales, South Australia and Queensland.

The government, with bipartisan support from the Labor Party, produced a package worth about $1.8 billion to $1.9 billion to offset the loss of quotas. I found it absolutely offensive to hear Pat Rowley denigrated in the other house. Although his name was not used, the inference was that it was him. When Pat Rowley came to this place and said that he wanted a billion dollar package I said, 'Pat, you are held in great esteem here, but I don't think you'll ever get a billion dollar package.' Well, he got a $1.9 billion package, and everyone on both sides of the house agreed with it.

Let us not rewrite history; that is the true story. When Victorian dairy farmers deregulated, following a referendum which resulted in 89 per cent of producers voting in favour of deregulation, there was no alternative but for all the state governments to deregulate. Therefore, we now have a different system governing the milk industry—and I will get to that in a minute. A $1.8 billion readjustment package was put out there and it has been successful. But what Senator O'Brien said was right. The drought has hit dairy

farmers worse than any other commodity producers in Australia. Warren Truss's office put out a press release saying that the drought has cost the average dairy farmer $76,000. The government has tried to alleviate that cost by giving drought relief.

I think we have to look at some of the positives. The dairy industry has done well out of the United States free trade agreement. It will have additional access to the US market, worth around $55 million in the first year, building to $75 million after 10 years and $135 million after 20 years. That is on top of the $36 million quota we have at the moment. So our dairy industry will get an immediate lift of $50 million. That is a positive. That is up 250 per cent on the value of current exports to the US, increasing over the period of the agreement to up to 475 per cent.

Free trade for Thailand is another positive for the dairy industry, with at least $9 million in extra sales for the first year. These things come with a lot of work. Senator O'Brien is always very critical of the National Party ministers. I suppose that is his job. He has to score a few points. I know he does not mean it when he gets up there and says it. I know he thinks they are all doing a pretty good job, but that is politics and the roles of opposition and government. If he did not do that, they would remove him from the front bench. But I know in his heart he thinks the National Party is doing a pretty good job on trade and primary industry.

The thing that has hit farmers very hard is a loss of $76,000 on average in the last financial year. It will take them many years to recover. I think we have put something like $1 billion worth of EC in drought payments for Australian farmers, including dairy farmers, in those EC declared areas. We have never walked away from the dairy industry. Another EC declaration of $1.8 billion covered most of the dairy farmers. We have beavered away on the free trade agreements with Thailand and the USA and have delivered. We have stuck right with the dairy farmers.

Water availability is another issue that has hit dairy farmers this year. Farmers are uncertain of their future because there is no certainty about their access to natural resources and water. Solutions to raise the confidence levels of farmers to rebuild and invest in their businesses are needed. John Anderson is working on water rights. He has the support of the New South Wales Labor Minister for Planning, Infrastructure and Natural Resources, Craig Knowles, who he quite frequently says is doing a great job. Together they are trying to work out water rights in New South Wales.

Let us not forget the dollar. If the dollar were still at US 55c, the manufacturing milk price would be up by 6c to 8c a litre. The higher dollar, roaming around 77c or 78c, has caused a 25 per cent to 30 per cent reduction in farm gate prices in Victoria. Because the price is down, no pressure is put on drinking milk—when the price of the dollar is up, sales fall. There is no pressure to drive the other sections of the industry, which are the white milk industry and the manufacturing milk industry, so there is a collective downward pressure on both the industries.

I think I understand the dairy industry as well as anyone in this place. I have taken Roger Corbett out to the dairy farmers and I have pleaded with him to listen to their concerns. He said that he is a price taker and a humble grocer and that, as such, he will take the price and put a normal mark-up on it. But the fact is that, according to a report put out by ABARE—a report requested by Warren Truss—the price of milk has fallen by about 10c a litre or 20c for two litres. So the public is doing nicely out of deregulation.

In 1997 the retailers' share was 17 per cent of milk sales. In 2000 it was 16 per cent and in 2003, after the dairy industry deregulation, it was 23 per cent. The retailers' share of milk sales has grown from 17 per cent to 23 per cent. The consumer has gained, the processors' share has gone from around 40 per cent to 42 per cent and the farmers' share has gone from 42 per cent to 25 per cent. In Queensland, depending on the where you are, the price of milk can range from 35c or 36c down to 29c. In Victoria milk is a lot cheaper than that because the Victorian farmers produce milk in a different way: the calving is done all at once in the winter, and this produces extra milk. Queensland farmers have to milk the whole time and they cannot get the cost-effective benefits that Victorian farmers get, because the majority of the milk produced is drinking milk.

The fact is that the farmers' share has gone from 42 per cent to 25 per cent. I do not believe that the retail chains are putting a massive mark-up on the milk. I think they are putting a normal mark-up on the milk. There are three processors out there—National Foods, Dairy Farmers and Parmalat, which operates Pauls—and there are two major retailers, Coles and Woolworths. The fact is that three processors are selling milk to two retailers, which is driving the price right down. So there are 10,000-odd dairy farmers, three processors and two retailers. I think everyone in this house would agree that the market power is pretty distorted. It is getting to the stage where dairy farmers are living like serfs while supplying the processors, who are supplying Woolworths and Coles. Woolworths and Coles are putting the squeeze on the processors, the processors are putting the squeeze on the producers and the price is being driven down to make it an uncompetitive market.

At some point, as dairy farmers leave the industry, prices will meet demand. There is no question about that; it is as clear as night and day. That will then kick the milk prices and we will be paying a lot more for milk. Economic rationalists would say that that is market forces working. But people who represent dairy farmers do not want that market force brutality that disassociates itself from families, farms, country towns and the contribution that dairy farmers make to these towns. Aldi are out there now, too, with their own generic brands, and they are cutting the price further. What concerns me is whether Woolworths and Coles will chase Aldi down as well. The market out there is pretty competitive. There is no doubt about it: the cost of deregulation has been borne by the farmer, but there has been a package to offset that.

Is the way out of this through collective bargaining? Last week I took a group of top dairy farmers—including the President of the Australian Dairy Farmers Federation—to meet Graeme Samuel, the Chairman of the ACCC, and we talked about collective bargaining. As more industries are being deregulated, as the market power between Coles and Woolworths is building up and as opportunities to sell to other retailers are diminishing, the seesaw is getting awfully unbalanced. You have at one end of the seesaw the farmers and the small business people sitting on the ground and at the other end the large retailers sitting up high. We have to get that seesaw level again. The only way I can see to do it is through collective bargaining, and we are going to do that. That was one of the recommendations of the Dawson report. I have appealed to the Prime Minister and to John Anderson to get that legislation up very quickly, together with section 46. If we do that, there also has to be a type of boycott. There has to be something to make people negotiate and get them to the table.

Senator Sherry—Do you endorse collective bargaining for workers, Ron?

Senator BOSWELL—You have got the unions; they collectively bargain for you. There cannot be any discrimination against people that get together to collectively bargain. There cannot be someone with a big stick who says, 'You've got the audacity to collectively bargain against me; I'm going to penalise you.' That is one of the concerns I have. I do not think any business in Australia would do it. If they did, the wrath of this parliament would come down on their head, and I advise anyone who might try to do it not to do it. There is an imbalance in the dairy industry. Dairy farmers are getting out very quickly, particularly in Queensland. They are getting out for a number of reasons, including the dollar, the drought and the prices—*(Time expired)*

Senator CHERRY (Queensland) (1.36 p.m.)—The Dairy Produce Amendment Bill 2003 seeks to make some minor amendments to the Dairy Produce Act 1986 to facilitate the functioning of Dairy Australia, which was known as the Australian Dairy Corporation until 2003. Specifically, it is to facilitate the administration of the Dairy Structural Adjustment Fund and the shifting of that function over to Dairy Australia. I will deal briefly with some of the points made by Senator Boswell about the current state of the dairy industry and then talk generally about Dairy Australia.

Senator Boswell highlighted some of the potted history of dairy deregulation in this country. He referred to the report which I am going to refer to by Whitehall and Associates, commissioned by Minister Truss, on food pricing. I have taken a great interest in food pricing. It was the key topic of my first speech in this place three years ago, and I have been following it through in terms of legislation, the Trade Practices Act, the retail code of conduct and various agricultural products ever since. The report really interested me. Reading Minister Truss's press release and the report, I think it was obvious they were talking about two very different reports.

Senator Boswell highlighted some of the very significant changes in prices received from dairy products. On a two-litre packaged milk product, he pointed out—and it is in the report—that in 2000 the producers were getting 42 per cent of the final price and the retailer was getting 17 per cent, and that post deregulation, in 2003, the producer was getting 25 per cent and the retailers' share had risen to 23 per cent. That shows that the real winners from deregulation have not been the dairy farmers; they have been the food retailers. There is no question about it. The government now have this confirmed in their own research.

It is time the government fessed up to the dairy farmers of Australia and the public at large: they stuffed up dairy deregulation. They stuffed it up, because it has completely destroyed the economic base of so many dairy farmers across this country. The figures from ABARE show that the debt levels of Australian dairy farmers are higher than the debt levels of any other farming segment in this country. They show that it was not just dairy deregulation but the drought, the collapse in the world price and now the rise in the dollar that have all conspired to destroy the livelihoods of so many farmers around this country.

Senator Boswell highlighted the fact that dairy deregulation was an initiative of dairy farmers in Victoria. It is rather ironic that the dairy farmers of Victoria are now the ones screaming the loudest about having been hit hardest by deregulation. Dairy farmers in my state of Queensland, as I am sure Senator Harris will point out, knew this and suffered first and hardest because deregulation obviously hit their industry harder than in any other state. But now the flow-on effects have

impacted on all dairy farmers, and it showed that the dairy farmers of Victoria were sold a pup by the industry leaders back in 1999. It has not worked out the way they thought, and they are now hurting as a result.

Senator Boswell kept saying the frustration is that the federal government could do nothing about it and it had no choice but to accept the decision once it was made by Victoria. That is poppycock. A federal government with all of the powers of a federal government, all the money at its disposal and all its arm-twisting abilities could have stopped deregulation if it wanted to. But the simple fact is it was obsessed with the deregulation of farm industries, obsessed with economic rationalism and obsessed with its whole free trade agenda. It wanted the dairy industry deregulated. It was happy to have the whole issue taken out of its hands and to wipe its hands Pontius Pilate style and say, 'The Victorians told us to do it.'

The Victorians could have been stopped from deregulating quite simply by the exercise of federal power. This government chose not to do so. The results are in the report tabled by Whitehall and Associates last month. As I said, the producers' share of a two-litre milk product sold in the supermarket is down from 42 per cent to 25 per cent. Even on cheddar cheese products, which were also reported on in the same report, the farm gate share fell from 39 per cent to 36 per cent between 2000 and 2003 while the retailers' share rose from 18 per cent to 22 per cent. It really has been a disaster for dairy farmers. There is simply no other way to describe it, and this report shows the minister, if nobody else, what a disaster it has been.

So what do we do about this disaster? What do we do about the enormous social and economic damage done by this government to the dairy industry across Australia over the last four years? For a start, we need to, as Senator Boswell highlighted, fix the Trade Practices Act. Collective bargaining will not fix the problem but will go some way towards it. Collective bargaining, particularly the model currently preferred by the ACCC, is to be done by geographical area. I was in the Hunter Valley last year talking to dairy farmers. They pointed out that milk is now being trucked from as far as the Hunter into Queensland and from Queensland back to the Hunter because that was where the processors could find the lowest value milk. Milk trucks are travelling all over this country as we speak, and that is why regionally based collective bargaining will almost certainly fail in this country. Eventually, they will find someone somewhere who is prepared to buck collective bargaining and undermine it. That is why we need to ensure that the Trade Practices Act is toughened up and the collective bargaining model currently proposed by the ACCC is significantly enhanced. It has to be on a national basis to have any meaning.

The other things that need to be done are the recommendations made by the Senate Economics References Committee last sitting week. They recommended significant changes to the Trade Practices Act in addition to the collective bargaining initiatives recommended by the Dawson inquiry. These included a complete overhaul of section 46—the misuse of market power provision—to ensure that the ACCC can make its actions stick. It has lost eight out of eight actions on the misuse of market power—the provisions written, as I understand it, when John Howard was business and consumer affairs minister back in 1977. It has lost eight out of eight actions because the provisions are not worth the paper they are written on. The retailers know that. They know the ACCC is a toothless tiger in these areas of market power. Until we beef up that section, until the ACCC has the powers of the US commerce

department to actually bust misuse of market power by a cause and effect test by being able to look at the whole issue of the effect of the misuse of market power and until we have decent cease and desist orders and evidentiary provisions, we are not going to be able to stop that.

Those powers are important because the ACCC's powers underpin the retail industry's code of conduct, which is currently being reviewed by government. The retail industry code of conduct, in my view, as a mandatory code backed up by the ACCC, is probably the one single initiative that could start to unravel some of this misuse of market power and the imbalance in bargaining strength in the dairy industry and other agricultural industries. But it needs a tough Trade Practices Act to underpin it and a minister prepared to say, 'The code won't be voluntary anymore; it will be mandatory. There are going to be breaches if you don't actually comply with the code.' I will be very interested to see whether the government is prepared to do a favour for the National Party at long last and sign up to a retail industry code of conduct that is much tougher than the pathetic, weak little thing that Peter Reith wrote several years ago, which we are currently operating under. Maybe then the poor old National Farmers Federation, which have been threatening to walk out of the governing council code for the last three years, might finally get what they wanted, which is something that will protect the interests of farmers.

I want to return to Dairy Australia itself and talk about the concern I have with its structure. It is the same concern that I had with the structure of Australian Wool Innovation Ltd, which was reported on by the Senate Standing Committee on Rural and Regional Affairs and Transport earlier this year. It is the same concern that we had with Meat and Livestock Australia, which we reported on last year. The concern I have is that they are not democratic organisations, and if they are not democratic organisations then they are not going to be accountable.

My concern all the way through, with all three organisations, has been that these are now hybrid, public-private organisations. They are underpinned by levies—in fact, taxes—that are collected under federal law and are just given to these organisations, which are then private companies. The shareholding of those companies is determined by a memorandum of understanding between the government and the body. In the case of Dairy Australia, it is to be based essentially on the milk tax collected from the different farmers. That means that a big farmer has a lot more shareholder votes than a small farmer. As a result, Dairy Australia will end up being dominated by the large producers, to the exclusion of the small producers.

We have seen this happen with the Australian Wool Innovation corporation, where the team headed by Ian McLachlan, which enjoyed the support of the larger producers, was able to knock off a team which was supported by the smaller producers. We have seen it in Meat and Livestock Australia, where only last year a proposal at their AGM to widen the ability to appoint the directors of the board was successfully kyboshed by the Lot Feeders Association—a very large business sector which was able to again ensure that the small beef producers were not represented effectively on the board of Meat and Livestock Australia. The problem with all three areas is an undemocratic structure, which the government has signed off on. In terms of Dairy Australia the same mistake has been made: your voting strength, which determines the levy recommended to government for the purpose of taxing farmers and determines how those taxes will be spent in terms of the decisions made by the board

of directors, will be determined by the size of your farm.

In terms of electoral reform in this country we got rid of that principle in relation to electing members of parliament years ago. Queensland was one of the last states to do it, when we got rid of the Bjelke-Petersen government and introduced one vote, one value. In Western Australia, for some reason, they still believe that farmers' votes should be worth more than city people's votes. Hopefully, that will be wiped out some time soon if the Greens actually vote the right way in the upper house. In other parts of the electoral system we got rid of the principle that wealth should equal more votes a very long time ago. We got rid of it in local government—we got rid of it in all levels of government. Yet now the National Party is reintroducing the principle into these new hybrid public-private bodies being established to administer taxes on farmers.

I think it stinks. I think it is antidemocratic and I think this government stands condemned for allowing bodies such as Dairy Australia, Meat and Livestock Australia and Australian Wool Innovation to develop, where they allow these appalling voting systems to continue. When the government responds to the recommendations of the Australian Wool Innovation report that we brought down from the rural affairs committee, I hope that they ensure that they put into their new memoranda of understanding for these hybrid bodies an insistence that democratic principles be followed and that one vote, one value be the principle for determining taxes—in terms of their collection and in terms of how they are spent. From that point of view the Democrats are happy to support this bill because it follows on from a bill that was supported by the parliament last year. But I again urge the government to ensure that Dairy Australia, Australian Wool Innovation and Meat and Livestock Australia are restructured to be more democratic than they currently are.

Senator HARRIS (Queensland) (1.49 p.m.)—I will restrict my comments on the Dairy Produce Amendment Bill 2003 in the second reading debate. Briefly, I just say that in the coming elections the almost 11,000 dairy farmers who are no longer dairy farmers will have their say. I request that this bill go into the committee stage so that I can direct some questions to the parliamentary secretary.

Senator TROETH (Victoria—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (1.49 p.m.)—I commend the Dairy Produce Amendment Bill 2003 to the Senate.

Question agreed to.

Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator HARRIS (Queensland) (1.50 p.m.)—After almost half an hour of rhetoric we are actually going to get down to what the bill is about. I will try to keep my questions to the parliamentary secretary as succinct as possible. Parliamentary Secretary, in July 2003 the Australian Dairy Corporation, then a statutory corporation, was converted to a private company. What assets and what liabilities transferred from the statutory body to the corporate entity?

Senator TROETH (Victoria—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (1.51 p.m.)—I can reply that all assets and all liabilities were transferred.

Senator HARRIS (Queensland) (1.51 p.m.)—Parliamentary Secretary, I really need to know the value of the assets and the extent of any liabilities because this impacts on some further questions that I have.

Senator TROETH (Victoria—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (1.51 p.m.)—I cannot give Senator Harris those figures at present. I am happy to take them on notice, but I do not have those exact figures available at the moment.

Senator HARRIS (Queensland) (1.52 p.m.)—This leads me to the actual structure of the bill. One Nation has concerns in relation to what the bill will enable the new corporate entity to do. The EM says the bill:

- enables the industry services body to raise money other than by borrowing;
- provides for money standing to the credit of the Dairy Structural Adjustment Fund to be used for these purposes …

I realise those are two separate dot points in the EM. What are the current funds that actually stand at this point in time in the structural adjustment fund? Are there sufficient funds within the structural adjustment fund at the moment to accommodate the outgoings that are currently being paid to the dairy farmers?

Senator TROETH (Victoria—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (1.53 p.m.)—Yes, there are funds within the structural adjustment fund to cover that, and every three months moneys are paid out to dairy farmers from that structural adjustment fund.

Senator HARRIS (Queensland) (1.54 p.m.)—That brings me to my real concern. The parliamentary secretary has confirmed that there are sufficient funds at the present moment within the structural adjustment fund to meet the dairy farmers' needs. What I have a real concern with is what the bill is actually setting out to do. Section 77CB of the bill is entitled 'Hedging through currency contracts'. It goes on to say:

(1) This clause applies to the following contracts:

(a) currency contracts;

(b) interest rate contracts;

(c) futures contracts;

(d) contracts relating to:

(i) dealings known as currency swaps; or

(ii) dealings known as interest rate swaps …

If there are sufficient funds in that fund at the moment to meet its outgoings, it is reasonable to assume that the 11c we are currently paying on each litre of milk will continue to come in. The government's own documents say that that will continue until 2008. Can the minister explain to us why we need to authorise this corporate entity to enter into futures contracts or interest rate swap contracts?

Senator TROETH (Victoria—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (1.56 p.m.)—I can inform the honourable senator that we must borrow to pay the structural adjustment program and report every three months. If we did not borrow, it is more than likely that the levy would not cover those payments. The 11c levy then pays the bank borrowing—so it is money in, money out on that basis. But there is a report every three months to comment on the state of those funds.

Senator HARRIS (Queensland) (1.56 p.m.)—I will go back to the parliamentary secretary's answer to my original question. Unless I misunderstood, the parliamentary secretary indicated that there were sufficient funds within that structural fund to meet its outgoings. If we have sufficient funds in there and they are coming from the 11c levy, why would this corporate entity need to go out and borrow or enter into contracts? My concern is that we have seen in the past some less than desirable futures contracts entered into and hedging against interest rates. Why are we giving this corporate entity the ability

to do this if there are sufficient funds within the structural fund to meet its outgoings?

Senator TROETH (Victoria—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (1.58 p.m.)—I assure the senator that there are funds available in the structural adjustment fund but it is necessary for the entity to be able to borrow to cover the outgoings to the dairy farmers. That is why this facility is being built into this legislation.

Senator HARRIS (Queensland) (1.58 p.m.)—This is one occasion when I am not going to thank the parliamentary secretary for the answer, because the answer appears to be totally contradictory. Unless the amounts that are currently held within that fund are actually borrowings then why would they need, with the 11c per litre coming in, to go out and enter into futures contracts? I could understand the government taking revenues from bonds and putting those into the funds but I cannot perceive in any way at all the necessity for this entity to be able to enter into currency contracts or futures contracts. It is a total contradiction.

Senator TROETH (Victoria—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (1.59 p.m.)—I can simply repeat my earlier answer to the senator. There is money available within the structural adjustment fund to cover the outgoings but it is also necessary to have the facility for borrowing granted to the structural adjustment fund.

Progress reported.

QUESTIONS WITHOUT NOTICE

Taxation: Compliance

Senator CONROY (2.00 p.m.)—My question is to Senator Coonan, the Assistant Treasurer and the Minister for Revenue. Has the minister seen an article in the *Business Review Weekly* of 4 to 10 March titled 'Blackguards of the boom' which sets out eight methods of cheating on federal and state tax law in respect of residential property? Has the minister examined schemes which transfer developments of units between joint venture partners to convert them from new to second-hand to avoid a GST liability when the units are sold? Given that the Deputy Commissioner for GST, Neil Mann, is quoted in the article as saying, 'Some people are taking an approach that needs to be challenged,' does the minister believe that the tax law is clear on this matter?

Senator COONAN—I thank Senator Conroy for his question. I have not seen the article. However, I am aware that the Australian Taxation Office has discussed, if you like, in the media some concerns in relation to the treatment of residential property and the GST. It is one of the matters that have not yet been brought in a minute to me. Nevertheless, it is a matter about which I am concerned and one on which I am currently having some other investigations made. Obviously it is important that where the GST is properly payable it is paid. It is important that the law is clear. If the law is not clear, obviously it is the job of my ministry and this parliament to pass appropriate laws that clarify any ambiguity. That is the answer to Senator Conroy's question. As far as the article is concerned, if he wants to pass me a copy I will have a look at it and provide a more detailed answer.

Senator CONROY—Mr President, I ask a supplementary question. It is an article from 4 to 10 March, so it is a couple of weeks old. I certainly will provide a copy to the minister, as she does not seem to have it. My question went to whether the minister believes that the existing tax law is clear. That was the question. Will this government legislate to stamp out tax avoidance and eva-

sion in this area? What action are you taking to deal with this?

Senator COONAN—The short answer to that, which is all I will have time for in one minute, is to say that if there is some lack of clarity in the tax law it is something which should be fixed. It is something upon which I take advice. When I get advice that enables me to settle a response with some particularity, that is when it will come forward and not before.

Australian Defence Force: Deployment

Senator SCULLION (2.03 p.m.)—My question is to the Minister for Defence, Senator Hill. Will the minister inform the Senate of the importance of the work being done by the Australian Defence Force in its current operations? Do our overseas deployments affect the ADF's ability to defend Australia against the threat of terrorism? What would be the impact of bringing them home?

Senator HILL—I thank the honourable senator for that important question. There are currently about 2,000 ADF personnel deployed on diverse operations around the globe. The government has committed them to each operation on the basis that they will be brought home when their job is done. The ADF is playing a vital role in Iraq, just as it is doing in East Timor and the Solomons. Australian troops first went to East Timor in 1999. In May 2002, East Timor became a nation in its own right with its own government. If we had set the transition to local administration as an arbitrary deadline for the withdrawal of Australian troops, we would have been making a grave mistake. East Timor needed further support as it established itself as an independent nation. It is a similar situation in Iraq—

Opposition senators interjecting—

The PRESIDENT—Come to order!

Senator HILL—I was saying it is a similar situation in Iraq—and the shadow foreign minister knows it. In November Mr Rudd was accusing the Prime Minister of wanting to walk away from Iraq as quickly as possible. He said it was the responsibility of people of goodwill to help Iraq. It now appears that goodwill and commonsense have gone out of the window and it is Mr Latham who wants to walk away from the Iraqi people. He has been resorting to scaremongering in suggesting that Australia is not properly defended while our troops are in Iraq. He was at it again this morning when he said:

> ... we are going to be much safer as a nation if we have our troops here instead of on the other side of the world.

Perhaps Mr Latham does not realise that we have about 850 personnel in Iraq out of a total of 52,000 permanent ADF personnel.

Since the terrorist attacks on September 11, the Howard government has committed more than $1.3 billion to the Australian Defence Force to fight the war against terror. This money has been spent on helping with the international effort to crush al-Qaeda and also to strengthen our defences at home. We are better prepared than ever to respond to a terrorist threat. We now have a second tactical assault group trained to counter terrorism. We now have an Incident Response Regiment able to respond to chemical and biological attacks. We have established a special operations command with an extra 330 highly trained combat personnel. We have strengthened our intelligence gathering capabilities and boosted security at defence bases. But we will not totally secure Australia and Australian interests by just withdrawing to the Australian mainland. There will be times when it is necessary to go out and meet the threat head-on. Thus we went to Afghanistan; thus we went to Iraq. To look at defence in more limited terms would be to adopt a

narrow and dangerous strategy. I would hope that Mr Latham will think again.

Australian Defence Force: Deployment

Senator CHRIS EVANS (2.07 p.m.)—My question is also directed to Senator Hill, the Minister for Defence. Isn't it the case that a major reconstruction effort is still needed in Afghanistan and that significant military assistance from other countries is still being provided? Can the minister confirm that only one member of the Australian Defence Force is currently serving in Afghanistan? Can the minister also confirm that, following the election of Hamid Karzai as Afghanistan's president in June 2002, Australian troops were brought home by Christmas the same year? Given that Australia sent a significant military contingent to Afghanistan after the September 11 attacks, why hasn't the government seen fit to provide any military assistance to that country since November 2002?

Senator HILL—Australia sent forces, specifically special forces, to Afghanistan to do a particular job. It involved disrupting the al-Qaeda leadership, from destroying weapons caches to destroying training bases. When it was the opinion of the Australian government that the special forces' work was done, we brought them home. That is what we say: when we send forces to do a job and we believe that that job is done, we bring the forces home.

There is still further work to be done in Afghanistan. We all know that. There are others within the international community who are now picking up that responsibility. For example, NATO is now in Afghanistan not only providing security but also providing support for reconstruction. That is what we want to see: we want to see the international community as a whole help to resolve these international problems. It will not be possible for Australia to contribute to all operations contemporaneously, but we will do our bit. We will accept our fair share of responsibility, and we believe accepting that at the moment, with about 850 forces in the Middle East area of operations focusing on Iraq, is a particularly useful contribution. What are they doing? They are protecting Australian diplomats.

What does Mr Latham say? Is he going to pull out our forces and leave Australian diplomats and officials without protection? Has he thought about that, or is he going to pull out our diplomats as well? Whilst there is no alternative to keep Baghdad International Airport open other than through Australian forces providing assistance with the control of aircraft, what is Mr Latham suggesting—that the international airport be closed down? Is he now satisfied that the full task of anti-smuggling operations and so forth at the northern end of the gulf has been completed? Is he wanting to walk away from that responsibility as well? Does he know the extent to which Australian C130s have carried out numerous humanitarian airlift missions in and out of Iraq? Does he want to walk away from that responsibility as well?

What I would suggest to the Australian Labor Party is that they ought to be proud of what the ADF is doing in Iraq. They ought to be proud that Australia is playing a useful role in helping rebuild and reconstruct Iraq and give the Iraqi people a better future. So, instead of trying to get some short-term populist political advantage, Mr Latham ought to be looking to how Australia can not only make Australia safe for the Australian people but contribute to a safer world as well.

Senator CHRIS EVANS—Mr President, I ask a supplementary question. I thank the minister for his answer. I notice that all the capabilities he described in Iraq have been foreshadowed by him to be withdrawn in

coming months. On the Afghanistan question, hasn't Australia been directly approached by the government of Afghanistan to provide military resources to help train the Afghan armed forces? Isn't it true that the Howard government has consistently refused to provide any training assistance? Why has the Howard government rejected all requests for help from Afghanistan?

Senator HILL—I answered that by saying that others have picked up that responsibility. That task is being led by the United States, which obviously has much greater resources than Australia.

Senator Chris Evans—What about Iraq?

Senator HILL—I am reminded by Senator Evans that we in turn are helping to train the new Iraqi army, which will be a critical institution for the future stability of that country. We are assisting Iraq in training the new Iraqi navy, which will carry out a similar role. This is a fair responsibility that we are accepting.

Senator Chris Evans—And you're going to bring them all home; you said so.

Senator Faulkner—That's right—you're withdrawing them.

Senator HILL—No, when the job is done we withdraw. When there is an alternative at Baghdad International Airport we can bring our forces home. We do not want them to stay any longer than is necessary but, while the task remains, we believe Australia should be playing its part in helping deliver a safe Iraq and a better future for the Iraqi people.

The PRESIDENT—I remind the Senate that senators asking questions and ministers replying deserve the courtesy of being heard in some sort of silence. Continually interjecting while ministers are trying to answer questions is totally disorderly.

Resources: Investment

Senator MASON (2.13 p.m.)—My question is to the Minister representing the Minister for Industry, Tourism and Resources, Senator Minchin. Will the minister advise the Senate of any significant recent announcements regarding investment in Australia's resources sector? Is the minister aware of any looming threats to Australia's resources industry?

Senator MINCHIN—I thank Senator Mason for that question and acknowledge what a fine representative he is of the great resource state of Queensland. It has been a very good week for the resources sector. On Tuesday BHP Billiton, a great Australian company, announced that it is going to give the green light to its planned $1.86 billion Yabulu-Ravensthorpe nickel project, which is going to underpin what is a very significant industry for Australia. It is going invest $1.4 billion in the Ravensthorpe nickel mine and processing plant in Western Australia and another $400 million in the Yabulu refinery in Queensland.

It is going to create 1,600 new direct and indirect jobs in WA and Queensland. It will increase our nickel production by 140 per cent, extending the life of this refinery at Yabulu by 25 years. Our annual exports of nickel will increase by $680 million and the net economic benefit to Australia during the life of this nickel project will be $23½ billion. As a result of this project, Australia will become the second biggest supplier of nickel in the world, second only to Russia—a country that, I point out in passing, is also a very good producer of rockets, which we hope to see being launched from Christmas Island some time soon, despite Senator Carr's best efforts.

I was also asked about threats to the great Australian resources industry by Senator Mason, who represents the resource state of

Queensland. Unfortunately, the possibility of a Latham led Labor government does represent a very substantial threat to this industry. We already know that, despite what Mr Latham said in Wollongong about the Kyoto protocol, where he condemned it, he is going to ratify it, which will be very damaging to investment in Australia and the resources sector. Labor have promised to reduce the diesel fuel rebate for the mining industry, which would represent a $400 million per annum tax slug on the resources industry if they were ever to get to power. But of course the greatest threat to this industry is Labor's promise to abolish Australian workplace agreements and re-regulate the IR system in this country. It is a real threat to this industry because the resources sector in particular has a very high concentration of workers on AWAs. Some 50 per cent of workers in the resources sector are on AWAs, Australian workplace agreements. Obviously it will have a devastating impact on this industry if they ever get their way.

The industry is very well aware of the threat posed by a future Labor government. Speaking at a recent Australian Mines and Metals Association conference in Perth, Mr Steve Knott, the chief executive of that organisation, said:

> Proposals to return to a monopolistic union and tribunal centred system of industrial relations would have disastrous economic consequences for Australia.

That same conference was told that the ALP's plan to scrap AWAs and give unions the key to the premises would slash productivity and reduce international investment. We have a situation where the Labor Party are quite prepared to risk the future of our resources industry, an industry which is vital to Western Australia and Queensland, where the BHP project is proceeding, simply in order to appease their union paymaster, who we saw in full flight at the recent ALP national conference. If they do get their chance to implement any of these policies at the election later this year, the Australian resources sector will be the big loser. Particularly big losers will be the people of Western Australia and Queensland.

Australian Defence Force: Deployment

Senator CHRIS EVANS (2.18 p.m.)—My question is directed to Senator Hill, the Minister for Defence. I refer him to his previous answer where, as part of his justification for maintaining troops long term in Iraq, he used our security detail. I refer him to his comments on 1 May 2003 about security inside Iraq, when he said:

> So if you're asking how long will we need military security for example for the new Australian Embassy, that's impossible to say but a time will come—and hopefully it won't be too far away—when civilian security guards can replace the military component.

Is it still the minister's view that civilian security guards should be used to provide protection for the Australian mission? Is it still his view, as he expressed in May last year, that that would hopefully be very soon?

Senator HILL—I have said before and I have said today that we do not want to leave troops in Iraq longer than is necessary. Ultimately it will be possible to replace military security with civilian security but we cannot put a date on that. We are certainly not going to predetermine that it is at the end of this year, whatever the circumstances might be. We see a responsibility to protect Australian diplomats and Australian officials. If that responsibility requires a military unit then we will provide that military unit. As I said, I hope the time will come when the security situation within Iraq has improved sufficiently for us to withdraw our troops.

Senator CHRIS EVANS—Mr President, I ask a supplementary question. I note that the minister concedes that it is his plan to

remove that military component; it is a question of timing. Minister, isn't it also true that it is your stated intention, which you have repeated on a number of occasions, to remove the military component providing air traffic control services at the Baghdad airport as soon as possible and that it was originally envisaged they would be withdrawn over six months ago? Isn't it the case that you will remove that component as well, as soon as possible?

Senator HILL—It is not so much a question of the timing; it is a question of the risk. How can you magically determine that December is the critical date when the risk will no longer be there and when it will not be necessary to protect diplomats with Australian forces? You cannot, of course. You can only pick an arbitrary date if you want to make a political point. If you believe it would be popular to bring the forces back home, if you want to make a big man of yourself, you go out and say, 'December's the date. I'll bring the troops home.' This government has got a different approach. We believe that if there is a job to be done and it requires military support then the Australian people expect us to provide that support.

Opposition senators interjecting—

The PRESIDENT—Order!

Senator HILL—In relation to the controllers, when there is an alternative available that can be put in place we can bring the military controllers home. There is not another alternative at the moment. That is why the ADF are doing the job, and they are doing a great job. *(Time expired)*

The PRESIDENT—Order! Some senators seem to think that it is within standing orders to ask a question and then continually interject while a minister is answering it. It is totally disorderly and I will not accept it.

Environment: Ranger Uranium Mine

Senator ALLISON (2.21 p.m.)—My question is to the Minister representing the Minister for the Environment and Heritage. Is the minister aware that yesterday 20 mine workers drank or showered in radioactive mining waste that found its way into the water supply at the Ranger uranium mine? This was not detected by ERA, the Northern Territory government or the Supervising Scientist. Is the minister aware that it was only discovered when employees complained that their drinking water tasted strange and they started to suffer adverse health effects? Given that the contamination incident was not detected until it was reported by workers, will the minister agree that the monitoring and regulatory system for this uranium mine is totally inadequate?

Senator IAN MACDONALD—I am aware of the incident, which has received quite a lot of media reporting in recent hours. The Supervising Scientist was advised by ERA, the operators of the Ranger mine, that the potable water of the Ranger mine had been contaminated. Dr Kemp, as the environment minister, and I—and in fact the government as a whole—are very concerned about this incident. We have asked the Supervising Scientist to conduct an immediate inquiry as his top priority. Dr Kemp has received a preliminary report from the Supervising Scientist and has asked that a full and comprehensive report be prepared once all of the facts are known. Once a final report has been prepared, Dr Kemp will be pursuing any recommendations with the mining company and the Northern Territory regulators to ensure that this type of incident does not occur again.

Senator Crossin—You say that all the time.

Senator IAN MACDONALD—I hear an interjection from a Northern Territory sena-

tor. You may well want to raise this point with the Northern Territory regulators as well, Senator. They have a very important role to play in this. I am sure you will be shouting at them the way you are shouting at me.

Returning to Senator Allison's question, the preliminary information indicates that the probable source of the contamination was an inappropriate connection made between the mine's process water system and its potable water system. It appears that this connection was in place for a period of about 12 hours. The uranium concentration in the potable supply was about 400 times the water quality guidelines value. The mining company has closed down the water system and it will remain closed until all traces of contamination have been removed. All operations at the mine have been shut down and non-essential mine staff have been sent home. The government, as I say, views this very seriously. The incident is unacceptable to the government and we are very concerned about the possible health implications for the mine staff involved.

Senator Allison specifically asked me whether this showed that the arrangements in place were not working—or a question to that end. These mines have been there for a very long time and, by a large, the safety and maintenance arrangements that are in place have worked well, with some exceptions. This is an exception that is not acceptable to the government and we will be pursuing it. We will also be calling upon the Northern Territory to exercise its responsibilities in relation to the matter. The Supervising Scientist has advised ERA to seek expert medical advice on the possible health consequences of the incident. Indeed, the Supervising Scientist is himself seeking such advice.

Senator ALLISON—Mr President, I ask a supplementary question. Will the minister acknowledge that this is not a one-off incident? In fact, there have been more than 100 leaks and spills at Ranger. Given the seriousness of this incident, will be minister close the Ranger uranium mine until the inquiry has been completed by the Supervising Scientist? Will the minister shut the mine until monitoring and management systems are in place that can prevent such serious incidents happening in the future? Is he prepared to enforce the federal government's own laws and properly penalise ERA this time?

Senator IAN MACDONALD—I am not sure, Senator. I will take some advice from Dr Kemp on whether we have the ability to shut the mine down, if indeed that were to be an appropriate response. I repeat what I said to the senator in response to the original question: the mine has been closed by the operators, non-essential staff have been sent home and the mine will remain closed until all traces of contamination have been removed—and that is removed not only to the satisfaction of the company but also to the satisfaction of the government. We are, I repeat for the third time, very concerned about this incident, as no doubt Senator Allison is as well. We will be doing everything to ensure the safety and health of the people involved in that operation.

Taxation: Capital Gains

Senator WEBBER (2.27 p.m.)—My question is to the Assistant Treasurer and Minister for Revenue, Senator Coonan. Has the minister asked Treasury and the ATO to assess the risk to revenue of spouses falsely claiming to have separate main residences from their partners so that they can each claim a separate principal place of residence exemption from the capital gains tax?

Senator COONAN—I act on advice that comes forward to me from the Australian Taxation Office when there is some irregularity identified or some problem in relation

to legislation where there needs to be a tightening of the law, or when there is some other practice that needs government attention. I have not had any of these matters brought to my attention and I have not had any minute or advice in relation to it.

It is an interesting matter that Senator Webber raises, however. I must say that I am very touched that the Labor Party appear to be so exercised with regard for the revenue. That is an admirable aim. Whilst they are at it, they might like to actually inquire as to the leak to the revenue and the leak to the taxpayers' funds of the rivers of gold running into Centenary House. Every day some $6,000 is trousered by the Australian Labor Party, following the fact that they do not review the lease for Centenary House. Some $36 million above market rates is flowing from taxpayers, who work hard and pay their taxes, into the coffers of the Labor Party. Thousands of dollars a month go into the Labor Party's coffers from Centenary House. We all know that it is very difficult to take the high moral ground when you have such a public embarrassment as Centenary House and such an ongoing rip-off of the Australian taxpayers, who have had absolutely no relief from this Labor rort since the time this lease was entered into.

Senator WEBBER—Mr President, I ask a supplementary question. I would draw the minister's attention to the fact that my question was about people falsely claiming exemptions from the capital gains tax. Will the government legislate to cut off this rort? What action has the minister herself taken in this regard?

Senator COONAN—If anybody falsely claims anything in relation to their tax liabilities, that is a matter for the Australian tax office. If there is some deficiency or some lack of clarity in the law, that is the responsibility of the minister. I do not expect that Senator Webber would understand the difference, but that is what it is.

DISTINGUISHED VISITORS

The PRESIDENT—Order! I draw the attention of honourable senators to the presence in the gallery of Senator Louis Duvernois, from the parliament of France. I warmly welcome you to the Senate and to Canberra.

Honourable senators—Hear, hear!

QUESTIONS WITHOUT NOTICE

Taxation: Depreciation

Senator MURPHY (2.31 p.m.)—My question is to the Assistant Treasurer, Senator Coonan. I refer the minister to the ATO's proposal to change the accelerated depreciation rules for buses from 6⅔ years to 15 years. Given the ageing fleet of school buses in this country, particularly in my state where school buses are mostly 15 or more years older, can the minister outline the government's reasons for accepting the ATO's proposal, which will only ensure that our children are going to continue to travel on old and sometimes unsafe buses? Further, can the minister also advise the Senate about why we are permitting the importation of buses that are in excess of 15 years of age and which do not comply with the Australian design standards? How is this good for the safe transportation of our children?

Senator COONAN—I thank Senator Murphy for his question. The second part of his question is not in my portfolio, so I cannot talk about the importation of buses. What I can say is that the review of depreciation is something that is being undertaken by the Australian tax office and that revision of the depreciation schedule is something that is only undertaken after extensive consultation. That is not to say that there are not cases where the government needs to look at the approach the ATO considers appropriate in

relation to depreciation. It is a matter that has been brought to my attention by a number of constituents. I do not think it is appropriate that I should comment any further because the matter is currently under consideration in my office in relation to some of the impacts on some constituents.

Senator MURPHY—Mr President, I ask a supplementary question. Can the minister commit to the Senate that she will not allow the increase of the accelerated depreciation, for buses in particular, to go above the current 6⅔ years?

Senator COONAN—I am certainly not going to be making policy on the run in question time. It is a matter that affects a number of industries and there are some serious and very difficult and confronting issues facing operators of buses. As I said, it is a matter to which it is appropriate that I have regard to and that I take advice on, and that those who wish to approach me in relation to this matter have an opportunity to do so, without getting some progress report on the way through in question time.

Taxation: Capital Gains

Senator COOK (2.33 p.m.)—My question is to Senator Coonan as the Minister for Revenue and Assistant Treasurer. I note the minister has said she has not read the article in the *Business Review Weekly* of 4-10 March, entitled 'Blackguards of the boom', but I do ask the minister whether she has read the boxed section in the *BRW* article titled 'Houses of ill repute' which gives an example of spouses falsely claiming two separate principal places of residence to avoid land tax relating to a weekender? Has the minister discussed with state Treasurers the risk to state revenues, in particular to land tax, of spouses falsely claiming separate principal places of residence?

Senator COONAN—This is not a matter that comes within my portfolio; it is to do with land tax. Not only is it something that I would not discuss with state Treasurers but it is also not something over which I have any legislative or other control.

Senator COOK—Mr President, I ask a supplementary question in view of that answer. Can I ask the minister what sort of information state governments could provide to the Australian tax office, which is in her area of responsibility, that would assist in identifying spouses who may be falsely claiming separate principal places of residence to avoid capital gains tax, which is also in her area of responsibility? What action has the minister herself taken to ensure that information is made available to the tax office to enable a crackdown on this tax avoidance rort?

Senator COONAN—I must say in relation to that supplementary that I do not have any information that could assist the tax office or indeed any state legislative authority or state taxing authority relating to that matter, either personally or in any capacity as a minister. It is not something that arises. Whilst I acknowledge that this is just a continuation of a grubby attack on me that did not come off last year, it clearly shows the Labor Party have got nothing to do in looking at any of the issues that are important to Australians and to the tax revenue. Rather than asking me questions that have absolutely no relevance to any issue of fact, why don't the Labor Party do something for the taxpayers of Australia and end the Centenary House rent rort rip-off that the Labor Party has done nothing about for— *(Time expired)*

Social Welfare: Fraud

Senator HUMPHRIES (2.36 p.m.)—My question is to the Minister for Justice and Customs, Senator Ellison. Will the minister inform the Senate how the government's approach to reducing welfare fraud is benefiting the Australian taxpayer? How are Austra-

lian agencies working together to protect the public purse?

Senator ELLISON—I thank Senator Humphries for what is an important question in relation to welfare fraud in this country. Everyone would agree that it is important that Australia have a welfare system that reaches its target. No-one in Australia would condone, in any way, welfare fraud. Yesterday I was present when AUSTRAC, our financial intelligence agency, entered into an agreement with Centrelink. This came about as a result of legislation which was amended late last year and now allows AUSTRAC access to data which will give the government more clout in the battle against high-end welfare cheats. This is very important. It will enable AUSTRAC and Centrelink together to analyse accounts and financial transactions and to detect any significant cash transactions or transfers—and, importantly, multiple transfers or transactions which involve small amounts of money but, in the whole, could involve a substantial rip-off of the welfare system.

There will be protocols in place to protect the privacy of those innocent people who are not ripping off the system. It is estimated that this will save, in the short term, about $5 million for the Australian taxpayer. It sends a very clear message to anyone engaged in organised welfare fraud that they are on notice and that we will detect them and punish them. This has not been available before and it is a great step forward. AUSTRAC does a great job in detecting money laundering in this country, and also in the work that it does overseas. It is now working with some 28 partner agencies across Australia. This is the latest step forward in this government's fight against money laundering and, particularly, fraud in the welfare sector. The situation that we have seen in the past will no longer exist. You will not be able to get under the radar. You will not be able to engage in financial transactions using false identities without detection. Centrelink will devote some 46 officers to this project. With that will come the expertise and resources that AUSTRAC has. We have funded AUSTRAC to do the great job it is doing.

As I mentioned earlier, AUSTRAC also works with overseas countries. We have entered into agreements with some 27 countries in the international fight against money laundering. What we have here is a great initiative in tracking down high-end welfare fraud. AUSTRAC is not only working domestically in relation to law enforcement in Australia but also carrying out Australia's responsibilities in the fight against money laundering internationally. We welcome the cooperation of Centrelink in the development of this agreement. It resulted, as I say, from legislative amendment last year. It is something that really is quite groundbreaking in financial transactions and the tracking of welfare fraud. It is something which is going to save the Australian taxpayer a lot of money. What is more, it puts on notice those people who rip off the welfare system in an organised fashion. They will now be caught using the great technology and expertise in this partnership of AUSTRAC and Centrelink.

Howard Government: Advertising

Senator MOORE (2.40 p.m.)—My question is to Senator Coonan, Assistant Treasurer and Minister for Revenue. I refer to the minister's refusal to answer questions here yesterday about the government's original superannuation co-contributions TV advertising campaign involving a pig. Will the minister inform the Senate how much it cost to re-shoot the advertisement to reduce the size of the pig? Can she clarify whether the print material was changed as well, to reduce the size of the pig? If it was, what cost was involved?

Senator COONAN—This is getting very close to tedious repetition. In any event, let me repeat what I said yesterday: that this government believes in truth and transparency in advertising and it is clearly appropriate that you have a proportionate pig, not a disproportionate pig. In the case of Centenary House, we have a disproportionate pig guzzling taxpayers' money—all to the benefit of the Labor Party. The co-contribution pig, on the other hand, is one that encourages people to save for their retirement, in particular those people who otherwise would not have had any incentive whatsoever to save for their retirement.

The advertisement campaign is an entirely appropriate way to let people who otherwise would not have had any knowledge of the fact know that there is a matched contribution from the government—a direct injection into the retirement savings of Australians—that will enable them to use their piggy bank to save for their retirement and assist them to end up with a better standard of living in retirement. The ad was changed to provide an appropriate and proportionate response to what is needed to convey the government's message, as I have said, in an appropriate and transparent way. This government does not exaggerate what this measure is about. The measure is there to help people on low incomes, particularly those from $40,000 downwards, to save for their retirement. Rather than denigrating an advertisement campaign, for goodness sake, why doesn't the Labor Party actually get behind the government's policy to encourage low-income earners to have some benefits in retirement—instead of sitting here and taking silly pot shots at an advertisement campaign which is properly targeted at those who really need the information.

Senator MOORE—Mr President, I ask a supplementary question. Could the minister clarify the actual cost of the advertisement, which was the original question, and whether the Treasury did make an emergency call to the Perth Mint, which was the only mint open at the time, to establish that the actual savings involved in the co-contribution proposal would not fill the original, probably non-proportionate, pig?

Senator COONAN—I think it is an identical question to yesterday's. I cannot believe that the Labor Party are actually spending a question time worrying about the size of an image in an advertisement campaign instead of seriously worrying about what the policy is all about. We know that it is an effective policy, because it is getting under your skin, and we also know that you are more worried about the size of a pig than the fact that there needs to be an enhancement of retirement incomes. It is an absolute disgrace that the Labor Party do not see that this is something to help people on low incomes and otherwise who would have no prospect of saving for their retirement.

DISTINGUISHED VISITORS

The PRESIDENT—Order! I draw the attention of the Senate to the presence in the public gallery of the choir from Rwanda who performed so magnificently in Parliament House today. Welcome to the Senate and thank you for being such great ambassadors for your country.

Honourable senators—Hear, hear!

QUESTIONS WITHOUT NOTICE

Forestry: Logging

Senator BROWN (2.45 p.m.)—I endorse that welcome. My question is to the Minister representing the Minister for Foreign Affairs with regard to the logging of Tasmania's ancient forests. I ask the minister: what reaction has the government got to a motion before the House of Commons in London today by the Liberal Democrat spokesman on the environment, Norman Baker, and endorsed

by 14 members of the Conservative, Plaid Cymru and Labour parties, calling on the Australian government to uphold the Convention on Biological Diversity and put an end to the logging of forests in Tasmania and in particular the poisoning of wildlife, including endangered species, by 1080 poison?

Senator HILL—We do uphold the Convention on Biological Diversity. It was duly taken into account in determining the Tasmanian Regional Forest Agreement, an agreement that we believe is achieving environmental benefits on the one hand and, on the other hand, economic benefits in terms of jobs associated with use of the timber resources. It is a position that seems to have been supported by the Leader of the Opposition, Mr Latham, when he was in Tasmania. It was something of a coup, I thought: he supported the government's position on the RFA and got an endorsement by Senator Brown at the same time. I am not sure what that tells us about Senator Brown. We always knew that the Labor Party was going to get Green preferences, so it was all a bit of a charade.

Opposition senators interjecting—

The PRESIDENT—Order! Minister, ignore the interjections.

Senator HILL—Anyway, I believe Mr Latham's endorsement of the government policy was noted. The RFA was a difficult negotiation. It involved the state government as well as the Commonwealth government. It was backed by a great deal of scientific research. It is a balance, but we believe it is achieving the dual objectives for which it was established.

Senator BROWN—Mr President, I ask a supplementary question. In a letter to the British Secretary of State, Mr Jack Straw, the Liberal Democrat spokesman, Mr Baker, said:

> ... the Australian Federal Government is a signatory to several international conventions that seek to protect such species of flora and fauna from further depletion to their numbers—yet through its inaction over this issue it is failing to keep to its word.

I ask the honourable minister: what contact has there been from the Australian High Commission on representations about this matter, and what reaction does he have to the call from animal protection groups in the UK for a boycott on Tasmania while this poisoning of wildlife and destruction of ancient forests and ecosystems continues?

Senator HILL—Obviously, nobody supports the unnecessary poisoning of wildlife, and we have a particular interest in conserving Australian native wildlife. I would suggest to the honourable senator that there are constructive contributions he can make to help in achieving that goal, but simply going out and endorsing international calls for a tourism boycott of Tasmania will not solve the problem. It will cost Tasmanian jobs. It is not in the Australian national interest.

Taxation: Salary Sacrifice Arrangements

Senator WONG (2.49 p.m.)—My question is to Senator Coonan, the Minister for Revenue and Assistant Treasurer. Does the minister recall that yesterday she confirmed that the government had decided, in addition to legislation already passed to preserve access to salary sacrifice arrangements in state public hospitals, to provide similar legislative protection for the salary sacrifice arrangements currently enjoyed by officers of ambulance and country fire services? What was the basis of the government's decision to protect salary sacrifice arrangements of employees of public hospitals and ambulance and country fire services? Does the minister believe that, as a general matter of principle, taxpayers in like circumstances should receive the same tax treatment?

Senator COONAN—What I was attempting to describe yesterday that might have escaped Senator Wong was the fact that the Tax Laws Amendment (2004 Measures No. 1) Bill 2004 includes changes to the law that will require charities, including public benevolent institutions, to be endorsed by the Commissioner of Taxation in order to access all relevant tax concessions. In dealing with the effect of the changes on bodies controlled by states and territories, I went on to describe how the changes protect the charitable status of these entities. I also went on to say that certain government bodies may qualify for status as a deductible gift recipient and so be able to receive tax-deductible donations and access GST concessions as a gift deductible entity.

The Treasurer has recently announced that the government will amend the Income Tax Assessment Act 1997 to ensure that bodies coordinating fire and emergency service organisations in states and territories are able to receive tax-deductible gifts. The Taxation Office has recently confirmed that the individual volunteer fire brigades are able to be endorsed to receive tax-deductible gifts. In addition, the government has recently legislated, as Senator Wong correctly says, to allow all public hospitals to receive the $17,000 capped fringe benefits tax exemption even when they do not qualify as a public benevolent institution and has announced its intention to extend this concession to public ambulance services from 1 April 2004.

I also pointed out that the changes to the government status of certain bodies can be a decision that a state government makes, and if states want to run these bodies then the bodies become government entities and, as the law has not changed, they are no longer public benevolent institutions and in those circumstances are not entitled to some of the special tax concessions that PBI charities receive. As I said yesterday, certain matters that do deserve consideration have been brought to the government's attention. Some rationalisation of this approach may be necessary. As with all matters to do with tax policy, where there are some ongoing matters under consideration it is entirely appropriate that I provide general information to the Senate. As to why one would make some distinction when there are currently other matters under consideration, I do not think it is appropriate that I give a running commentary on those negotiations.

Senator WONG—Mr President, I ask a supplementary question. Rather than giving us a running commentary, can the minister answer this: will the government now extend the same protection of salary sacrifice arrangements to low-paid carers in disability service organisations?

Senator COONAN—I said in response to Senator Wong's question, and I do mean it, that certain matters are under consideration. I do not think it is appropriate that these kinds of commitments are given during question time. They are a matter of detailed policy that affect a broad range of people who are rightly concerned that the government takes into account their points of view and comes to a considered view before making an announcement.

Immigration: People-Smuggling

Senator GREIG (2.54 p.m.)—My question is to Senator Ellison in his capacity as Minister for Justice and Customs. I refer the minister to the answer given in this place on Tuesday by Senator Patterson in relation to the trafficking of women, and resources being made available to them through Centrelink. Can the minister reassure the Senate that all victims, not just those who might have agreed to give evidence to the Federal Police, have been made aware of these programs and that all victims are being treated equally in access to resources through Cen-

trelink, such as counselling, English classes and work rights? If not, why not?

Senator ELLISON—Part of the $20 million which we announced in relation to the sexual trafficking of women involved a victim support package. There was an awareness package involved in that to increase awareness of this problem. In relation to victim support, as I understand it, they receive support for the first 30 days regardless of whether they are assisting police or not. Thereafter, that support is conditional on that. As to what Centrelink can provide beyond that to the victims of sex trafficking generally, that is not really in my portfolio. We do have a package of support for those that are assisting the police in their investigations. As I have said, we need to provide an environment for those women so that they can assist us in our investigations. A number of other initiatives have been announced in relation to visas and the training of officers. The Australian Federal Police, for instance, are undergoing training in how to deal with these women.

In relation to the general assistance for victims of trafficking, that is really a question beyond my portfolio. I can only say that for those who give evidence and assistance to the police we do have a package of assistance. We do believe it is wise to have that nexus insofar as law enforcement is concerned. We see it in witness protection packages, for instance. In relation to the package I mentioned—the $20 million—$5.6 million of that goes to victim support. That is support that is tied to the assistance that they are giving police. As to the wider assistance to the victims of sex trafficking generally, I will take that on notice and advise Senator Greig.

Senator GREIG—Mr President, I ask a supplementary question. I thank the minister for his answer. As a part of its response to the trafficking of women, the government has long advocated a comprehensive community awareness campaign and has, I understand, dedicated money to that. Is it the case that the NGO Project Respect has been specifically told that it cannot tender for that project and, if so, why is that the case? Can the minister advise which community organisations have been specifically invited to tender to work on such a community campaign?

Senator ELLISON—In relation to the public awareness campaign, I understand that we are dealing with a communication strategy which is not necessarily in the domain of NGOs. As to the advice that has been given to Project Respect, I will take that on notice. I do understand that the principle involved here is engaging people who are in the communications industry and who have expertise in such programs and in communicating them out. Of course we will use NGOs in relation to the dissemination of information and we will be seeking their assistance in this. As I understand it, the communications package is one which is being tendered to people in that sector, such as public relations companies and people of that sort. The NGOs would have to have that sort of expertise to tender for this. As to the advice to Project Respect, I will take that on notice.

Superannuation: Temporary Residents

Senator SHERRY (2.58 p.m.)—My question is to Senator Coonan. Didn't the Liberal government's 2001 election campaign policy contain a significant new revenue/tax raising measure titled 'Allowing departing temporary residents access to their superannuation', a measure forecast to raise $325 million over four years, an amount reflected in the forward estimates for 2002-03 onwards? Is it not correct that the government has been unable to collect most of the new superannuation tax—$70 million in the first year of operation—because Treasury are

unable to find and contact departed and departing temporary residents—for example, hundreds of thousands of backpackers who have left the country, address unknown? Is this not the real reason for the minister's refusal yesterday to respond to an order of the Senate to provide details of the actual revenue collected?

Senator COONAN—I must say that I am getting used to the lucky last question on a Thursday from Senator Sherry. I thought that he might have kept his head down this week. Rather than work until he drops, I thought he would retire when he was ready. But we have to give it to Senator Sherry for front. He got his answer yesterday that it is entirely inappropriate to provide the kind of revenue movements that he sought. The temporary residents measure has in fact been very successful and I want to take this opportunity to tell the Senate about that.

Senator Sherry—Give us the figure! How much money have you collected?

The PRESIDENT—Order, Senator Sherry! I remind you of what I said earlier. You do not continually interject while a minister is trying to answer a question you have asked. I would ask the other senators in the chamber who are interjecting to come to order also.

Senator COONAN—Clearly, the problem is that Senator Sherry is too busy yelling to actually read the proper indexation rates. Instead of paying for a focus group, the Labor Party really and truly should have paid for a proofreader. In any event, I do want to tell the Senate and those listening about the very good policy that is the departing residents policy. The measure will benefit those temporary residents, and many of them are temporary residents, including those who have already permanently departed and those who may depart in the future. It is a measure designed to assist those people who come to Australia for a short time, work here for a while and depart permanently.

The actual long-term take-up rate of the measure is not yet clear. There is an initial period during which eligible people need to become aware of the measure and educated on how to comply. That is the reason for the co-contribution ad, Senator Sherry. To this end, the Australian tax office has undertaken an extensive education campaign to raise awareness of the ability of departing temporary residents to access their superannuation. They have contacted temporary residents who have left the country and temporary residents currently in Australia and they are now advising new arrivals of this program.

The ATO advises me—and I have a note here—that awareness of the scheme is increasing. The number of departing temporary residents who are providing email contact details on departure cards or who have accessed the web site has increased from around 2,000 a month at the beginning of the scheme to 16,000 a month in January 2004. Over time this is expected to translate into an increasing take-up of the measure. Senator Sherry, this was a targeted measure that will provide real benefits not only in revenue—that is an important matter—but also for those people who otherwise would have their superannuation tied up but are never coming back to this country and will not be retiring in this country.

It needed to be done. It was something that I understood you supported, and now it seems an extraordinary thing that what you are most focused on is the revenue. I am so heartened that the Labor Party are now concerned about the revenue. This tender regard for taxpayers is something that I welcome and, if you would only renegotiate the Centenary House lease, the taxpayers of Australia would be very much better off.

Senator SHERRY—Mr President, I ask a supplementary question. If the minister believes and claims that this is so successful, why won't she give us the revenue collected from this measure? Why is the government covering up the loss of hundreds of millions of dollars in revenue from this measure? Why won't the government be honest, admit it has made an error and correct the record? Give us the revenue.

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

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Answers to Questions

Senator CONROY (Victoria) (3.05 p.m.)—I move:

That the Senate take note of answers given by the Minister for Revenue and Assistant Treasurer (Senator Coonan) to questions without notice asked by opposition senators today relating to taxation and to superannuation.

What we have seen today is another pitiful example of a minister out of her depth, unable to answer questions and unable to master the detail in her own brief. We asked a simple question about whether or not she had seen a major item about tax avoidance in this country. Let us remember that this is the Minister for Revenue. Her main job, her only job, should be protecting revenue in this country. She is not even aware of the issues. She is too busy trying to tell jokes—and what shocking ones they are—about why she cannot do her job. She is unable to give us advice, she says. She is unable to answer the question. Her answers to Senator Sherry's questions on notice are simply no. She will not give us the information; she will not tell us. This is a minister who is struggling, who is unable to get on top of the detail in her own portfolio.

We found out earlier this week why that is. It is clear that she is spending her time undermining Ross Cameron. You have got Ross Cameron out there doing his best to bring IFSA and the fund managers in this country to the table to provide detailed information to consumers about what it is costing them. Yet what does Senator Coonan do? She goes to a newspaper to interfere in Parliamentary Secretary Ross Cameron's portfolio, to undermine him, to cut his legs off and to do the bidding of fund managers in this country. It is no wonder she cannot manage her own portfolio. It is no wonder she spends her time looking after the tax avoiders in this country, flying off to Perth and going to the Royal Perth Yacht Club to look after the tax avoiders in Perth. That is what this minister spends her time doing. She pays no attention to detail and has no competence in her portfolio areas, and it is just exposed for all to see. I am glad we are on broadcast today. I am glad that everybody in Australia—

Senator Chapman interjecting—

Senator CONROY—We were during question time. The light has gone out. The light is not on very often with you, Senator Chapman, but it has gone out now. We were on broadcast and that is why it is important that everybody in Australia saw that this minister wants to duck the questions, wants to avoid answering them, wants to hide behind jokes and wants to hide behind irrelevant arguments about the Labor Party and Centenary House because she cannot do her own job. She spends her time phoning the Perth Mint to try to make sure that the disproportionate pig in her ads is made smaller. The government has decided the most important thing this minister can do is get on the phone to worry about the size of a pig in an ad. It is not surprising, because this government is rolling out the pork barrel and it is sensitive about it. But can you imagine a minister in this government on the phone to

the Perth Mint—because it was the only one open—desperately trying to find out how much money you can put into a pig that size? What a joke!

This is a minister who could not tell us how much it cost to reshoot the ad—a simple and straightforward question. Twice we have asked it now, and twice she has not been able to answer it. We asked: did you make this call to the Perth Mint? But there was no answer. The government do not want to talk about it, because they all know how embarrassing this is. Why won't she tell us the answers to these questions? What does she have to hide? This is quite abysmal from a minister who has now been in the job for nearly 2½ years. You could have given the minister some slack at the beginning. Yes, it is a tough portfolio and, yes, there are a lot of details to get across, but it is 2½ years in and she cannot answer the most basic questions about her own portfolio. She refuses to answer for her behaviour. She is trying to put in the fix again to help tax avoiders. Her own backbench is revolting against her, Don Randall has said that she is incompetent and cannot deal with her own portfolio and the Prime Minister turned up to listen to backbenchers in a meeting with Senator Coonan. It is obvious she cannot do the job. The Prime Minister should do the decent thing and do what he did to Senator Patterson—demote her—because it is painful to watch. That is what should happen. With Senator Patterson he was prepared to bite the bullet and demote her because she was incompetent. He should do the same to Senator Coonan unless she starts turning up in this chamber properly briefed and properly able to answer questions that are simple and straightforward. *(Time expired)*

Senator WATSON (Tasmania) (3.10 p.m.)—I am relatively close to the tax scene, and I must say that I have not become aware of any great scam, or any scam whatsoever, as the ALP seem to allege this afternoon in relation to the possibility of each spouse claiming a separate principal private residence. In fact, in terms of federal revenue implications, the only time the Australian Taxation Office is going to come across this sort of issue is when one of the properties may be sold and there is a possibility of capital gains tax implications. I would suggest, therefore, that the ALP's skills in terms of tax should be directed not to the federal government but to state governments, where a land tax issue may be more pertinent.

Then we come to the size of a pig. Debate in this place is becoming almost farcical when we are paying so much attention to these sorts of issues. What is important, though, is the importance of this co-contribution. It is an extremely generous measure by the federal government, because under this initiative, as we all know, the federal government will actually match super contributions on a dollar for dollar basis up to $1,000 for workers who earn up to $27,500. It must be one of the best investments in Australia.

In fact, there are two scenarios that come out of this. I was speaking to somebody visiting Parliament House the other day and they mentioned they have a number of children involved in the tertiary education sector. They are undergraduates. The father offered each of the children $500 to match with $500 from their own earnings to put into superannuation. Each of the children responded positively because what it meant was a two-for-one return, and the parents' contribution plus the government's contribution could hardly have been better.

We come to the situation of pigs and to Centenary House. Those issues were used quite extensively during the debate. It reminded me that perhaps the ALP have their snouts in the trough, to use a Keating expres-

sion. There was Keating using an expression such as that when, in effect, during his regime he introduced a grotesque pork-barrelling of revenue flowing from the Australian National Audit Office premises straight into the Labor Party coffers.

We had a whole series of targeted questions. I must say that I have a lot of respect for both Ross Cameron and Senator Coonan because each, in their own way, is doing a sterling job. Then, of course, we always touch on this question of retirement incomes. The Labor Party always have these throw-away lines, so I will give them one back, which I think is fair. In terms of retirement incomes, we are interested in providing a dignified, pragmatic approach to people in their retirement, so our policy is to retire when you are ready—a dignified approach which no Australian could really take offence to.

Then Senator Wong asked quite an interesting question in relation to certain people with disabilities. In fact, the tax office is reviewing the status of certain organisations that are currently endorsed as public benevolent institutions connected with government. This is to ensure that all the endorsed charities and benevolent institutions are legally entitled to the endorsement. It could be inferred from a quick reading of Senator Wong's question that she wished this entitlement to be extended to all people regardless of their employment status or who their employer was. If you were to go down that track, it could give rise to contrived tax avoidance arrangements in assessing people with disabilities. *(Time expired)*

Senator STEPHENS (New South Wales) (3.15 p.m.)—I too rise to take note of the answers from Minister Coonan to questions without notice today. I must say I was flabbergasted by the minister's response to questions, particularly to the first question asked by Senator Conroy, given that this government has so clearly focused on taxation issues and wants to convince the Australian public that it is the government of choice on economic management. What the minister was able to tell us today was quite disappointing. As the Chair of the Senate Economics References Committee, I can say that we have been looking at the issue of the structural effects of the taxation system in Australia. As I was doing some reading yesterday on that issue and the government's position, I came upon a speech by Senator Coonan to the *Australian Financial Review* Corporate Governance Summit 2002. I will read from that speech now. I was impressed that she started by quoting Plato. This is what the minister said:

> Plato observed that "Good people do not need laws to tell them to act responsibly, while bad people will find a way around the law".

So imagine my surprise when the minister admitted that she had not seen the very important *Business Review Weekly* article of two weeks ago which actually outlines some extraordinary practices that have been identified by the accounting profession and tax publishers and tax writers and when she was not able to demonstrate that she had taken any action to identify with the Australian Taxation Office how to deal with the rorts that are so clearly articulated in this article. I draw the Senate's attention to some of the most important issues that were raised in this article by Michael Laurence. It states:

> One popular way to beat the system is sidestepping state land tax on the escalating values of beach houses. And there are questionable transactions between members of the same family to avoid a combination of taxes, including land tax and CGT. Leading tax advisers say the growth of tax avoidance in such an extended residential property boom is inevitable.

The article goes on to identify some significant areas—in fact, eight main areas—of

alleged tax avoidance or evasion during the residential property boom. They include, first of all, backyard subdivisions. Then there is GST on new home units, and in this regard the article says:

> The deputy tax commissioner for GST, Neil Mann, says that although most businesses in the property industry are managing their GST obligations, "some people are taking an approach that needs to be challenged".
>
> He says the ATO is increasing its auditing of alleged attempts to eliminate GST on new residences.

That is one of the issues that the ATO has taken an interest in. But there is one example here—the double capital gains tax exemptions—which was strikingly familiar. The article states:

> ... one form of tax avoidance gaining popularity in this residential boom involves home owners trying to obtain a main-residence exemption from CGT for two properties. This is attempted in various ways, some times with complex arrangements in which a spouse falsely claims to have a separate main residence from his partner. In this way, an attempt may be made to, for example, suddenly transform an increasingly valuable beach house into the main home for one spouse.

The writer suggests that, by law, taxpayers are limited to one capital gains tax exempt home. The article continues:

> Another way that a home owner attempts to get double CGT exemption is to buy a second property with an adult child as nominee owner. The parents are the hidden owners. And when the property is eventually sold, the adult child claims the standard CGT exemption ... and passes the benefit on to the parents.

The fourth evasion that is identified is where parents use adult children as nominees to avoid land tax on holiday homes and investment properties. Under state laws, land tax generally does not apply to the principal place of residence but applies to additional properties if they are valued above the indexed threshold. The article goes on to identify related party transactions, income versus capital gains, serial home buyers and deposit bonds. *(Time expired)*

Senator CHAPMAN (South Australia) (3.20 p.m.)—Senator Conroy, in his remarks at the outset of this debate, asked why Minister Coonan was not answering the questions that had been put to her today. The reason for that is there is nothing to answer because there are no issues of substance that have been raised in question time by this opposition for the last two days. All we have seen is the Labor Party resorting to personal attack. Yesterday they launched a personal attack on Professor David Flint; today they have launched a personal attack on Minister Coonan. This really raises the question why the minister would answer such pathetic questions when no issues have been raised that have any relevance to the day-to-day needs of Australian people, the things on which this government is focusing and delivering. Instead, the Labor Party simply launch a personal attack that seems to be centred on issues of whether or not a residence is a genuine place of personal residence or not.

Of course, what the Labor Party ignore in raising this capital gains tax issue is that people only become liable for capital gains tax if a property is sold. They have been talking about beach houses and other residences, but in my experience people who buy beach houses buy them to retain them and to enjoy them, not to sell them. No issue of capital gains tax is going to arise unless and until the property is sold in any case, but let me deal with that particular issue and these allegations that have been raised, as I understand it, in a *Business Review Weekly* article. It says the introduction of the capital gains tax discount in 1999 has created motivations and opportunities for tax avoidance and tax cheating.

The first thing that needs to be said is that there is nothing new in these allegations. In fact, as the article itself says, the Australian Taxation Office is active in cracking down on examples of tax evasion where they have arisen. Of the eight areas of alleged tax evasion listed in that report, seven relate to capital gains tax. In all seven cases, the applicable laws are those that were introduced in 1985. You might remember that 1985 was when the Labor Party were in office, all those years ago—let us hope we never have the experience of them returning to office, considering the damage that they did during their time in office previously. Those issues arise as a result of that legislation. They have nothing whatsoever to do with the tax changes that were introduced in 1999. Also, when you examine those examples given in that article it is very clear that they are examples of tax evasion, which is a criminal activity. Again, the article also reports that action is being taken by the tax office to enforce Australia's laws in that regard.

There is no issue here. The tax office is taking action against those who are seeking illegally to avoid legitimate taxation in this area. That reinforces the point that the government, and the minister for revenue in particular, have a very proud record of reducing incentives for tax avoidance and tax evasion. The major changes we made to the tax system, with the introduction of the goods and services tax, have made a major contribution to improving the integrity of our tax system. Also, funding for the Australian tax office has been increased by some $1.3 billion over the next four years to improve tax compliance. So that is the record of the government and that is the record of the minister which the opposition seek to attack today.

Why are they launching this attack? Because they know only too well that this bit of Indian summer they have enjoyed under their new leader is coming to an end. The capacity to go around the Australian community, to go around the electorate, whispering sweet nothings in the ears of the constituents will become unsustainable. Of course the approach that the Labor Party opposition have adopted in question time over the last two days clearly demonstrates that. It also clearly shows that Labor are continuing their dramatic failure of the last eight years—and that is they are not willing to do the hard work, not willing to do the hard yards, when it comes to detailed policy work. As a consequence they simply resort to personal attack and personal abuse, which is quite unjustified and quite unsustainable, particularly with regard to the issue that they have attempted to raise today, as it was with the issue that they raised yesterday in relation to David Flint. It is about time the Labor Party woke up. Simply whispering sweet nothings in the ears of the electorate will not get them through the election with any success. It is about time they sat down, did some hard policy work and put those detailed policies to the Australian community for proper testing. *(Time expired)*

Senator WEBBER (Western Australia) (3.25 p.m.)—I, too, rise to take note of the answers given by Senator Coonan in question time today. In doing so I really would urge the minister to read the articles that have been mentioned that were in the *Business Review Weekly* as they are most informative. It has become increasingly clear over time that when a boom is actually taking place regulation often does not keep pace with common everyday practice. Here, as outlined in those articles, we have another example of how a boom in property prices over the last few years has caught regulation out of step with what is occurring in the market. No-one who reads those articles in the *Business Review Weekly* of the first week of March this year can fail to acknowledge

that that is the case. Indeed the minister herself should acknowledge that.

The articles, titled 'Blackguards of the boom' and 'Houses of ill repute', demonstrate that regulators are playing catch-up with what is taking place in the market. In fact it is an interesting choice of title. A blackguard, for the minister's information, is defined by the *Oxford Dictionary* as 'a scoundrel, a villain, an unscrupulous or unprincipled person'. There seems to be little doubt in the minds of the authors, if not in the minds of this government, that that is what they consider is going on in the property market at the moment in certain areas during this boom. Sharp practices indeed, Minister. Unscrupulous and unprincipled behaviour, I would think.

What is identified in the articles as blackguarding? No less than eight different forms of unscrupulous and unprincipled behaviour, as was outlined by Senator Stephens earlier. The insert in the article, the part titled 'Houses of ill repute', outlines three examples that are subject to investigation by state and federal revenue authorities. I was particularly taken with the first example, titled 'The weekender':

> A couple owns a home in the northern suburbs of Sydney and a weekender on the New South Wales central coast. The weekender had increased in value substantially during recent years and had become liable for state land tax.
>
> ... The couple took an action that brought them into dispute with the New South Wales commissioner of state revenue. They lodged a notice with the commissioner, stating that the weekender had become the husband's principal place of residence, and therefore claimed an exemption from land tax. The commissioner objected and the dispute went to the Supreme Court ...
>
> During this dispute the husband actually also conceded that he continued to use a room in the Sydney house, and his wife claimed that the Sydney house was still her principal place of residence.

There is no doubt that reading these articles reinforces the view of the authors that regulators—and legislators, for that matter—often operate behind the practices being undertaken in the marketplace. The examples outlined in 'Blackguards of the boom' and 'Houses of ill repute' should not be supported by this parliament. The principle of the fast buck is operating here, and we must put a stop to it. We need to ensure that our regulators are equipped with the necessary powers to make sure that the blackguards are very effectively dealt with. We should not sit here and fail to take action where there are people maximising their incomes by simply avoiding the tax. If the minister will not take action then this parliament should, because tax avoidance in all of its forms threatens our very security as a nation.

People who knowingly avoid tax are shirking their responsibilities to our community and to the rest of our country. Failing to pay tax is not clever, it is not sharp; it is actually illegal. It is morally bankrupt, no matter how much money these people have in the bank. Shirking their obligations to their fellow Australians, these 'blackguards of the boom', these owners of 'houses of ill repute' deserve nothing except that the Australian government should close these loopholes now and shut down the exemptions. If the minister will not take action then it is time for the parliament to take action in its own right.

I am absolutely amazed that the minister has not read the articles from the *Business Review Weekly* but perhaps she has been a little bit busy, resizing pigs or other such efforts, to attempt to communicate the government's message. If she would just take time out to read the article rather than— *(Time expired)*

Question agreed to.

MINISTERIAL STATEMENTS

Royal Commission into the Building and Construction Industry

Senator HILL (South Australia—Minister for Defence) (3.31 p.m.)—On behalf of the Minister for Employment and Workplace Relations, Mr Andrews, I table a statement on the Royal Commission into the Building and Construction Industry: A year on, together with a document entitled *Upholding the law—one year on: findings of the interim building industry taskforce*.

Senator COOK (Western Australia) (3.31 p.m.)—by leave—I move:

That the Senate take note of the documents.

I first note for the record in this chamber that Labor's industrial relations spokesman, the honourable member for Rankin, Craig Emerson, has made a formal statement in the other place in reply to this report. This report is headed as a report 'one year on' from the Royal Commission into the Building and Construction Industry. We are told that this report is about the building and construction industry. This report, in full-length pages, is eight pages long, but it mentions the Labor Party 17 times in eight pages. I would submit that this report is not about the building and construction industry at all. This report is a political attack on the Australian Labor Party under the pretext of talking about the building and construction industry. Seventeen mentions in eight pages gives the plot away.

Once again we have a Liberal-led coalition in this country wanting to use industrial relations as a divisive issue in the Australian community for crass political gain. The record of the government in handling industrial relations in this nation has been a record of seeking confrontation, seeking division, putting worker and employer against each other, adding a highly-charged political context to all of that and hoping to acquire some political benefit because of it. This report that we have before us is in a long tradition of that type of behaviour.

It stands in direct contradistinction to what we in the Labor Party believe is the right way of handling industrial relations—and that is: to respect the individuals in the workplace, to recognise the dignity of workers and employers, to create an environment in which they can work together and in which disputes are settled on a friendly and cooperative basis and to encourage the participants in the Australian workplace to work together for the benefit of the country rather than seek to victimise or stigmatise individuals or organisations. But this government is obsessed with unions and wants to use that obsession to unify its own supporters—and once again we have this type of report.

I submit that this report is not only wrong in many respects, it is also deceitful. It calls the royal commission a judicial inquiry. It is a matter of law: the royal commission is not a judicial inquiry. A royal commission is an extension of the executive—that is to say, of the cabinet. In this case, this royal commission, which cost $60 million, three times that of the HIH royal commission, and which introduced in legal terms what you might call a novel way of obtaining untested evidence, is a royal commission which also employed a brace of PR operatives to shape the news and to try to get the lines up that the government wanted.

The interesting thing about this royal commission is that it tendered a secret report to the government which alleged illegality in the industry. Significantly, one year on—and the minister does not refer to this in his report of one year on—no legal action has been taken against any individual under the secret report tendered by the royal commission alleging illegality in this industry. That

is one year on—it is not as if they have not had time to consider it. That in essence indicates that, for all of this argument about alleged illegality, when it comes to the point of going to the court and using the organs of the judiciary in this country to prove a case, not one case has been taken on.

We are told about lawlessness in this industry. But on the figures in this report, on the minister's own statistics, there have been 30 prosecutions out of 1,500 complaints—an incidence of one prosecution to 115 complaints. There have been 400 investigations resulting in 13 prosecutions—a hit rate of 30 to one. And five cases have been finalised in the courts. Note the language of the minister: not five cases have resulted in conviction but five cases have been 'finalised'. He does not tell us the results of those cases, only that they have been concluded, and therefore he has a 100 per cent success rate on concluding five cases, some of which were against employers. In this report it says that there are 730,000 people employed in this industry. While we in the Labor Party will not condone in any way lawlessness or dishonesty, five cases out of 730,000 people in one year in an industry that is alleged to be lawless does not seem to justify any argument that there is a crisis here. If you looked at any other industry sector, you would probably obtain figures of equal value.

He gives examples of what is lawlessness. In example 1, no complaint was taken to the police and no action was taken in any court or industrial commission, so the example he gives is an untested assertion. In example 2, police were allegedly called to an incident. No police action was taken against any individual and no action was taken by the minister, so one can only assume that there was no evidence to justify an allegation of illegality. Examples 2, 3 and 4 are examples of untested assertions which ought to have been tested. If the minister believes what he says, he has a case to answer: why, then, didn't you have these matters tested?

There is a lot of colour and substance added to this report by assertions, but when you look at the assertions you see that none of them were pursued in a manner by which we could find out whether they were justified or not. That is the sort of thing that is used by this government to try to colour a debate, increase the emotional temperature and pretend that something is bad. If something is bad, deal with it. The fact that this is not taken to a court or a commission and not properly dealt with shows, I submit to the Senate, that this minister is not dinkum.

Let me turn to one of the other graphic examples of misrepresentation in this report. The report says that $2.3 billion a year would be saved in this industry if the commercial construction sector of the industry were to adopt the practices of the housing sector. The Senate Employment, Workplace Relations and Education References Committee inquiry in relation to the building and construction industry has sat for some time. I do not think any witness who has worked in the housing sector and the commercial construction sector believes that the organisation and methods of work are the same in both sectors. This government has said, 'It costs X dollars to lay a slab of concrete in the housing sector, so if you promoted those costs and projected them into the multistorey construction sector and the costs were the same in the multistorey construction sector you would obtain a saving of $2.3 billion a year.' Every professional in this industry who has given evidence to the Senate inquiry says: 'What a joke. You cannot compare the method of work in the housing construction sector to lay a slab of concrete to the way in which you lay a slab of concrete in the multistorey construction industry,' yet this figure of an alleged $2.3 billion saving based on

fraudulent calculation is used to justify this report.

The minister alleges that there are five Labor senators sitting on this committee, which of course is factually untrue—there are not—and that this is a balanced committee representing this chamber. A number of participating Labor senators have attended, but there are only three Labor senators, two coalition senators and one Democrat on the committee. He does not say that in his report; it is all five Labor senators who are running this, apparently. But if the minister is so concerned then he ought to ensure that the government senators attend these hearings on a regular basis. Senator Johnston has been left on his own, cold and lonely, on many an occasion, and that is unfortunate for him.

The minister quotes a statement by me when I was Minister for Industrial Relations in this country between 1990 and 1993. I stand by that statement about reform in this industry and I am pleased that he has quoted it, because the Labor Party want to reform this industry. That statement of mine that he quotes was on the formation of CIDA, the Construction Industry Development Agency, in which we tried to bring all the players together to get a constructive way of reforming the industry with the players' participation. I just say this: it was working. Then we were out of office, and the government cut the funding and abolished this agency as soon as it came to power. *(Time expired)*

Senator MURRAY (Western Australia) (3.41 p.m.)—I rise to speak to the motion to take note of the statement by the Minister for Employment and Workplace Relations. A year ago in this chamber I spoke to the tabling of the royal commission report. I said then that the Democrats' position is that we are beholden neither to business nor to the unions and that we will evaluate this issue on its merits. I also said that we do think there are problems in the building and construction industry at both the employer and the employee levels. It is our job and the Senate's job to assess what those problems are and what the solutions might be. The Democrats will be even-handed and fair in our assessment. The Democrats want improved outcomes for the building and construction industry for both employers and employees, and we will not be party to any ideological agenda.

A year on, this is still our position. We use the Senate's powers responsibly. With Labor's support we initiated a Senate Employment, Workplace Relations and Education References Committee inquiry into the building and construction industry encompassing the royal commission findings, the Building and Construction Industry Improvement Bill 2003 and the Building and Construction Industry Improvement (Consequential and Transitional) Bill 2003, and other matters relevant to the building and construction industry. It is because it is wide ranging that it is a references inquiry, not a legislation inquiry. This is a large undertaking, even for the Senate. We are on the last stages but we still have hearings to go in Darwin, Melbourne, Tasmania and Canberra.

If the process takes longer than anticipated, this primarily reflects the immense workload of senators, the nature of the task and the amount of consultation required. People sometimes forget that parliament is only part of our work and that the Senate is the house of accountability and review and this takes up a lot of our time. I myself am currently involved in 17 inquiries. However, I want to reassure my parliamentary colleagues and interested parties that it is my and my party's determination that the Building and Construction Industry Improvement Bill will be available to be debated in the Senate no later than June 2004. I would be happy even to recommend to my colleagues

that parliament be held over to ensure that the bill is debated and the debate is concluded. The bill will not be ready for a double dissolution trigger. This is no disappointment to me.

A year ago I also said that I was pleased that instances of criminal behaviour will be investigated for potential prosecution. It is important that these allegations be resolved in our justice system beyond reasonable doubt. Some already have been. I note that the interim building industry task force has successfully prosecuted five cases where fines were imposed. The Democrats do not support anyone breaking the law. If people break the law they should feel the full force of the law.

However, my concern is that the government keeps seeing a problem and introducing more law to fix it. The law itself is often sufficient, but I and my party are persuaded that, with respect to workplace relations law, we do need greater enforcement and penalties. Last sitting week, the Democrats supported the government's attempt through schedule 2 of the Workplace Relations Amendment (Codifying Contempt Offences) Bill 2003, to increase penalties that were out of date. We even moved an amendment to increase penalties ourselves. But the bill went down. I am happy to put on record now that, if the government wishes to bring back the penalties schedule of the codifying contempt bill, the Democrats will support the fast-tracking of that schedule 2 through the Senate.

With respect to enforcement, I have made it no secret that I believe we need a national workplace relations regulator. The unions need help in making sure that entitlements are paid, that wages and conditions are observed and that health and safety are properly looked after. Unions and employers need help to ensure that people do not defy court and commission orders and the law. The employers need help with regulators on call when faced with unreasonable people perverting the law's intent. Through the Building and Construction Industry Improvement Bill 2003 the government are proposing a regulator specific to that industry.

As I have been saying ever since the royal commission recommendations were made, the Democrats think this idea has major weaknesses, not least that it sets up different rights and obligations for citizens who work in one part of one industry. It is also in complete contrast to other sectors, where the national interest is paralleled by national laws with a national regulator, such as finance where there is APRA and the Reserve Bank, corporations law where there is ASIC, competition law where there is the ACCC and tax where there is the ATO. The Industrial Relations Commission is not a regulator, and that needs to be understood. However, we recognise that there are serious issues of efficiency, equity, productivity and fairness in the building and construction industry, and that the creation of a national regulator would take time. In passing I would say that Senator Cook's scepticism about some of the figures that would result from reform of this industry is probably worth while, but that does not mean to say that no improvement is possible.

Senator Cook—I have not said that.

Senator MURRAY—And he does not say that. So we are not averse to, in the interim, extending the time frame of the interim building task force and we support the minister's announcement today to establish the building and industry task force. From conversations I and my office have had with the interim building task force, I understand that, while the task force has had some success, it has also faced considerable barriers,

which I understand are outlined in the report tabled by the minister today.

We believe that part of the problem is that workplace relations inspectors in general, and the building industry interim task force in particular, do not have standard regulator powers such as the ability to access information as a law enforcement body, to confirm residency particulars for service of notices, to review call charge records to confirm alleged threatening phone calls, to review taxation information of companies in pursuing employee entitlements, to review financial records to investigate alleged inappropriate payments, to compel persons to provide evidence or provide documents, to search, to appropriately protect parties and to intervene in industrial relations commission or court matters. This lack of standard regulatory powers is hindering the ability of both inspectors in the department and the task force to properly investigate employee and employer complaints. To repeat, I am not averse to increasing the powers of the building task force with respect to those remarks I have made. Of course, there is always the proviso that I and my party room will have to look at the details of any legislative proposal that may come through the Senate.

I also want to take the opportunity to remind the parliament that the issues covered by the royal commission were multifaceted and complicated. Justice Cole's recommendations are often condemned out of hand by those who fear some of their more excessive recommendations. However, those Cole recommendations affect criminal law, tax law, competition law, corporations law, insolvency law and state OH&S laws as well as workplace relations laws. The Building and Construction Industry Improvement Bill only implements 120 of the Cole royal commission's 212 recommendations. That is a little over half. We will want to see some substantial progress in the other areas not so far addressed when we debate the bill in the Senate. As a reminder to those who are watching the Senate inquiry: do not ever think it was an idle whim of ours to add whistleblowing and political donations to our areas of concern.

I was pleased to read in the minister's statement that the government, through the Office of Workplace Services, will target the building and construction industry with education and compliance programs to ensure employers meet their and their employees' legal obligations and that the minister will be writing to small and medium sized businesses to ensure that they are aware of assistance available to them. However, we believe more needs to be done to prevent rogue employers who do not meet their employee or taxation obligations and we will be pressuring the government to do more in this area, as, I am sure, will the committee. I would, for example, like to see the task force spend more time investigating and prosecuting those sorts of claims.

As I have said before, the Democrats are committed to negotiating meaningful industrial relations reforms through the Senate. We will consider legislation relating to the building and construction industry fully and responsibly, as we have done with workplace relations legislation for many years. We are very sceptical of industry specific legislation. I have said it again and again on the record for over a year. Those of you who are interested in this matter should be alert to that concern.

The contributions of the big reforms of 1993 and 1996 and the smaller reforms since then to Australia's economic performance are considerable. Their contribution to our social performance is a little further behind. The contribution of the Democrats' changes has been of great significance. We are justified in laying claim to some of the credit for Austra-

lia doing well, comparative to the past and internationally, with respect to rising real wages, low disputation levels, high productivity, lower unemployment and competitive exporting. We will be alert to ways in which the law can be improved to significantly enhance efficiency and equity in the building and construction industry to achieve improved outcomes for the industry, both for employees and employers. We do not intend, however, to pass the bill in its current form.

Senator NETTLE (New South Wales) (3.51 p.m.)—The ministerial statement and the report tabled today are just the latest attempt by this government to try to dump on unions—to try to attack and destroy the unions that protect the rights of working Australians in this country. It is also the next step in their bid for re-election, for which they will seek to spread both fear and division within the community on a whole raft of different issues. The government continues to attempt to paint unions as dangerous and any opposition party that supports them as a threat. The absurdity of trying to paint unions in this way—organisations that come together to achieve social justice for their members in the work force and in the public debate generally—is not lost on the Australian public and not lost on Australian workers in particular.

The government wants to slander building unions and construction workers because it perceives that there is political advantage in doing so. It is worth recalling the nature of the Cole royal commission, which the government used to justify the task force that the statement is about today and with which it attempts to create legislation that it would like to see pass through this parliament. The royal commission was a self-fulfilling prophecy. The pretext for setting up the royal commission was an 11-page report of May 2001 that the then minister, Mr Abbott, commissioned from Employment Advocate and former Minister Reith staffer Jonathan Hamburger, which he reportedly put together in two weeks. It consisted of sensationalist allegations of union corruption, fraud and other illegality.

Despite a bill of over $60 million for the royal commission, despite using extensive coercive powers to force people to give evidence and to procure large amounts of documentation, and despite having hearings across the country, none of the sensationalist allegations contained in Mr Hamburger's report were borne out by the evidence. Most of them were not even aired in the commission's hearings. The Cole royal commission was, as many commentators said from the outset, an ideological witch-hunt and a political stunt designed to destroy Australia's building unions and to create pre-election hysteria. Of course, we now know that the government did not need to play the anti-union card in the last election because it decided to play the race card instead. Here we are again in the lead-up to an election with this statement and the government pulling out its anti-union card again. In the process it is revealing the stacked deck of the building industry task force to the parliament in the sham report that it is tabling today.

The building task force is designed to pursue an ideological crusade by this government against the building unions and building workers of Australia. It is not balanced and it is not dealing with the real problems in the industry; it is simply about attacking building workers and their unions. Just last month the New South Wales District Court criticised the interim building task force for its prosecution of the CFMEU over a dispute at Sutherland Hospital in Sydney. Judge Alan Hughes said that he had not seen anything like it in his six years on the bench. Forty-eight of the 49 charges against the union were dropped during the case and the one

successful charge was described as similar to a jaywalking offence.

The report tabled today is not evidence of anything other than workers organising to ensure that the wages and conditions that they enjoy are decent and are a fair deal. The government hopes that by smearing the building unions in this report it will place pressure on the Senate to pass the Building and Construction Industry Improvement Bill 2003, which is currently the subject of a Senate inquiry. The Australian Greens will not be supporting this bill. It is anti worker and it is anti union. It is a threat not just to Australia's building unions but to the whole labour movement in this country.

If the bill were passed it would mean that industrial action in the construction industry would effectively be outlawed, that right of entry for construction union officials would effectively be abolished and that a legal framework would be created for the wholesale disqualification of officials from office and the bankrupting and deregistration of Australia's construction unions. The Greens will oppose the legislation when it comes to the Senate. As I said before, it is not just about the building industry; it is about the whole union movement and about working men and women in this country, who are threatened by not only this bill but the industrial relations agenda of this government. When the then minister, Mr Abbott, launched the bill he said that, if he were to get this bill through, he would be:

> an idiot not to at least consider extending them—

that is, the changes—

> to other industries.

Of course, there are many things that need changing in the building and construction industry. There is the urgent need to address the issue of workplace deaths that occur. One construction worker is injured each week in the construction industry in this country. However, one of the issues that the government and its task force are pursuing is the worker stoppages that occur to allow for safety checks and allow for workers to mourn the death of a colleague who has died on the building site. This is further evidence of the appalling approach of this government and its complete disregard for workers on building sites and their families across the country. Injury and death that occur in the workplace shames all of us. It is disgraceful that successive governments have placed the interests of negligent building owners firmly ahead of the interests of injured workers and their families on this issue. We need serious action on workplace deaths and injury. Pursuing unions which try to address workplace safety is clearly the wrong approach to take. In fact, it is an outrageous approach.

Last year my colleague the Greens member for Cunningham, Michael Organ, introduced a private member's bill, the Criminal Code Amendment (Workplace Death and Serious Injury) Bill 2003. That bill sought to bring into the public sphere the importance of workplace injuries and the need to align the penalties faced by employers responsible for workplace injuries more accurately with the perception of the public that injury and death that is caused as a consequence of the actions of employers is a serious matter. It is a great shame that the bill has not been welcomed by others in the parliament as it should be, all of us recognising that this continues to be perhaps the most significant issue facing the building and construction industry. Included in this is the significant number of deaths of young Australians—many of whom are out on their first job and getting their first opportunity to work in the construction industry—as a result of the poor safety procedures of employers, leaving their families devastated. Parents and families are left to mop up the situation, often with the support of unions and other workers. The

unions and workers should be applauded for the support that they give to grieving families—not tracked down, as this government has been doing through the building task force.

The statement by the minister today would be laughable if it were not so serious. The public is becoming increasingly sceptical of the deception and fabrication of this government, and the area of industrial relations is no different to any other in that regard. Working men and women of this country know that the government is intent on destroying their right to organise a union in their workplace, their right to bargain for appropriate wages and conditions and their right to support each other in a variety of different social struggles in this country. These men and women know that the government is desperate to turn around the shift in public opinion that is occurring. The public has often seen governments, and this government in particular, pull out the anti-union card in the lead-up to an election, and this statement by the minister is part of that pattern of behaviour from the current government. The Australian public will not fall for it; the Australian Greens certainly will not fall for it, and many others in this chamber will recognise it for what it is. The Australian Greens will not be supporting these attacks on working men and women in this country, or the attacks on their unions. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

COMMITTEES

Electoral Matters Committee

Report: Government Response

Senator COONAN (New South Wales—Minister for Revenue and Assistant Treasurer) (4.01 p.m.)—I present the government's response to the report of the Joint Standing Committee on Electoral Matters entitled *Territory representation*, and I seek leave to incorporate the document in *Hansard*.

Leave granted.

The document read as follows—

Government Response to the Report of the Joint Standing Committee on Electoral Matters

Territory Representation: Report of the Inquiry into Increasing the Minimum Representation of the Australian Capital Territory and the Northern Territory in the House of Representatives

Recommendation 1

The Committee recommends that in order to make the process of determining the representation of the Territories in the House of Representatives more transparent and certain, the Commonwealth Electoral Act 1918 be amended:

- to require the Australian Statistician to include in the quarterly Estimates of Resident Population published in *Australian Demographic Statistics*, in addition to the estimated populations of the States, the Australian Capital Territory and the Northern Territory, estimates of the populations of the Territories of Jervis Bay, Cocos (Keeling) Islands and Christmas Island.
- to require the Australian Electoral Commissioner:

  on a date twelve months after the first sitting of a new House of Representatives, to take note of the latest statistics of the population of the Commonwealth, including separate statistics of the populations of each of the States and Territories of the Commonwealth, that have been published as Estimates of Resident Population in *Australian Demographic Statistics*; and
- to require the Australian Electoral Commissioner:
  - to make to those statistics whatever adjustments are required by other sections of the Commonwealth Electoral Act 1918 for the purposes of making the determination, for example the Norfolk Island statistics; and

- to make and publish the determination including details of the adjustments and calculations involved,

within one month after the end of the twelfth month after the first sitting of a new House of Representatives.

Response

Supported. The Government agrees that a transparent determination process is important to maintain the integrity of representation in the House of Representatives.

The Government recognises that the form and title of the Australian Bureau of Statistics' publication Australian Demographic Statistics may change over time. The Government therefore proposes that the Commonwealth Electoral Act 1918 (the Electoral Act) be amended to require the Electoral Commissioner to ascertain the numbers of the people of the Commonwealth, and the States and Territories, including the Territories of Jervis Bay, Cocos (Keeling) Islands and Christmas Island. The Electoral Commissioner is to do this using the most recent statistics, published in a regular series, of the population of each State and Territory, including the Territories of Jervis Bay, Cocos (Keeling) Islands and Christmas Island, as compiled and published by the Australian Statistician under subsection 9(2) and section 12 of the Census and Statistics Act 1905. To account for future methods of publication that the Australian Statistician might use, the most recent published statistics would also include those published in an electronic format.

The Electoral Act will also be amended to require that the statistical information provided by the Australian Statistician under section 47 of the Act, as requested by the Electoral Commissioner, should include the population of each State and Territory, including the Territories of Jervis Bay, Cocos (Keeling) Islands and Christmas Island, and the "margin of error" calculations referred to in the response to recommendation 2 below.

The Government also supports the Committee's recommendations relating to the timing of the determination by the Electoral Commissioner, the adjustments to be made to the statistics, and the publication of the determination with details of the adjustments and calculations involved. Relevant amendments will be made to the Electoral Act.

Recommendation 2

The Committee recommends that in future, the Australian Statistician advise the Electoral Commissioner of the margin of error for the Territories at the time of supplying the latest statistics of the Commonwealth, and that the margin of error for the ACT and the NT be incorporated into the determination of seats for the Territories when a Territory falls short of quota.

If the shortfall is within the margin of error acknowledged by the ABS, the Australian Electoral Commissioner is to use the ERP figure at the top of the margin of error to determine the Territory's entitlement.

Response

Supported.

The Committee has confirmed its interpretation of the "margin of error" to be the standard error of the measure of the net undercount for the previous Census count of the resident population which is available at the time the determination is required to be made by the Electoral Commissioner.

The Government therefore proposes that, in line with the intent of the recommendation, the "margin of error" be interpreted as the 95 per cent confidence interval as determined by the standard error of the measure of the net undercount for the previous Census count of the resident population.

The Electoral Act will be amended to require the Electoral Commissioner to incorporate this "margin of error" into the determination of seats for the Territories when a Territory falls short of the quota. If the shortfall is within this "margin of error", the Electoral Commissioner is to apply the top of the "margin of error" to determine the Territory's entitlement.

Recommendation 3

The Committee recommends that the 2003 determination be set aside by government legislation to the extent that it applies to the Northern Territory.

Response

Supported.

Senator CROSSIN (Northern Territory) (4.01 p.m.)—by leave—I move:

That the Senate take note of the document.

Senator CROSSIN—I wish to make some comments on the government's response to the Joint Standing Committee on Electoral Matters report entitled *Territory representation*. It has been a very long and, at times, debilitating process to convince this government, and certainly members of this parliament, that the Australian Electoral Commission's decision last year that the Northern Territory would be represented by only one House of Representatives seat in the forthcoming federal election was not only the wrong decision but also one based on incorrect facts. The member for Solomon tabled a bill in the House of Representatives last year that would forever guarantee two seats for the Northern Territory and three seats for the ACT. However, it is not appropriate that this parliament legislate to guarantee a minimum number of seats. It is outside our jurisdiction; it is interfering in what the Australian Electoral Commission does.

It was on the basis of that that we sent the bill and the decision to diminish political representation in the Northern Territory to the Joint Standing Committee on Electoral Matters. The committee took evidence. To its credit it went to Darwin and listened to the views of people in the Territory and to those who placed a submission with the committee. This is the government's response to that committee, and I am pleased to see that all three recommendations from that committee have been supported by this government.

I quite clearly remember Senator Robert Ray's statement when this committee reported in November last year. He was right when he said that the committee would not be swayed, nor should it be swayed, by arguments of distance, isolation or the make-up of the types of constituents that we have in the Northern Territory—that is, one-third of them are Indigenous. While they are arguments you can sympathise with, they are not arguments you can use as a basis for changing the Australian Electoral Act.

What we have in this report—and its recommendations have been supported by the government—is a way forward. It is a way to deal sensibly with the treatment of the analysis and statistical allocation of seats in the House of Representatives and provide a better outcome for future representation in the Territory. It includes the estimates of populations for Christmas Island and Cocos Island. Christmas Island and Cocos Island are part of the seat of Lingiari. They were not part of the demographic statistics included when seats were determined after a federal election, yet we represent them—my colleague Warren Snowden represents them exceptionally well in this parliament. Therefore, the number of people who reside on Christmas Island and Cocos Island ought to be counted in statistics when determining the number of House of Representatives seats.

It has also been suggested that the margin of error calculations used by statisticians at the Australian Bureau of Statistics in calculating population statistics are also used by the Australian Electoral Commission. I point out that for the Northern Territory the margin of error in the 2001 net undercount for the census—which carries through to the quarterly figures—was 1.2 per cent. This was actually three times higher than the error margin of the states. For the ACT, however, it was only 0.8 per cent. The error margin for Australia as a whole was 0.2 per cent. So we had an error margin in the Northern Territory of 1.2 per cent; for the rest of the country it was 0.2 per cent. Why was that? It was because it is particularly hard to accurately count the number of people in the Northern Territory. This has been highlighted by ANU academics in relation to Aurukun, but it is

particularly the case in the Northern Territory.

We believe that in the census there was a severe undercount in the Territory. Try as they may, the Australian Bureau of Statistics cannot get to each and every outstation, and they also find it very hard to track the number of Indigenous people because of their nomadic nature. We had many examples of census forms not being collected or areas being excluded or missed out. The member for Barkly, Elliot McAdam, was able to produce significant evidence to show that a number of census forms had not been collected in the Barkly region. The committee's recommendation, which is now supported by the government, was that the margin of error used by the Australian Bureau of Statistics—and that would have been 1.2 per cent in the Northern Territory—be included in the margin of error that the Australian Electoral Commission uses in its future calculations.

Finally, the third recommendation goes to setting aside the 2003 determination of the Australian Electoral Commission. That determination was that there be only one seat for the Northern Territory in the coming election. If that determination is set aside then we will have two seats at the next election. If the other two recommendations are adopted then that, hopefully, should solve the problem for each and every coming election after this year.

The government have already had two chances of getting it right. We had the David Tollner bill, as it is commonly known. We then had the House of Representatives (Northern Territory Representation) Bill 2004, which was tabled in the House and which has not gone any further. Neither of those bills has actually looked at solving the problem in a sensible and responsible way for the future. The House of Representatives bill was written and tabled before the government's response to the Joint Standing Committee on Electoral Matters report was provided.

We have had two bills. Now we have the government's response to this report, and the government is actually supporting all three recommendations. Today I notice in the House of Representatives the third attempt—and they always say 'three times lucky'—that is, the Commonwealth Electoral Amendment (Representation in the House of Representatives) Bill 2004 was tabled. This bill picks up the support of the government for the three recommendations in the report.

As I said, it has been a long process of trawling through exactly what the Australian Bureau of Statistics do at census time, what they do or do not do in relation to the Northern Territory and what that has meant as a flow-on effect in relation to not only electoral matters but also the Commonwealth Grants Commission. As a result of the undercount in the Northern Territory and the way in which those statistics are used, the Northern Territory will be down $48 million in revenue this year from the Commonwealth. This is purely because the Commonwealth Grants Commission base their allocation of moneys on population in the Northern Territory. If you do not get it right, there is a flow-on effect in terms of revenue to the Territory and a significant flow-on effect in terms of the representation of the people in the Northern Territory in the federal parliament.

Through the work that I did in estimates, I was able to prove to the Joint Standing Committee on Electoral Matters that the definition of 'latest statistics of the Commonwealth' is unclear. I had made a suggestion that the definition of latest available statistics be made clearer through an amendment to the Electoral Act. On that basis it was easy to prove that the statistics that had

been provided to the Electoral Commission were somewhat questionable and that, if the latest available statistics had been used, which were those for the June 2002 quarter, the Territory would have easily kept that second seat.

I welcome the government's response to this report. I welcome the fact that they have supported all three recommendations. It is good to see finally today in the House of Representatives a bill that puts in place those three recommendations. I am sure I will be able to continue my further analysis and support for this bill when it is presented in the Senate.

Senator SCULLION (Northern Territory) (4.11 p.m.)—I am somewhat delighted as a Territorian to speak to the Joint Standing Committee on Electoral Matters report titled *Territory representation*. As my colleague from the other side of the chamber indicated, it has been quite a long and drawn out process. I think that long and drawn out process is certainly coming to an end. Living in the Territory over the years, I can remember quite a number of surprisingly individual aspects of being a Territorian that put us aside from others. If you talk to longstanding families in the Territory, such as the Cavenagh family, they will tell you that their grandfather went to jail because he wanted more politicians. That has got to be something really unique in Australia's political history.

A particular aspect about the Territory that I have amplified in this place before is that a very high proportion of Australia's Indigenous population—some 30 per cent—are resident in the Northern Territory. As we all recall, back 1962 we decided that Indigenous people should have the vote. That was a simple occasion. It was very equitable and a great moment of celebration for Australians. On that one day, we suddenly had a 30 per cent increase in the population. It was as if these people had never existed before. Unfortunately on that same day nobody considered an increase in representation.

When I look at the plight of Indigenous people in Australia and I think back to 1962 and consider how much it has changed, or perhaps how much it has not changed, I wonder whether you can factor a lot of those things, particularly in the Northern Territory, into their plight. If you were to take out the remoteness and a whole range of other issues that are factored into the lives of Aboriginals right around Australia, you would find that the Northern Territory is a standout in that regard because of the representations those Indigenous people have. I wonder whether or not leadership and direct representation could help them resolve the plight in which they find themselves today.

As I say, I am absolutely delighted that the government response to the report of the Joint Standing Committee on Electoral Matters in relation to Territory representation has been so positive. It has been a long time coming and I welcome the government response. It is certainly going to redress some of the inequities that the Northern Territory has suffered because so many Territorians choose to live in regional and rural Northern Territory. I know that the high margin of error estimates in the Territory, as the committee has noted—I think it was some 1.2 per cent—is up to three times higher than the rate of other states. It still beggars belief that, whilst the Territory is unique, there are parts of Western Australia that seem to have similar demographics and populations and they can get it right. The Australian Bureau of Statistics can get it right in Western Australia, and it has got me absolutely miffed why they cannot get it right in the Northern Territory.

The committee made a recommendation that goes some way to fixing that process by having the Australian Statistician and the Electoral Commissioner take the top margin of error to determine the population of the territories. This only goes some of the way. The Australian Bureau of Statistics must be encouraged to find more ways to accurately count, assess or estimate the population of rural and remote Australia. As my colleague on the other side of the chamber just mentioned, there has been substantial miscounting in the seat of Barkly because census forms were not even collected. Everybody recognises, particularly in the Territory, that there will be some difficulties in counting a group of people whose demographic is often characterised by the fluidity of their movement. They have broad, extended families and cannot necessarily be expected to be in one place at any one time. But this is 2004, and I am quite sure that the processes that are very effective in other parts of Australia could be implemented in the Northern Territory.

There are a lot of communities and outstations. In the wet season those communities congregate in the larger communities, so there are some seasonality issues involved. It is important to get the count right and, to do that, we have to recognise the peculiar environmental circumstances in the Territory and ensure they are taken into consideration when doing a census. It is a great shame that we have had to have this debate. People in the Northern Territory are very nervous because, when we lost 294 people, we lost 50 per cent of our representation. It is an absolute outrage. I am delighted to have been part of a process that has involved both sides of this place, with the outcome being that the inequity needs to be righted.

I welcome this government's response to the report of the Joint Standing Committee on Electoral Matters, particularly on the determination by the Electoral Commissioner which cut our representation by 50 per cent. The Electoral Commissioner's determination will now be set aside. I am certainly looking forward to the debate on the bill, which will give effect to this recommendation, when it comes to the Senate later on in the parliamentary sittings. Whilst welcoming this measure, we are only halfway there. If, effectively, a couple of busloads of people or a planeload of people suddenly move in the Territory or cannot be counted, we lose 50 per cent of our representation. As a senator, I have to cover the old seat of the Northern Territory. It is now broken up into two—Solomon and Lingiari—and it is not feasible for one person to cover that much area and to represent the views of such a diaspora. It cannot be done to the level that those people deserve.

Guaranteeing a minimum of two seats is reflected in our Constitution. Our founding fathers decided that the states at that stage would take the precautionary principle and ensure that those places had a guaranteed minimum. The Australian Capital Territory and the Northern Territory have a guaranteed minimum of one seat each. To reflect equity in this place, we need to make sure that territory representation is a guaranteed minimum of two seats.

The Northern Territory comprises one-sixth of Australia, and its adequate demographic representation should not be subject to a few people moving in and out. We have had some changes in the Northern Territory recently. I will not put it down totally to the Labor government, but there are some serious trends of people leaving the Northern Territory. There are more people leaving the Northern Territory than are coming. We have a net loss and I think at the end of the next electoral process we will be looking at the same circumstances. I think it is very important that, under the Electoral Act, both the

Northern Territory and the Australian Capital Territory have their one-seat minimum upped to two. I believe that is the only way we can guarantee genuine representation for Territorians.

Senator BARTLETT (Queensland—Leader of the Australian Democrats) (4.19 p.m.)—I rise to speak to the government response to the report of the Joint Standing Committee on Electoral Matters. I was a member of the committee until quite recently, although I quite openly admit that the Democrats' work on the committee and the contribution to the report was made by my colleague Senator Andrew Murray. However, I certainly followed the debates during the committee inquiry with interest. Labor and coalition senators representing the Northern Territory have given us, quite appropriately, very Territory-specific responses to the matter that is being taken note of.

It should be acknowledged that this has been a very positive process. We are talking about whether there will be an extra seat in the House of Representatives up for contest at the next election. Not surprisingly, the potential is there for the ALP and the coalition to indulge in political self-interest, but it has been quite a positive process for the Electoral Matters Committee to examine this issue on its merits without being distracted by the pros and cons from a partisan party-political point of view. The role of the Democrats is even more impartial—or disinterested, in the true meaning of the word. Whilst I like to highlight the Democrat vote being stronger in certain cases than people might otherwise think, I would not even dream of suggesting that the Democrats have a chance of winning a lower house seat in the Northern Territory at the next federal election. In that sense, whether there are two Northern Territory seats or one in the House of Representatives, there is unlikely to be any self-interest from the Democrats. We are certainly able to look at the issue purely from a policy or principle perspective. I would hasten to add that I think the Labor and Liberal members on the Electoral Matters Committee pretty much did that too. That is a good sign from a good committee, chaired very well by Mr Georgiou, the member for Kooyong.

This committee—as do many but unfortunately not all parliamentary committees—does a good job of trying to step aside from partisan political interest and consider issues on their merits, particularly given that electoral matters is almost by definition of partisan political interest. It is particularly important and particularly impressive that the committee on the whole, certainly under the current chair, manages to look at issues on their merits. There was a brief period, under the chairmanship of Mr Pyne in the previous parliament, when that was not the case. That was unfortunate and did not serve the government's interest, nor did it do them any good. The committee is back to working well and is very effective and responsible, and some of the credit must go to the chair in particular.

On the specifics, the government has accepted all three recommendations of the committee. That is welcomed. The initial proposal that was put to the committee was to examine whether or not there should be an automatic guarantee of two seats representation in the House of Representatives for both the Australian Capital Territory and the Northern Territory. The committee did not accept or accede to that proposal at this stage. Arguments were quite appropriately put by the representatives for the Northern Territory in the Senate about that proposal and some other flow-on issues to do with Treasury funding to the Territory on the basis of population statistics. I will not comment on those issues at the moment. The committee chose instead to look at the statistical

issues and the formula that is already in place in the Electoral Act and whether or not the vagaries of the statistical measurements, the closeness of the figures, the margin of error and the problems of population estimates in the Northern Territory in particular should be given more consideration and more weight. In effect, that is what has happened. So the recommendation that has been agreed to by the government, and presumably will be brought on for debate in a bill in the Senate sometime soon, would restore the second House of Representatives seat to the Northern Territory.

The longer term issue of whether there should be an automatic guarantee of two seats for both territories, I think, can still be debated further. But in the time available, that view would be a significant shift from purely determining representation on the basis of a formula that has been in place now for some time. I think the committee was wise not to adopt that view in the time available to it. The debate will continue, I am sure. It may be that debate is overtaken by the issue of statehood for the Northern Territory, which will also raise again issues of whether representation should change in the House of Representatives and the Senate for what would be the state of the Northern Territory, or whatever name was chosen.

I hasten to add that there are legitimate issues in relation to representation for the ACT, which has also had its problems in going to three seats in the House of Representatives for one term and then back to two seats again. The effect of that, whilst the ACT was clearly below the quota that would have given it back three seats, was that it was not too far below—2.43 or something like that. When you are dealing with a small number of seats, it means that you have either members with very large electorates by Australian standards—which the ACT members have—or members with below the average if they go to three seats. That is an issue, too, for the ACT, which of course has a higher population than the Northern Territory but over, obviously, a much smaller area.

Some of those issues were raised by the committee inquiry, quite appropriately. I think further debate should be had about that as well. In some respects, the debate may also be intensified if the Northern Territory becomes a state and the ACT is left as the only territory with representation. Representation of the territories has been continually changing over the history of this parliament. There was none at all originally, then some but with no voting rights—and I think voting rights only on certain issues—on to full voting rights now. It has continued to evolve and I am sure it will continue to evolve. The main issue is to ensure as much as possible that the debate is removed from short-term party political self-interest. As I said, I think the electoral matters committee has done a good job in relation to that issue in this case.

The Democrats welcome the government's response to accept the committee's recommendations. We would like to see more government responses that accepted all of the recommendations of parliamentary committees. I hope it is part of a growing trend. The Democrats are pleased with the government's response to some of the broader issues that have been raised. Speaking personally, the issue of statehood for the Northern Territory is one that I would like to see progressed further, but in the narrow context of this report, I think it is a positive result and a good sign, again, of the parliamentary process working well.

Question agreed to.

DOCUMENTS

Auditor-General's Reports

Report No. 36 of 2003-04

The ACTING DEPUTY PRESIDENT (Senator Ferguson)—In accordance with the provisions of the Auditor-General Act 1997, I present the following report of the Auditor-General: Report No. 36 of 2003-04—*Performance Audit—The Commonwealth's Administration of the Dairy Industry Adjustment Package.*

DELEGATION REPORTS

Parliamentary Delegation to Syria, Lebanon and Israel

Senator SANDY MACDONALD (New South Wales) (4.29 p.m.)—by leave—I present the report of the Australian parliamentary delegation to Syria, Lebanon and Israel, which took place between 9 and 21 November 2003. I seek leave to move a motion to take note of the document.

Leave granted.

Senator SANDY MACDONALD—I move:

That the Senate take note of the document.

I seek leave to incorporate my tabling statement.

Leave granted.

The statement read as follows—

It is with great pleasure that I present the report of the Australian Parliamentary Delegation that travelled to Syria, Lebanon and Israel in November of last year. We were the first official parliamentary delegation to those countries since 1998 and it was a fascinating time to be visiting. The shadow of events in Iraq and the uncertainties facing that country were a topic of conversation wherever we went, and all those we met hope to see the earliest possible transition to an Iraqi led, democratic government in that country.

The Middle East region is seldom out of the news—and unfortunately the events of this week have proved that to again be true. The ongoing Israeli-Palestinian conflict affects not just Israel and the Occupied Territories, but has an impact throughout the region. The Middle East is outside Australia's area of primary strategic importance, but what happens there affects the security of the whole world. It is in Australia's interest to see stability in that region. Our ongoing contribution to UN peacekeeping and monitoring in the area is of course one tangible sign of Australia's commitment in this regard.

The delegation came away from the region with very mixed feelings. We visited the Golan Heights in Syria; southern Lebanon where Hizbollah and the Israeli Armed Forces face each other under the watchful eyes of the UN; and also went to the West Bank for discussions with members of the Palestinian Legislative Council. In Israel we saw the border with Lebanon from the Israeli side, and spent some time in the area around the Sea of Galilee and the Jordan River, an area overshadowed by the Golan Heights. From the relative security of Australia it is easy to say what should or should not be done to achieve peace, but living with the fear of violence day to day means a different reality for the people of the region. What was clear to the delegation, however, was that the cycle of violence and escalating reprisals needs somehow to be broken, to allow for negotiations on reaching a peace agreement to restart.

The 'Roadmap to peace', an initiative of the United Nations, the United States of America, the European Union and Russia, which proposed a three phase plan for final and comprehensive settlement of the Israel-Palestinian conflict by 2005, has stalled. Other attempts to move forward, such as the Geneva Initiative, offer some hope that a solution to all of the difficult issues can be found, but it too lacks the support of the Israeli government and the various Palestinian factions. Unless and until the future of the Palestinians is settled, Israel will not find the peace it so desperately needs, both at home and with its neighbours. It is clear that a military solution will not bring about that peace. The delegation was heartened to have met people during the visit, particularly in Israel and the Palestinian Authority, who still believe that a peaceful resolution is

possible and that a two state solution can be achieved.

The visit was not just about security, although that obviously was a major theme in discussions in each of the countries visited. The delegation also explored with senior government figures and parliamentarians, ways in which the bilateral relationship might be strengthened and the prospects for greater trade enhanced.

Of the three countries visited, Australia has the strongest bilateral trade relationship with Israel. That bilateral trade is worth some A$700 million per year, and Australia encourages Israeli companies to view Australia as a regional base and a supplier of sophisticated goods and services. However, the Israeli economy has suffered greatly due to the security situation, and economic management is the second most pressing issue facing the Israeli government today.

With Syria and Lebanon, the bilateral trade relationship with Australia is quite different. Our exports to both countries, surprisingly, are of a similar magnitude—A$23 million per year. I say surprisingly, because we had expected that our trade with Lebanon, with its more open market approach, and greater person to person contacts with Australia, would have been stronger (and indeed our exports to Lebanon have dropped from a high of $56.9 million in 1990-2000). In both cases the trade balance is very much in Australia's favour—we only import A$1.1 million in goods from Syria per year; and imports from Lebanon are in the vicinity of A$8 million per year.

Syria is very much a country in transition—it has recognised the need to modernize and move its economy away from the centrally planned socialist model it has followed for many years, and take steps to attract western companies and investment. Progress has been slow but the government is examining changes to its banking system, new commercial laws, the creation of a stock market and an overhaul of the tax system, all steps designed to make Syria a much more attractive and accessible market in future. Opportunities exist for Australian education exports, information technology and financial management companies, to name just three areas.

Syria also indicated a preparedness to engage in dialogue with the west, and on a number of occasions there was reference to the close relationship Australia has with the United States. They saw Australia as being able to play a role as a conduit between Syria and the western powers, and a possible voice of influence on their behalf. They were also keen to see Australia re-establish an embassy in Syria (closed in 1999 due to financial constraints). The delegation has recommended that the Australian government reconsider that decision with a view to re-opening the embassy in Damascus should financial constraints permit. I should also note that, since our visit, the Syrian government has opened an embassy in Canberra.

Mr President, Lebanon is facing challenges of a different sort, as it attempts to rebuild its economy after nearly 15 years of civil war. On the surface, Lebanon has made progress since 1990 in repairing some of the physical damage caused by the conflict, and the reconstruction of Beirut's CBD is remarkable. However, much still remains to be done, and Lebanon is carrying an extremely high, and ultimately unsustainable, level of public debt. In Lebanon, we were pleased to have the opportunity to meet with many in the community who have close family ties with Australia, and for us to acknowledge the contribution made by Lebanese migrants to Australia in all aspects of life here.

I would like to place on record the delegation's sincere appreciation for the hospitality extended to us, and the care with which the programs were arranged. The program was very full, and was a good balance between formal meetings, informal discussions and inspections, and there was also an opportunity to see a little of each country. Our visit coincided with Ramadan, and we were very conscious that this might have caused some problems for our hosts. However, in reality it did not seem to affect the program, and we had the added bonus of experiencing the Iftar (formal breaking of the fast after sunset).

I would also like to pay tribute to the Australian diplomatic personnel who assisted the delegation so ably both prior to and during our visit. I have said it before, but it bears repeating—Australia is very well represented overseas by our Department of Foreign Affairs and Trade staff, and they are well regarded by local authorities.

I would also like to thank the other members of the delegation—the Deputy Leader, Senator Carr, who had visited the region with the previous parliamentary delegation and was able to bring that expertise to bear; and to Joanna Gash, Nicola Roxon and Phillip Barresi who all worked very hard during the visit to represent the Australian Parliament in a bipartisan way. I also thank our delegation secretary Joanne Towner—she is experienced, intuitive and very balanced in her approach.

Mr President, there are many other things I could mention, including the other recommendations made by the delegation, but time does not permit. Therefore, may I simply commend the report to the Senate.

Senator MACKAY (Tasmania) (4.29 p.m.)—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

COMMITTEES

Membership

The ACTING DEPUTY PRESIDENT (Senator Ferguson)—The President has received a letter from a party leader seeking variations to the membership of certain committees.

Senator COONAN (New South Wales—Minister for Revenue and Assistant Treasurer) (4.30 p.m.)—by leave—I move:

That senators be discharged from and appointed to committees as follows:

Community Affairs Legislation Committee—

Appointed—Senator McLucas

Discharged—Senator Hutchins

Foreign Affairs, Defence and Trade Legislation Committee—

Appointed—Senator Hutchins

Discharged—Senator Cook.

Question agreed to.

AUSTRALIAN PUBLIC SERVICE: POLITICISATION

Senator LUNDY (Australian Capital Territory) (4.31 p.m.)—At the request of Senator Faulkner, I move:

That the Senate expresses its deep concern at the continuing politicisation of the public sector by the Howard Government.

It is amazing that this has been such a consistent theme of the coalition government's term in office. It dates right back to 1996, when the coalition government was first elected upon the sackings of no fewer than six heads of departments at the time and which, from that very first moment, started to characterise the Howard government as being intent on reshaping the Public Service from a very proud, frank and fearless organisation to an organisation forced to kowtow to the views and wishes of its political masters.

As a representative of Canberra, the nation's capital, with the proportion of public servants we have here, I know personally how proud a profession working in the Public Service is and how disgraceful and how offensive the ongoing politicisation has been to so many people in this town. I will come to a couple of specific examples soon, but I can tell the Senate that it has been really hard to narrow down the issues I want to focus on, because there have been so many examples of overly blatant politicisation of the Public Service. As time goes on, it seems that it gets more obvious and more offensive from two perspectives. The first is from the observations of the Labor opposition in this place of some of the particularly disgraceful affairs, most recently the heavy-handed treatment of Commissioner Keelty as he spoke his mind in a frank and fearless manner, which happened to contradict the Howard government's view on the Iraq war. The other perspective is my own experience on many occasions of the role that the National Capital

Authority has played, albeit with the complete direction and contrivance of the then Minister for Regional Services, Territories and Local Government, Mr Tuckey, and other examples.

I will focus on the role of politicising the boards of cultural institutions. There are examples involving the Australian Broadcasting Corporation, which Senator Mackay has had a few things to say about recently. There is also the way that many public servants find themselves having to conform to the agenda of the Howard government. Another example would be the way that some of the Australian Communications Authority reports about, for example, the performance of Telstra are structured to help the Howard government. The work they do is specifically structured to help the Howard government. Long gone are the days when the whole concept of public servants being in place, being able to serve governments of whatever flavour, being able to provide frank and fearless advice and being able to turn up to Senate estimates hearings and answer questions honestly and truthfully. It is important that here I do not manage to tar every public servant with some of this, but it is very clear, with more evidence coming to light all the time, that things have changed under the Howard government.

It is worth speculating on the approach the Howard government takes to the Public Service. There are two issues here: one of course is the propensity of the Howard government to want to be loose with the truth, to tell lies about issues of fact and to then be caught out later through the diligent work of the Labor opposition, but it is also a fact that there is an ideological problem this government has with the Public Service per se. The public sector plays an absolutely vital role in the government's administration of this country. Public services and civil services around the world play an absolutely critical role in civil societies. So why is it that this government cannot even grasp the basic tenets of the role of the public sector in a civil society in its provision of frank and fearless advice? It is a foundation of democracy that is continually attacked and undermined by the Howard government, led by this painful, ridiculous, backward and inappropriate ideology that somehow the public sector represents something at the opposite end of the political spectrum. The fact is that you can have broad views across the political spectrum and still have a frank and fearless public service. Why should it be attacked all the time? Yet, that is what we see.

One of the first issues I would like to go to, and I think it stands out as an example, relates to what really happened with the children overboard affair. In this example we had the opportunity to go through a painful process of trying to extract the truth, and a number of the very serious findings by the inquiry into a certain maritime incident, as it was cited, are a grave indictment of the efforts of this government, and in particular of Minister Reith, in politicising the Public Service. It is worth while going through some of the findings of that inquiry which articulate part of this problem. Let me quote:

> Mr Reith undermined public confidence in himself and in the government by his handling of the 'children overboard' controversy during the period October-November 2001, and in the course of various inquiries related to the matter conducted by Defence—

Senator Brandis—Mr Acting Deputy President, I raise a point of order. The document from which Senator Lundy is reading is not the document she represented it to be. The document as you yourself know as a member of that committee, Mr Acting Deputy President Ferguson, is the extremely partisan and controversial Labor majority report, not the report of 'the committee'. The committee did not produce a report. It pro-

duced two reports: a Labor Party report and a government senators report. The senator is misleading the chamber.

The ACTING DEPUTY PRESIDENT (Senator Ferguson)—Senator Brandis, there is no point of order.

Senator LUNDY—I will continue with my quote:

> Mr Reith was not honest in his public dealings in that, having placed inaccurate statements on the public record, he persisted with those statements having received advice to the contrary, and did not seek to correct any misconceptions arising from his statements.
>
> Mr Reith engaged in the deliberate misleading of the Australian public concerning a matter of intense political interest during an election period. Mr Reith failed to provide timely and accurate advice to the Prime Minister concerning the matters associated with the 'children overboard' controversy.

It goes on to say:

> Mr Reith failed to cooperate with the Senate Select Committee established to inquire into the 'children overboard' controversy, thereby undermining the accountability of the executive to the parliament.
>
> Mr Reith failed to respect the conventions of the relationship between a department and a minister as specified in the Prime Minister's *Guide*. In particular, Mr Reith required the Department of Defence to act in ways which called into question their political impartiality—in express contravention of the Prime Minister's *Guide*.
>
> Mr Reith bears responsibility for the haranguing interventions of his ministerial staff into the Department of Defence, and for their failure to adequately assess and give proper weight to advice from the department. Mr Reith therefore failed to maintain the standards specified in the Prime Minister's *Guide* with respect to the conduct of ministerial advisers.

The body of that, regardless of what spurious points of order are taken, is what Labor senators found as part of that inquiry.

Senator Brandis—That's what the Labor senators found!

Senator LUNDY—That is what we found, Senator Brandis, and these are absolutely—

Senator Wong—Mr Acting Deputy President, I rise on a point of order. Senator Brandis is screaming across the chamber at Senator Lundy. It is most inappropriate. He may not like the truth when it is told—

The ACTING DEPUTY PRESIDENT—What is your point of order, Senator Wong?

Senator Wong—but he is not entitled to scream at the senator when she is speaking.

The ACTING DEPUTY PRESIDENT—Senator Wong, you are actually making a debating point. In fact, there are often interjections in this place, and I will try to keep them in order.

Senator LUNDY—The issue here is that the findings in this report are of grave concern and should be of grave concern to all Australians. It is an extremely serious issue. The children overboard affair occurred at a time that was highly sensitive and, no doubt, it impacted very powerfully on the following election. So we are talking about the operation of our democracy. The ability of public servants in this country to operate in a frank and fearless way is an essential foundation and tenet of Australian democracy, and we have a government in place that is intent and focused on undermining—and is demonstrably undermining—that very important principle.

I would like to speak now of another major foray by the Howard government into interference of a very political nature in another extremely important Australian institution. In December 2002 the government announced a review of the national cultural institutions which, I believe, was a blueprint for it to embark upon a war on culture in

Australia. The report of this review is still secret, and the government refuses to release it to the public. Again, for the record, I call on the Howard government to make this report public. In the 2003-04 budget, delivered nearly a year ago now, this blueprint became the basis for cutting the funds of many national cultural institutions. The government announced a stripping out of nearly $8 million in funding and dozens of jobs from the National Gallery, Archives and Library. I think it is very clear now that this blueprint articulated the process of a systematic attack on the National Museum.

This is where I think another chapter can be told of politicisation, in this case of a board, in an attempt to corral and exert influence on a national cultural institution to become political and express the political view of the government of the day—or, more specifically perhaps, that of Mr Howard. In order to facilitate this grand plan, the Howard government plainly and simply stacked the boards with conservative appointments, in an effort to influence their collection and exhibition policies to adopt a conservative view of Australia's history and culture. The politicisation of the National Museum is expressed by the controversial sacking by the Howard government of the Museum Director, Dawn Casey, who resisted this effort, and the political appointments to the Museum council.

The experience of the National Museum has placed it firmly in the centre of this debate about politicisation, and the continuing attacks on and white-anting of this institution signal the end of its cultural independence. This serves as a very loud and timely warning bell for other national cultural institutions. First came the carping, subjective criticisms about the Museum's portrayal of Australian cultural history by members of the Museum's council, who include the Chairman, former Liberal-National President Tony Staley; David Barnett, the Prime Minister's authorised biographer; and his former speechwriter, Christopher Pearson. In March 2002 Professor Graeme Davison was asked to assess complaints made by Mr Barnett in an internal memo. The complaints included that the Museum's stolen children exhibit was a 'victim episode'. In December 2002 the Minister for the Arts and Sport, Senator Kemp, quietly announced that the Museum's inaugural director, Dawn Casey, had had her reappointment—in Labor's view, unreasonably—shortened.

Then came the national review of exhibitions and public programs, headed by Dr John Carroll, who set about establishing a very clear agenda for the effective politicisation of the Museum's exhibitions. This was clearly a process by which the Howard government would express a view about how Australia's cultural history should be expressed within the context of the exhibitions in the National Museum. When the report was eventually made public in July 2003, it advocated what I have described as a whitewashing of Australian history. I have used that term because it is a whitewashing. It is attempting to tell the stories through the eyes of the Anglo historians who have for so long characterised Australian history as somehow starting when the First Fleet arrived. At the time I said that the review was nothing short of disappointing. In my view, it simply recommended that the Museum should retell the kinds of stories we had already learnt in school, not extend itself beyond a bland sense of history, and not attempt to add to our understanding of all facets of Australian cultural history and experience.

In effect, the Carroll review advocates the censorship of a number of the Museum's exhibits. This type of review will inhibit the National Museum's ability to mount and host the sorts of exhibitions that the National Museum may think appropriate in the future. It

will stop the National Museum from thinking that it does have complete autonomy to make those professional judgments about how Australian's cultural history should be expressed. It is important that we do not forget that this has all been underpinned by the council, which as I mentioned is chaired by former Liberal Party president Tony Staley, clearly one of the Prime Minister's foot soldiers charged with the responsibility of keeping the National Museum in line. With the director's reappointment shortened, many supporters of Dawn Casey were soon to follow. Council members who publicly supported Ms Casey did not have their terms on the council renewed.

All of these decisions are blatantly political At the end of last year I also discovered just how far this politicisation went. At an estimates hearing on 4 November 2003 we saw the Minister for the Arts gag the outgoing Director of the National Museum of Australia, Ms Casey, to prevent her from answering any of my questions about this issue of politicisation. She has made statements following her leaving that position, but it was very clear at the time that the minister was bullying Ms Casey at the table. At this hearing it was also revealed that departmental officers, through the deputy secretary, played an improper role in shaping the Museum council's response to the Carroll review. It turns out that Dr Stretton is an observer on the Museum council and was asked by the chairman to look at and comment on a draft response intended for the minister, albeit from the council—and in this case prepared by a public servant. In yet a further twist, it was just last year that the Prime Minister himself had commissioned a funding review in the Museum's first year of operation.

The report canvassed three funding options, warning that choosing the minimal option would severely jeopardise the Museum's future development as a major cultural institution and lead to rapidly declining visitor numbers and a significant downgrade in exhibitions. Surprise, surprise—the Howard government took this minimal funding option of $9.138 million despite these warnings. Not surprisingly, the report was never released to the public. Instead, it took a year long battle for the *Australian* to obtain it under the Freedom of Information Act. The Museum council later drafted a response to this review, explicitly asking for restoration of this funding—funding which will be used to rebuild the Museum according to Howard's view of how Australian history should be perceived and communicated. According to the draft response:

> The review panel's ambitions for the Museum are not achievable with available resources and existing constraints. The Museum is funded according to option C of the Funding Review, 2002-2003. Under this option, resources allow for permanent galleries to be changed only to meet loan, conservation and preservation requirements; for one module to be updated every year; and for refurbishment of a gallery every 10 years.

All of these points about the National Museum give a very clear illustration of the extent to which the Howard government is intent on interfering and politicising what should be proud, independent, professional, world class institutions.

You can imagine this sort of scenario happening in other institutions. On the Labor opposition benches you hear about it sometimes, but it raises the question of how often does this happen without it coming to light, without it getting a good airing in this place. As I said, I know the impact on the morale of public servants has been devastating. The continued and growing pressure in many circumstances will forever hold the Howard government's place in the history books as being a government that took the Australian public sector 1,000 steps backwards in the period of its government.

I think the story of the National Museum is frightening. It is ironic that one of the few things local coalition Senator Humphries has said is, 'But the coalition built the Museum.' Yes, you built the Museum but you want it to express its exhibitions through your eyes. You do not have that luxury, I am afraid. No government has the right to exert a political expression through a public institution. It is the responsibility of governments of whatever flavour to preserve the dignity of Australian culture, not to undermine it in the way that has happened with the Museum.

The evidence, as it continues to grow, shows that the government is getting more audacious and bolder in its politicisation as it continues to take action—as in the episode we saw this week, with which I started my comments today, involving Commissioner Keelty. The message to public servants is: if you do not toe the line we are going to hunt you down, we are going to harass you and we are going to force you to toe the government line. It is a very sad reflection on this government. I notice Senator Mason is having a good old laugh across the chamber, and I will be very interested to hear what his comments are in defence of what I believe is the indefensible politicisation of the Australian Public Service.

Senator MASON (Queensland) (4.51 p.m.)—My hands trembled when I read the *Notice Paper* this morning. The Leader of the Opposition in the Senate, Senator Faulkner, was to move:

> That the Senate expresses its deep concern at the continuing politicisation of the public sector by the Howard Government.

I have been in parliament for 4½ years or so and I am used to gilding the lily—I am no shrinking violet.

Senator George Campbell—You do it all the time.

Senator MASON—Taints of hypocrisy, Senator Campbell, are part of the game. We all know that. But when I read that Senator Faulkner was to move this motion, I thought: 'My God. This is not merely tainted by hypocrisy; this is wallowing or suffocating or drowning in hypocrisy.' I cannot believe that Senator Faulkner, of all people, would move a motion like that.

Senator McGauran—He hasn't turned up to the debate.

Senator MASON—Indeed, Senator Faulkner has not turned up.

Senator Coonan—He's got a sense of humour.

Senator MASON—Minister, it is really as if Senator Faulkner is the only virgin in the brothel. He has this view that he and the Labor Party are somehow pure with respect to the Public Service and the public sector, and I will get to that in a minute. This debate, I am sure, has been sponsored by recent events relating to Mr Keelty, the Australian Federal Police Commissioner. Senator Faulkner, Mr Latham and Senator Lundy—indeed, Labor in general—have accused the government of handling Mr Keelty roughly. It is all terribly ironic. It is ironic because Senator Faulkner is a very recent convert to this cause. His gushing concern and gushing empathy for Mr Keelty were not there at all until very recently. This is what Senator Faulkner had to say about Mr Keelty in his media statement of 1 September 2002:

> Further questions have been raised about the quality of evidence provided to parliament by the head of the Australian Federal Police, Commissioner Mick Keelty.

Over the following few weeks Senator Faulkner went about attacking Commissioner Keelty in the Senate and impinging upon the commissioner's integrity. In this attack he was joined by Senator Ray, another

senior senator, who had this to say about Commissioner Keelty:

> Today I read the tirade from the commissioner of police, who cannot understand the subtlety of what Senator Faulkner said in the last three speeches; he just completely misinterpreted it for his own purposes. If ever I have seen an evasive witness, it was him at the estimates hearings and at the certain maritime incident inquiry.

That was Senator Ray. Senator Faulkner attacked Commissioner Keelty because he wanted to gain some political mileage—and that would not be unusual for Senator Faulkner—because he wanted to score a few political points and because he did not like the evidence that Commissioner Keelty gave at the Senate hearings. Senator Faulkner, that great defender of a neutral, fearless Australian Public Service, decided to launch an opportunistic attack on Australia's top police officer. That attack came from the senator who sought to move this motion. Commissioner Keelty had this to say in response to Senator Faulkner's attack:

> Senator Faulkner has used selective quotes and is wrongly linking facts and fiction over the AFP operations ...
>
> … … …
>
> It is easy to make spurious allegations and many of the allegations made by *Sunday*, and repeated by Senator Faulkner are just that. When properly investigated, the allegations lack substance.

He went on to say:

> I have previously undertaken to provide the Senate Legal and Constitutional Affairs Committee with the results of the AFP investigation into these matters. On Tuesday, 24 September, I made an offer of a further briefing to the Senate Legal and Constitutional Affairs Committee. Therefore, Senator Faulkner could have clarified his position before embarking any further on his allegations. Instead, he has chosen to sully the reputation of the AFP, and myself as the Commissioner, instead of availing himself of the facts.

Again, the senator from the Australian Labor Party who sought to move this motion has sullied the integrity of the AFP and the police commissioner.

Senator McGauran—And he's not even here.

Senator MASON—It is all pretty simple, Senator McGauran. In 2002 Mr Keelty was bad and in 2004 Mr Keelty is good. It is like a sort of conversion on the road to Damascus—or a conversion on the road to Baghdad, perhaps! It is one of the two. Senator Faulkner's attitude towards Commissioner Keelty might have changed, but one thing remains the same: Senator Faulkner and the Labor Party have used Commissioner Keelty as a political football to try to score points against the government. So much for all this high-principle talk about a neutral Public Service and about the high-handed and dreadful manner in which the government attacked Mr Keelty. Two years ago Senator Faulkner made disgraceful imputations against the integrity of the AFP and Mr Keelty.

Labor knows a lot about the politicisation of the Public Service from its tenure both in government federally prior to 1996 and in state governments right across this country now. It was Sir Robert Menzies as Prime Minister who gave Australia the modern, professional non-partisan Public Service. Indeed, Sir Paul Hasluck once said that one of the greatest contributions that Sir Robert Menzies ever made to this nation was the establishment of a strong and independent Public Service. It fell to Mr Whitlam, Mr Hawke and Mr Keating to debase that. There is all this talk about the Liberal Party and Mr Howard debasing Public Service neutrality. No—it all started with Mr Whitlam, like everything else did. Let us cast our minds back to those heady, halcyon days just for a minute. Who can forget that Mr Whitlam, during his mercifully brief tenure as Prime Minister, shunted off Sir John Bunting, the head of the

Department of the Prime Minister and Cabinet, and appointed in his place his former private secretary, Mr Menadue. Sir John Bunting went off to London and Mr Menadue, his former principal private secretary, became the secretary to the Department of the Prime Minister and Cabinet. If a rot has set in, it set in under Mr Whitlam.

Who can forget Mr Whitlam's other jobs for the boys? He made appointments like Dr Wilenski as head of the Department of Labour and Immigration and Mr Spiegelman as head of the media department. I can remember, even as a very young fellow at the time, many complaints from Mr Whitlam that his great, grand vision—and we had big picture people even in those days; before Mr Keating's we had Mr Whitlam's big picture—might be undermined by those awful public servants, those conservative, dreadful permanent heads, as they were described in those days. Mr Whitlam was concerned that they might undermine the great socialist vision he wanted to impose on this country. So, dreadful people like Sir Arthur Tange and Sir Frederick Wheeler had to be got rid of and Mr Whitlam went ahead hammer and tongs trying to get rid of Wheeler, Tange and others. He thought that they would somehow be a brake on the socialist nirvana that he wanted to encumber this country with. The rot did not start with the Liberal Party; it started with Mr Whitlam in 1972 objecting to the existing permanent heads and replacing Sir John Bunting. Then came Mr Fraser—and this is the contrast. When Mr Fraser took office in 1975 he inherited Mr Menadue from Mr Whitlam. What did Mr Fraser do? He kept Mr Menadue as his permanent head of the Department of the Prime Minister and Cabinet.

Senator George Campbell—You just shot your argument through the foot.

Senator MASON—No. The Liberal Party did not start to politicise the Public Service. They accepted the rules; they kept Mr Menadue in office. It was the Labor Party, under Mr Whitlam, that started appointing the partisan hacks. It was not the Liberal Party, Senator Campbell; it was your lot, as always. It is Thursday afternoon and it is time, in a minute, for some entertainment and a little bit of history. As you know, I enjoy that. Let us recall the Hawke-Keating years, but first I will give you a little bit of context. Mr John Nethercote has researched extensively and written on the history of the Public Service in Australia for many years. He had this to say about the Public Service under Mr Paul Keating. He said:

> It was under particularly the Keating government that the present regime which converts the heads of departments essentially into courtiers in the prime minister's domain—it was under Paul Keating' prime ministership—that this characteristic became entrenched.

Mr Nethercote was commenting on a speech by Mr Keating in which the former Prime Minister decried the alleged politicisation of the Public Service under the Howard government. Mr Nethercote continued:

> ... for Mr Keating, the former prime minister, to be speaking as he does is just simply completely at odds with the record. Indeed, when he was prime minister, one of the few speeches he actually gave on the public service was precisely to attack the professional independence which the public service had historically fostered ... so on that score, Paul Keating is definitely hoping that many people have got poor memories.

He is talking of poor memories such as Senator Faulkner, Senator Lundy and the Labor Party apparently have. On our side, we do not have such poor memories. I remember very well the Hawke government, the Keating government and the Manchu court. Let me just remind the Senate of the Manchu court. There was an article in the *Sydney Morning Herald* on 31 May 1986. The article

was about the Labor Party and they are here today on this highly principled matter of depoliticising the Public Service. The article was entitled 'It's time Keating and Hawke kissed and made up' and it said:

On Thursday Keating went after Hawke's minders in a big way. He referred, without naming anyone, to the likes of Peter Barron, Hawke's principal adviser and Bob Hogg, senior adviser (Barron has the more important title. He knows how to look after himself.) as "The Manchu Court". It is not so much that Keating resents the influence of the Prime Ministerial minders but believes it is a sign of weakness by Hawke that he takes so much notice of them. The role of advisers, he believes, should not be elevated to the role of policymakers.

If they wanted to make policy, they should stand for pre-selection and get into Parliament, Keating has reminded the minders more than once. He blamed the minders for Hawke's lack of resolve in the tax debate. The minders, he fumed privately, were "offering Hawkey caviar. I have to go up there and hand him a—

expletive deleted—

... sandwich and say: "Take a big bite Bob, tax reform tastes nice."

At the time of the tax debate, Keating included among the minders, Ross Garnaut, then Hawke's economic adviser and now ambassador in Beijing. It would not have escaped Keating that the Manchu Court of Barron, Garnaut, and to a lesser extent Hogg, were together again, ominously in Beijing where the original Manchu Court wielded influence. (The Manchu Court, that is the original one, lasted 350 years, one of the minders was telling people yesterday).

That is Mr Keating's view of the public sector. That is what he believes about the public sector. Mr Nethercote, you will recall, said that the only time Mr Keating ever said something about the Public Service was when he abused it. From 1986 we recall the pathetic debate about the Manchu court. That was a bravura performance from Mr Keating. I will quote from an article by Paul Malone in the *Canberra Times* on 31 May 1986. Mr Malone says:

The guts of Mr Keating's remarks were that he and Mr Hawke had always been friends—

oh, dear—

but that he had often had trouble with Mr Hawke's minders.

"They've never been elected to anything but they think they have," he said. "And every now and then I remind them they haven't and he should remind them every now and then as well."

Later in another interview he said he called the advisers the Manchu Court because "they sit around like courtiers".

The rot set in under Mr Whitlam. It got worse under Mr Hawke and then became absolutely embarrassing under Mr Keating. Senator Vanstone, when she became a minister in 1996, recalled this:

Now, just look at my example, when I came to government, the government is accused of politicising the public service—

this was in 1996: we had just arrived in office and we were accused of politicising the Public Service. Senator Vanstone continued:

and I walk into my ministerial office and I meet my secretary who is a former chief of staff of a former Labor Prime Minister and then I am introduced to the dep secs—

the deputy secretaries—

and there is another one and she has just come out of the Prime Minister Keating's office, ever so conveniently, just a few weeks before the election loss. And these are the people telling me and my colleagues that the public service has been politicised. I do not think so. I do not think so at all.

That is what Senator Vanstone said. This sort of wallowing in hypocrisy is absolutely pathetic, even for a Thursday afternoon. But it is not just about hypocrisy at the federal level; there is enormous hypocrisy from the Labor Party at the state government level.

Recall, Madam Acting Deputy President, that every state government in this country is

now controlled by the Labor Party. One has only to look at the Labor government in my state of Queensland, which is turning the Public Service into its own private fiefdom, or recall, not that long ago, ex-members of the Labor Party claiming, regarding their evidence to the Shepherdson inquiry:

> A chance to land public service and ministerial office jobs awaited those who complied with AWU faction requests ...

You got a goodtime job if you did what the AWU said you should do. You got a great job in the Public Service and you got driven around in a nice car if you did what the AWU said.

In Western Australia there is a saga unfolding that bears an eerie resemblance to what Senator Faulkner and the Labor Party, for days now, have been accusing the government of doing. Maybe in fact they were inspired by the actions of Western Australian Premier Dr Gallop. Psychologists call this phenomenon a projection: you project things that you yourself are doing onto others. Let me quote from the *West Australian* of Friday, 12 March 2004:

> POLICE Commissioner Barry Matthews, who has repeatedly clashed with Police Minister Michelle Roberts, has been asked to quit his $267,000-a-year job.
>
> Mrs Roberts asked Mr Matthews to leave last December in what is believed to be a standing offer to move on.
>
> The offer threatens to spark a row over Government interference in the independence of the police.
>
> Relations hit a new low last week when Premier Geoff Gallop and Mr Matthews had a blazing telephone row over public comments both had made after the report of the Kennedy royal commission into police corruption.

The article goes on to say:

> Dr Gallop yesterday refused to deny the telephone row took place.
>
> A spokesman for the Premier said he regarded any conversation with the Police Commissioner as confidential …

But the police commissioner is still concerned that what the Labor government—Dr Gallop and his team—have done is traduce the reputation of both the commissioner and the police force. Just as Senator Faulkner did in 2002 with Commissioner Keelty and as Dr Gallop is doing today, this reeks of total utter hypocrisy—far too much even for a Thursday afternoon. All I can say to those listening is that this debate is pathetic— *(Time expired)*

Senator BARTLETT (Queensland—Leader of the Australian Democrats) (5.11 p.m.)—Senator Mason has quite rightly outlined some of the Labor Party's record on this issue, as the Labor Party has quite rightly outlined the Liberal Party's record on it. I would use a cliche like the pot calling the kettle black, but I am not sure who is the pot and who is the kettle. It depends whether you are talking about now or the past, state or federal. I think that phenomenon of projection that Senator Mason mentioned is basically going backwards and forwards across the chamber from Labor to Liberal and back again. As usual, it falls to the Democrats to try to bring some impartial, balanced and objective comments to this issue. As a party with our particular role in the Senate, we are always in the position of trying to keep governments—both Labor and Liberal—honest.

Probably the most blatant example of the public demonstration of politicisation of the Public Service in recent years has been the 'children overboard' inquiry or that known as the inquiry into a certain maritime incident. Such a surreal inquiry was that—and, probably quite appropriately, given Senator Mason's theatrical performance just then, and as I think he knows—that it has the distinction, perhaps not unique but certainly rare, of having been turned into a play, a piece of thea-

tre, called *CMI*. I do not know whether Senator Mason gets a starring role or not. I think it starts tomorrow.

Senator Mason—I'm played by Brad Pitt, apparently.

Senator BARTLETT—Brad Pitt! Senator Mason is very cute, as I often say, but I have not seen whether he has a sixpack as good as Brad Pitt's! He probably has but, if he wants to display it to the Senate now, I am not sure whether we can incorporate sixpacks and abs in *Hansard*, so we will just take his word for it. I think that play gets under way in a theatre in Redfern tomorrow night, for those in Sydney. I have no idea whether it is any good or not, but I will let people know once I have seen it.

Senator Mason was part of the certain maritime incident inquiry and played a role in what was partly a piece of theatre and partly an important examination of very significant issues of public policy, very significant issues in terms of the way government went about exercising its power over the Public Service and the role of ministerial staffers as well. I would also recommend that people—apart from perhaps seeing Senator Mason represented in the *CMI* play, if he is—read the book *Dark Victory* by Marian Wilkinson and David Marr. It is a very detailed examination of the broader issue of the *Tampa* incident and the politics leading up to it. I would recommend that people take the politics out as much as possible and just look at the process and the absolutely enormous degree of government control over public servants at all levels. There was absolutely rigid control, including over senior Defence personnel right up to the commander, Admiral Barrie, CDF, as well as civilians within the defence department, and ministerial staff and senior public servants were used to control every single scrap of information—what got in, what got out and how it was communicated.

Apart from a very interesting examination of the reality behind the messages about asylum seekers, in the context of this debate it is also a very interesting examination of the reality of government control and the use and misuse of public servants in this day and age. As Senator Mason quite rightly highlighted, there is nothing uniquely Liberal about that; it is equally as common in the Labor Party, both at the federal level when they were in government and again, as he quite rightly pointed out, at the state level around Australia. Another representative from the theatrical performance just walked into the chamber. I do not know who is playing Senator Brandis; Brad Pitt is already taken, but we will see. It is a common problem at the state and federal levels with both Labor and Liberal parties and is a phenomenon that goes back a number of years. It is across both the major political parties, and it is getting worse.

This problem is a significant concern for the Democrats. Whilst we do everything we can in the Senate as the balance of power party and have devoted a large part of our history to trying to get openness and accountability into government and using the Senate's and the parliament's powers to ensure that the Public Service serves the public and not the government, it is becoming more and more difficult. Governments are becoming more and more powerful, secretive and controlling of information, and more and more accepting and willing to use that power to misuse the Public Service and taxpayers' money for their own ends.

I do not want to occupy an impossibly high moral ground here. I recognise there are some grey areas and things can happen, but there is no doubt that it has regressed to a stage where there is gross politicisation of

the Public Service, the system of government and the use of taxpayers' resources to serve the government's short-term party political ends rather than the policy ends. There are some grey lines and overlaps but there are a lot of areas where it is quite clearly nowhere near that grey line; it is well and truly beyond it and on the wrong side of it. We need not just to point out how big a problem this is but to find solutions.

The Democrats support the motion that the Senate express its deep concern at the continuing politicisation of the public sector by the Howard government. I would add—I will not bother moving an amendment—it has been done by state Labor and federal governments stretching back over a long period. Perhaps it would be better to say not the continuing politicisation but the greater and further politicisation building on a record that was further enhanced during the Hawke and Keating eras. We need to look at solutions. It is beyond making the obvious point and making people aware that this is happening. It is not enough to use it as a political attack, because all you get, as we have got, is whoever is in opposition criticising the government of the day for politicising the Public Service until they get into government. Then they do the same thing in part using the arguments that they have spent a long time putting forward that the other mob did it. They have to then undo what the others did and do it themselves. We have to try to somehow put a stop to that, put a brake on it. That is the challenge, particularly for the Senate to face.

I put this challenge to Labor. The Democrats support their motion and think it is appropriate that it is being raised. One of the things the public have got so cynical about—and the Democrats have got cynical along with them—is that before every election, particularly when it looks like there might be a change in government, the Prime Minister in waiting, as Mr Latham is now being called, the potential Prime Minister, says: 'We will get in and we will change it all. We will fix it all up. We will depoliticise everything. We'll make the parliament work better. We'll have proper respect for the parliament. We'll have an independent Speaker. We will do all these things.' Mr Howard did that back in 1995-96 before the election. He promised that parliamentary standards would rise. Remember his infamous ministerial code of conduct: higher standards all round. Of course, as we have seen since then, a few little things happened initially then it was all downhill from there.

The obvious question is: is it going to happen again should Labor return to government after the next election? What we really need and what the Democrats put out to Labor, partly as a challenge and partly as an offer, is a set of concrete proposals—not just general statements saying, 'We will depoliticise the Public Service,' or, 'We will improve standards in parliament'—to ensure that it will happen. The area where we can ensure that it continues to happen is in the Senate where the government, whatever party it is, will not hold a majority. Again, going back to the Democrats' key role as the balance of power party in the Senate and a record stretching well over two decades, we are quite willing to work with either of the major parties to put in place now processes that will improve accountability for the government and for ministerial staffers, which is badly needed, and other processes that will at least put a brake on, if not help to reverse, the misuse and politicisation of public servants. We can do that in the Senate before the election, at least in some areas where the numbers are there, to enforce greater accountability of government. We need to push the issue further.

We have not only the problem of politicisation of the Public Service, an enormous

and an increased degree of government control over public servants and a culture that has quite clearly developed and been deliberately created to discourage public sector workers from stepping out of line, but also the problem of growing contempt for parliament and the Senate. I guess the government of the day has always had some contempt for the House of Representatives as an independent parliamentary chamber because the government has always controlled it, so has never seen any need to give it much respect. Over the century or so since Federation, apart from the occasional exception, there has been a continuing decline, turning the House of Representatives into an echo chamber for the government of the day. The ability of the House of Representatives to function in its theoretical sense as a house of parliament scrutinising government is a nice idea but it has not operated and does not operate in that way.

The onus is on the Senate to ensure that parliament operates independently of the government and as a mechanism that scrutinises government, provides a check and balance on the executive and ensures accountability. The growing contempt not only for the House of Representatives, which I think has been treated with contempt by governments for many years, but for the Senate is something that needs to be stood up to. If the Labor Party are serious about standing up to the government's growing contempt for the Senate and the public sector, and their willingness to misuse ministerial staffers and keep them hidden from accountability, let us work on measures that we can try to put in place now or a set of proposals that we can put forward leading up to the next election.

As I said, even if Labor were to win the next election, they would not control the Senate. The Democrats are certainly determined to highlight the importance of our party playing a role in the balance of power and ensuring the accountability of whomever is in government. That is clearly what is needed.

Senator Kemp—I don't think the Dems will have the same numbers.

Senator BARTLETT—If the Liberals are still in government after the next election, they may well prefer to have a balanced party in the balance of power. I am sure Senator Kemp would agree that the Liberals, if they were in government and were willing, could work just as effectively in seeking greater accountability of parliament. Given the opportunity, the Democrats have been willing to work cooperatively with governments of either persuasion and to stand up against them when necessary. If Senator Kemp would prefer an alternative group of people holding the balance of power, perhaps he should promote that publicly to enable the Senate to work more effectively with the government.

Senator Kemp—We want people who encourage governments to keep their promises, and the Dems want us to break our promises.

Senator BARTLETT—Senator Kemp is talking about encouraging the government to keep its promises. I note the promises that Mr Howard made when he first came into government all those years ago. I am quite happy to dig them all up. We will work very cooperatively with Senator Kemp. I will take him to Mr Howard's office. We can walk in the door together and say, 'Prime Minister, we have made a pact to implement all of your promises from before 1996 to get greater accountability and effectiveness in parliament.' We could do that, and I would quite happily help Senator Kemp to implement promises that were made before each election about improving the standards of parliament and improving ministerial accountability.

Senator Kemp—All the promises? Don't be selective.

Senator BARTLETT—I am not being selective at all; I am simply highlighting those in the context of this debate.

Senator Kemp—You're being very selective.

Senator BARTLETT—'Very focused' is a much more appropriate term—focused on the topic at hand because I would not dare stray from the topic before the chamber. The topic at hand is greater accountability, frankly. The focus of it is politicisation of the Public Service but that broadens to include parliamentary accountability of the government of the day and indeed of the staff of the ministers of the day.

The Senate Finance and Public Administration References Committee has already done some work on this issue in looking at greater accountability for ministerial staff. That links directly to politicisation of the Public Service. The Keelty affair and the 'children overboard' incident—an extreme, public example—showed ministerial staffers using and misusing their positions to browbeat public servants and public sector workers into the government line. A further problem is that such people have been kept from scrutiny by Senate estimates committees and Senate committees more broadly. Those staff have basically taken on the role of de facto minister, assuming ministerial authority in a way that Senator Mason quite rightly pointed out with the so-called Manchu court.

Some ministerial staff have the habit of acting as de facto ministers. If that is what they want to do that is fine up to a point—as long as it is legal—but there should also be accountability. That Senate committee report recommended that ministerial staffers should be able to be called before committees, including Senate estimates committees, when requested and under defined circumstances. There is nothing to prevent the parliament and the government from reaching an agreement on such circumstances. Again I would welcome Senator Kemp's cooperation on this issue. We have had a similar negotiated consensus for quite a time now—about a quarter of a century—with public servants appearing before estimates committees. A similar consensus could easily be developed with ministerial staffers, and it would be far better to work this out together.

As I said before, the Democrats, as a balance of power party, like to work cooperatively where possible with governments if they are genuinely seeking to get a resolution. Once again I note Senator Kemp's genuine concern, and I again call on him to work on this. But if there is no cooperation from government, if instead there is deliberate intransigence and obstructiveness—and there is nothing worse than an obstructive government trying to get in the way of a Senate trying to be cooperative—then the Senate needs to push the issue further, especially when it is an issue to do with accountability. I have no doubt that the vast majority of the public would support any moves by the Senate to increase the pressure on the government to be more open and accountable about what it does with taxpayers' money and the sort of pressure it puts on public servants.

It would be better to be cooperative, and it would be better to work out an agreement to enable ministerial staff to appear before a committee. I do not think there is much doubt that Senate committees have the power if they wish to pursue it, but nobody wants to pursue things all the way to the end unless they have to. I think that is important. Frankly, effective relationships between ministers' offices and the Public Service require trust and professionalism and they have got to be based on that old phrase of frank and fearless advice. That, in turn, can only occur

if you have got a public service that is not politicised. You have to have strong frameworks, mechanisms and procedures to ensure accountability. We do not have that at the moment; the Democrats believe we need it. We need to do more than just point out the problem; we have got to come up with solutions. That is what we are about. Some work has already been done through Senate committee processes. We are very willing to work with any party in this place to come up with specific solutions and to put them in place before or after the next election.

Senator WONG (South Australia) (5.31 p.m.)—I rise to speak on the motion moved by Senator Faulkner that the Senate expresses its deep concern at the continuing politicisation of the public sector by the Howard government. This is a most timely motion and, given the events of this week, it is an appropriate and important motion for the Senate to debate. What we saw this week was a rattled Prime Minister jump on the Australian Federal Police Commissioner, Mick Keelty, in a desperate attempt to try and keep the truth from the Australian people. From a government obsessed with controlling public debate, a government that is dominated by spin doctors, we see yet again the brutal clampdown on any information or opinion that does not suit the government's political agenda. It is truly, as Mr Latham said, a government of control freaks.

In fact, I think it is worse than that. This is a government that silences not only its critics but also anyone who expresses a different or contrary view—even anyone who dares to put information into the public arena that the government does not wish to be there. The modus operandi of this government is to attack its critics by any means including, on occasion, vitriol and rudeness. It undermines dissenters and it jumps on anyone who dares to speak the truth, as Commissioner Keelty did on this occasion. It attacks those who put things into the public arena that the government does not want to be there. This is not a new method for the Howard government. The Howard method is one that lies at the core of the debate we are currently having. The politicisation of the Public Service arises from this government's paranoia, this government's method of targeting anyone who dares to speak the truth if the truth deviates from the government's line.

Let us look at what actually happened this week. What is the Keelty affair? Most Australians would be aware of it, but in case they are not I would like to go through the facts in brief. Of course we all know of the appalling attack in Madrid on 11 March, and in the following days there was quite a bit of media commentary and discussion within the Australian community as to who was behind it. Obviously, one of the possibilities was al-Qaeda. Commissioner Keelty was interviewed by Jana Wendt on 14 March on the *Sunday* program. What he dared to say was:

> The reality is, if this turns out to be Islamic extremists responsible for this bombing in Spain, it's more likely to be linked to the position that Spain and other allies took on issues such as Iraq.

That is not a remarkable statement. Frankly, it is probably the proposition that a lot of Australians thinking about this issue had already come to themselves. But we saw a massive overreaction by this Prime Minister, an overreaction which is now being played out, to the government's embarrassment, in the public arena and in the media. Immediately after the interview, and whilst he was still in the Channel 9 studios, we are told that—according to the *Australian*—Commissioner Keelty received a telephone call from the chief of staff of the Prime Minister, Arthur Sinodinos. According to the *Australian* article, this call was what you might call terse. According to the article, Commissioner Keelty was chastised by Mr Sinodinos for contradicting the government's

claim that the Iraq war had not increased the terrorist threat to Australia.

We also understand, from the *Sydney Morning Herald*, that the Prime Minister's media adviser, Tony O'Leary, confirmed that not only did Mr Sinodinos make the call to Commissioner Keelty after the interview but that this occurred after a conversation with the Prime Minister. This is an example of a rattled Prime Minister attempting to micromanage public statements of public servants because he is worried they might put the government on the political ropes. In the ensuing days, what did we see? We saw a string of ministers, including the Prime Minister, disagreeing with Commissioner Keelty and undermining his ability to make the statement. We had a long string of them. For example, we had the Prime Minister making comments clearly aimed at undermining the commissioner's ability and standing to offer the opinion he did. On the *7.30 Report* the Prime Minister made this statement:

> And that is part of the background as to why somebody such as the Director General of ASIO, who, with all due respect to the other people you've mentioned—

and I would interpolate here, Commissioner Keelty—

> is a more authoritative person than most on the motives and the modus operandi of terrorist organisations.
>
> There is a difference between the intelligence judgments that are brought to bear in relation to these organisations and the operational functions of police commissioners and police forces.
>
> They are quite separate issues, and quite separate and different judgments are brought to bear.

We have Commissioner Keelty making his comments. We have an urgent telephone call, after the Prime Minister spoke to his chief of staff, from the chief of staff—

Senator Kemp interjecting—

Senator WONG—You can interrupt all you like, Minister Kemp. The reason you are interrupting is that you do not like the truth. You do not like the fact that the Australian people are quite aware that their Prime Minister is ringing his chief of staff to have a go at a federal police officer because he did not like what he was saying—and that is the truth of the matter. We have also seen Minister Ruddock, along with a string of ministers and the Prime Minister, having a go at what Commissioner Keelty said. The minister said:

> ... that's not a conclusion I would agree with because the evidence doesn't suggest that that is likely.

But of course the best, most extreme and over-the-top comment came from our foreign minister, Mr Downer. The minister said:

> I think he—

meaning Commissioner Keelty—

> is just expressing—expressing a view which reflects a lot of the propaganda we're getting from al Qa'eda. I think what the bottom line of all this is is that they—al Qa'eda—are out there running this line on Iraq, and they're doing it for propaganda purposes.

What greater undermining of a public official, a statutory office holder, can there be than the foreign minister of this country comparing what that officer said to the propaganda of a terrorist group? I do not know what that can be called, other than an attack in an attempt to silence the dissenting view expressed by Commissioner Keelty.

In the ensuing days, the Prime Minister refused to answer who it was that drafted the statement that was put out by the commissioner. He refused to answer that on numerous occasions in the other place. Why does he not answer? I think the Australian people can probably work that out for themselves. He does not want to answer because there is a strong probability that there was political

involvement in the drafting of the statement and in the decision to put the statement out.

Unfortunately, this is not a new approach by the Howard government. Neither is it new in relation to the way they deal with the Public Service, and nor is it new in relation to the way they deal with any sector of the Australian community that dissents from their version of events, that dissents from their opinions or that expresses a view contrary to their own. The government seek to silence dissent and to silence those who express different views. This is the hallmark of their approach to the Public Service and the hallmark of their approach more generally.

An example of this in terms of the Public Service is the way this government goes overboard to investigate any leaks. The *Sydney Morning Herald* on Monday, 22 March had the headline 'Departments work under cloak of secrecy say officials'. The article states:

> Investigations by federal government departments and the Australian Federal Police into public servants' leaking of politically sensitive material is at a record high, government sources say.

The government's response to anyone who puts something out there is: 'We'll send the AFP in; we'll come in with a big hammer because we don't want anything out there that we cannot control.'

Unfortunately this government also appears to have a view that it does not have to comply with many orders of the Senate or requests of Senate committees in relation to the provision of documents and information. The same article from which I was quoting made the point that during the Keating prime ministership the Senate made 53 orders of documents of which only four were refused. But between 2002 and late last year, 21 out of 72 requests had been refused by this government. That is a massive increase in their refusal. It is a government that, on the one hand, seeks to silence anyone who expresses a view different to their own and, on the other hand, seeks to control access to information by anyone who might make use of it. It refuses to put into the public arena information that the public are entitled to have, because the government does not want the information out there, because people might become aware of what it is doing.

As I said earlier in my speech, this is not a new approach by the Howard government. We have seen a long list of institutions and individuals against whom the government have turned and applied the blowtorch when they have expressed a view different to theirs. We have seen the now infamous Alston dossier of bias. There were many allegations of bias against the ABC, of which the great and vast majority were found to be unfounded. We have seen Senator Mason in this chamber being critical of charities. It is a strange thing to be critical of; but, yes, he was. He was quoted in the *Herald Sun* as saying:

> In the past, charities provided welfare to the needy and worked hands-on to protect the environment—now they just lobby government instead.
>
> … … …
>
> Charities and environment groups had become political fronts and should be stripped of their tax deductible status.

He is saying, 'We don't like what some charities and environment groups are saying so we're going to strip them of their tax deductibility.' This is not a new view. As I have indicated before in this chamber, this is the same view that has been peddled at times by the Treasurer. We have even had the Treasurer attack the right of church groups to speak out on what he defined as 'moral issues', including the war on Iraq and tax reform. So we have even got the Treasurer saying, 'If these groups don't say what we want,

we don't think they should have the right to speak out.' It is really quite extraordinary.

We've also seen Minister Ruddock do this. This is an interesting one. I am sorry that Senator Brandis is not in the chamber, given his interjections previously. I would have thought, given his legal background, he would actually think that protecting the integrity of the judiciary was an important aspect of our democracy. There has not been a minister, certainly in my recollection, who has turned on the courts so often and so blatantly as Minister Ruddock when he was immigration minister. He regularly attacked the decisions of the courts in relation to asylum seekers. On the John Laws program in August last year, he made the statement:

> One's not supposed to impute the integrity of judges in relation to these matters—

and I interpolate: he then proceeded to do exactly that and criticised the court—

> ... they seem to have a desire to be involved in dealing with matters and dealing with them quickly because they say people are in detention.

And he went on to be critical of the process that the court had undertaken—clearly inappropriate from a minister of the Crown and clearly impugning the court. But what did we see from the Howard government? Did we see the then Attorney-General step out to defend the courts? No, we did not. What we did see was this minister being rewarded with the role of Attorney-General, probably one of the most ironic decisions made by this government.

We have also seen on occasion—and I have spoken before in this place about this—members of the government using somewhat overblown rhetoric to attack members in this place for expressing a different view. The member for Sturt likened Labor's approach to the debate over schools funding as similar to that of Nazi propaganda minister Joseph Goebbels. That is an interesting comparison, yet another example of seeking to personally attack and vilify people who dare to express a different view from that of the government.

Senator Lundy spoke at length before me about the attack on our cultural institutions. I noted in the debate that Senator Mason interjected and made some reference to the culture wars. Senator Mason, we may agree on this: there is a culture war. The government knows that, and it seeks to win it. It has slashed, from what we can gather, the budgets of institutions that fail to follow the Howard agenda. Nearly $8 million in funding and dozens of jobs have gone from the National Gallery, the National Archives and the National Library. It is quite clear that institutions that express a view different from the world view of the Howard government pay the price in their funding support from the government.

Senator Kemp—That is absolute nonsense!

Senator WONG—If it is nonsense, Senator Kemp, are you prepared to release the December 2002 report, *Review of national cultural institutions*? If it is inaccurate, I invite you to release the December 2002 report that Senator Lundy referred to, subsequent to which we have seen this funding attack. This attack on Commissioner Keelty is not new. We have had some other incidences of similar attacks on statutory office holders when they expressed a view different from that of the Prime Minister. In the *Weekend Australian* on Saturday, 20 March an article by Martin Chulov refers in part to the former National Crime Authority chairman, Gary Crooke. It makes for very interesting reading. This might assist us to understand what happened to Commissioner Keelty. The journalist, referring to the Prime Minister, said:

> He already had a form guide: the political assassination of former National Crime Authority chairman Gary Crooke, who lost his job—and

almost the legacy of the organisation he led—after he endorsed a heroin injection room trial—another Howard no-go zone.

Within eight months of Crooke's blunder he was out the door and the NCA was at risk of losing its organised crime fighting powers and any criminal investigation role. It was instead to be stripped back to an intelligence assessment agency.

So what occurred in relation to Commissioner Keelty is not new. It is not new as far as the government's approach to the Public Service generally, and it is not new in terms of this government's attack on those who express a view different from their own.

In terms of the Public Service, probably one of the low points in the Howard government's history, which has been referred to a number of times in this debate, was the report of the Select Committee on a Certain Maritime Incident, known as the CMI report. Contrary to the interjections of Senator Brandis when my colleague Senator Lundy was speaking, when he asserted that this was a Labor report, I remind him that the findings in this report were those of a majority. A majority of the committee reported. Amongst their findings, which have been discussed briefly in this debate, are some quite important matters that we ought to remember when discussing the politicisation of the Public Service.

The committee found that the actions of the then minister, Mr Reith, and of key members of his staff, undermined important aspects of the relationship between the ADF and the government, with adverse consequences for accountability. It also found that Mr Reith failed to respect the conventions of the relationship between a department and a minister. It also found that he and his staff frequently acted in ways which undermined the establishment and maintenance of trust between public servants and the ministerial office and contravened the provisions of the Prime Minister's guide. This is what the committee found. This is exactly the sort of approach and attitude that this government continues to take. Let me close with a quote from Michelle Grattan's article of 24 March:

Stifling dissent eventually brings a backlash or atrophies thinking.

It is a very good point. Frankly, what we see on the other side is atrophied thinking from the party room, which allows a government and a Prime Minister to get away with this sort of attack on public servants and anyone else who gets in the way or dares to put out into the public arena events or facts which are contrary to the version of events that the government wants the Australian people to hear.

Senator HUMPHRIES (Australian Capital Territory) (5.51 p.m.)—Listening to this debate relating to the politicisation of the public sector, I am torn between trying to determine whether the speakers opposite, who have launched an attack on what they call the politicisation of the Public Service, are living in some sort of fantasy world where they imagine that these things are taking place, when they have themselves no understanding or knowledge of how such terrible behaviour could occur, no experience of what politicians might do to public servants and organs of delivery of services to the community, or whether they are simply deeply cynical about how they might describe processes in which they themselves have been deeply implicated in the past. I say that in the knowledge that, throughout the recent history of politics in Australia, both at the federal level and the state and territory level, we have seen a systematic and complete willingness on the part of the Australian Labor Party to subvert the organs of government to the party political needs of Labor governments. They more than any government anywhere have been able to see public servants and other forms of public patronage

as very much the handmaidens of party political needs and party political purposes. It is quite extraordinary to hear them lecture in this place about how recent decisions taken by the Australian government set some horrible new benchmark with respect to that kind of behaviour.

I want to draw attention in the short time available to me this evening to one glaring example of why the Australian Labor Party cannot approach this debate with the clean hands they pretend to have—that is, their extraordinary abuse of public trust and their venal appropriation of public assets for party political purposes through the rort committed over Centenary House here in Canberra. Here is the most glaring example of where a party has decided to say: 'There's some public money; there's an asset that belongs to the people of Australia. We want it. We will have it. We will appropriate it to the tune of $36 million over a period of 15 years.'

Nothing that has been spoken about in the Senate tonight on that side of the chamber comes anywhere near the culpability, the moral turpitude, involved in what Labor have done over Centenary House. They subverted the Australian Public Service to engineer a situation where they could have that money directed not into the needs of this community but into the coffers of the Australian Labor Party—a deal signed with the Australian National Audit Office for 15 years, a deal designed to deliver $36 million over that period of time into the Labor Party's hands. I do not need to detail to the Senate how that works and how that was a gross abuse of the trust of the Australian people reposed in the Hawke and Keating governments. The fact is that with rent being paid on Centenary House at the present time to the tune of $871 per square metre, increasing to $949 per square metre in September this year—vastly in excess of what the market would support on any reasonable assessment of property in that part of Canberra, or anywhere in Australia for that matter—we are forced to conclude that something was done within the processes and decision-making structures that were used by the Hawke and Keating governments to achieve that quite improper purpose.

How was that achieved, except by getting a public servant somewhere in the system to do a deal for the benefit of the Australian Labor Party? You have covered your tracks very well over this. We do not exactly know how you pulled it off, but we do know that you must have got a public servant somewhere in this process to make it happen. It could not have been achieved otherwise. Someone must have been told, 'Look the other way, while we get the Australian National Audit Office to sign a deal,' which screams out for condemnation. No government anywhere in the world would sit and look at that contract and pretend to defend it as a worthwhile and appropriate exercise of decision making in the public interest and for the public benefit. It was clearly a rort; it was clearly a venal application of public resources for the use of the Australian Labor Party. And how, having perpetrated that on the Australian people, you people can now come in here and attempt to pretend that you can lecture anybody about the use of public resources and the use of the Public Service is beyond me.

This government has been able to execute a difficult program in difficult circumstances with the cooperation of a public service which has been able to look beyond the individual political views of its members—and I acknowledge many of those views are not sympathetic to the Liberal government—and has been able to work with the Public Service to achieve its objectives. It has been able to do that because we have a public service which is capable of delivering apolitical advice and working well to achieve this gov-

ernment's objectives. There are many things we can point to where we have been able to work with the Public Service and which have been of great value, a great resource and an asset to the Australian people to achieve those objectives.

The most damning thing about the motion moved by Senator Faulkner is not supposedly the behaviour of ministers or apparatchiks of the coalition government; it is the slur cast on members of the Australian Public Service, who have worked hard with governments of both persuasions over many years to achieve whatever the elected government's program might have been. Finally, I quote Allan Hawke, former secretary of the Department of Defence, who said:

> The public service exists to serve the Government of the day—to be responsive to its needs and to do its very best to help achieve the Government's policy objectives. Responsiveness to Government is sometimes confused, however, with politicisation—a view I don't agree with.

I do not think we should either. This supposed case for a politicised Public Service is coming from a party which has no basis, no credibility, to make such claims in this or any other context.

Debate interrupted.

DOCUMENTS

Consideration

The following orders of the day relating to government documents were considered:

> Aboriginal and Torres Strait Islander Commission—Report for 2002-03. Motion of Senator Crossin to take note of document called on and agreed to.
>
> Aboriginal and Torres Strait Islander Social Justice Commissioner—Native title—Report for 2003. Motion of Senator Greig to take note of document called on and agreed to.
>
> Aboriginal and Torres Strait Islander Social Justice Commissioner—Social justice—Report for 2003. Motion of Senator Greig to take note of document called on and agreed to.

ASSENT

Messages from His Excellency the Governor-General were reported, informing the Senate that he had assented to the following laws:

> Medical Indemnity Amendment Act 2004 (Act No. 17, 2004)
>
> Medical Indemnity (IBNR Indemnity) Contribution Amendment Act 2004 (Act No. 18, 2004)
>
> International Transfer of Prisoners Amendment Act 2004 (Act No. 19, 2004)
>
> Taxation Laws Amendment Act (No. 2) 2004 (Act No. 20, 2004)
>
> A New Tax System (Commonwealth-State Financial Arrangements) Amendment Act 2004 (Act No. 21, 2004)
>
> Great Barrier Reef Marine Park Amendment Act 2004 (Act No. 22, 2004).
>
> Social Security Amendment (Further Simplification) Act 2004 (Act No. 23, 2004).
>
> Australian Sports Drug Agency Amendment Act 2004 (Act No. 24, 2004)
>
> Customs Legislation Amendment (Application of International Trade Modernisation and Other Measures) Act 2004 (Act No. 25, 2004)
>
> Import Processing Charges (Amendment and Repeal) Amendment Act 2004 (Act No. 26, 2004)
>
> National Measurement Amendment Act 2004 (Act No. 27, 2004).

COMMITTEES

Community Affairs References Committee

Report

Debate resumed from 11 March, on motion by **Senator Hutchins**:

> That the Senate take note of the report.

Senator HOGG (Queensland) (6.02 p.m.)—I rise to speak on the report by the Community Affairs References Committee

titled *A hand up not a hand out: Renewing the fight against poverty* because I believe it has a great deal of importance for all senators and members of the House of Representatives, and for all Australians for that matter. It covers the very important issue of poverty and those who are poor, which is very close to my heart. That comes about because I have experienced it—I did not experience poverty in the true sense, but I did come from a poor background, as did my wife—and, having read parts of this report at this stage, I understand some of the implications of the things said by the committee.

In the overview of the report under the heading 'The reasons behind the rise of the "working poor" as the new face of poverty', the report notes:

> The prevalence of working poor households in poverty is due simply to low-wage employment.

It then goes on to highlight one of the things that was of particular concern to me in my history as a trade union official, which is the increase in the casualisation of the work force and the impact that has had on people being trapped in poverty and not being able to get out of it. The report noted that, between August 1988 and August 2002, casual employment increased by 87.4 per cent, which is a staggering figure indeed. My association with the retail industry, and with the hospitality industry to a lesser extent, shows me that there has been a huge increase in casualisation and that it leads to a great deal of distress for a number of people. Whilst there are people who gain from casual employment, by the same token there are a number who suffer. The report also noted that, by August 2002, casual employment had increased to 27.3 per cent of the work force, up by seven per cent since 1991.

If anyone wants to look back at what I have said in this chamber over a period of time about casual employment, it will be seen that whilst I acknowledge it does help some people it is also a precarious form of employment. It is day-to-day employment, it is unstable, it is without any certainty whatsoever, it is no basis on which to establish or maintain family life. It does not provide dignity to the individual or to the family. So whilst it does suit a small sector of our work force, the majority of people who find themselves in poverty and who find themselves offered casual employment will find no solution whatsoever.

It is interesting to read the report, because it can be seen that the first part of the report was not necessarily signed up to in total by the government members on the committee. There is another part to the report called 'Balancing the picture on poverty'. It is interesting to see in the executive summary of that part of the report that the very first dot point listed by those government senators who signed up to it speaks about 'the best way to assist hardship is to have a job'. But they do not say anything about the quality of work and they do not speak about the quality of wages or anything else. Purely and simply, in a very simplistic way, a job in itself is the way to help people out of poverty! The fact is that people cannot get out of poverty, because they find themselves trapped and they have no means by which they can extricate themselves from the trap they are in.

As highlighted in this report and as I have said, casual employment has always been used to advantage by some people. But there are a number of people for whom it offers no opportunity to get out of poverty or out of being trapped in a poor situation. There is no substitute for full-time employment. Full-time employment at least gives people security in their lives. It gives them the prospect of a reasonable wage, provided you do not have a government that sets about driving down the wages and conditions of employees

in the work force, as we have seen this government do on a number of occasions.

Turning to the report itself, it is interesting to note in the foreword at page xxiii that the committee puts forward the concept that there is a need to develop 'a national jobs strategy to reverse the decline to a low-skill, low-wage economy'. That is recommendation 1. The committee speaks further about the need to provide employment security and social mobility to casual and part-time workers through strengthening their employment entitlements. That is covered by recommendations 8, 9 and 10. That gets to the very heart of the employment conditions of people—giving them sound and just conditions of employment, such that if they have the opportunity to work and are sufficiently skilled they can move out of the poor circumstances in which they exist and become a partner in the society which many of us aspire to and enjoy today.

The report goes on, at page 24, to call for the development of a national poverty strategy. I think that that is a very fruitful concept indeed. On page 25 the committee talks about those who are most at risk of poverty. Reading this part of the report you start to get the flavour of what happens to people who are in poverty. The report says:

> The committee is compelled to this view after hearing the daily experiences of Australians living in poverty—from pensioners who go to bed early because they cannot afford heating and students slipping into prostitution to support their studies. Indeed it is often the most vulnerable Australians that are most at risk of poverty, such as:
>
> children and youth;
>
> families with more than one child;
>
> single parent families; and
>
> Indigenous Australians.

The report then goes on to develop a definition of poverty. A range of very good suggestions were put forward by a number of social justice organisations in the community about what poverty actually means. But, given the small amount of time available to me tonight, I want to focus on the issue raised by Professor Peter Saunders, which is reported at page 8, paragraph 2.8. He argued:

> … a definition of poverty as an enforced lack of socially perceived necessities captures the critical aspects of poverty succinctly.

The report goes on to say:

> It also emphasises the fact that poverty is a situation which is forced onto people, not chosen by them.

No-one chooses poverty freely. No-one wants to live in poverty or to live in poor circumstances, but very few people are necessarily able to break out of poverty or poor circumstances. I thought that this was one of the most telling parts of the report that I have read to date. At paragraph 2.9 the committee says:

> Several submissions argued that the lived experience of the poor should also be taken into account in defining poverty. One submission noted that ideally submissions to a poverty inquiry such as this inquiry should not be written by professional social analysts, economists or even welfare practitioners but should be written by the poor themselves—'only those who are, or have been, genuinely poor can do justice to the experience of the suffering of those economically disadvantaged'.

The report goes on to point out that it is not simply a matter of being economically disadvantaged; these people are socially disadvantaged as well. One does not end up with a narrow definition of what poverty is or of what it means to be poor. The definition is far wider ranging than that. The report also notes that there is no shame in poverty—that people should not be and are not ashamed of being in straitened or poor circumstances. These people are honourable people indeed, but they are trapped by many of the con-

straints that are placed upon them by the society in which we live.

Senator Watson—They are, though. Some people do feel ashamed.

Senator HOGG—Some other interesting concepts are also raised in the report. At this stage, Senator Watson, I commend the report to you. You should read it. You will learn what it is to be poor. The committee should be commended on the report. *(Time expired)*

Senator HUTCHINS (New South Wales) (6.12 p.m.)—I, too, wish to speak on the report of the Community Affairs References Committee titled *A hand up not a hand out: Renewing the fight against poverty*. As you and I would know, Madam Acting Deputy President McLucas, we spent a lot of our time and energy going to various parts of the country listening to submissions and hearing people talk about their experiences in relation to poverty and financial hardship. This evening I want to speak about how appalled I was when I saw the Prime Minister's attitude to this report when he was interviewed last Thursday, when the report was placed before the Senate.

You would recall, Madam Acting Deputy President, that one of the major parts of the report was the recommendation to have within the Department of the Prime Minister and Cabinet a bipartisan approach to combating poverty—an approach that mirrors a situation that has occurred in Ireland—by which both major parties commit to certain targets by certain dates and we as a country commit to making sure that that occurs. That was dismissed by the Prime Minister on the basis that the country is rich and, therefore, it has a trickle-down effect. Madam Acting Deputy President, you and I—and many of the other senators who attended those hearings and heard pitiful stories about people who live in poverty—know differently. I would like people to look at chapter 17 of the report, which is about the people who are on the front line, trying to assist our fellow Australians in the difficulties they experience each day in relation to being poor and disadvantaged.

As people who have had an opportunity to read this report may be aware, the Welfare Rights and Advocacy Service of Western Australia has seen a 240 per cent increase in demand for its services over the last four years. In Western Australia the relief agencies paid approximately $1.3 million to utility services to prevent disconnection or restriction of supply to low-income and disadvantaged customers in 2002-03. Anglicare in Wollongong reported a 20 per cent increase in people seeking assistance since 1999. The St Vincent de Paul Raymond Terrace Conference in New South Wales is providing up to $7,000 a month in Bi-Lo food vouchers. The St Vincent de Paul conference in Newcastle distributed, in the first nine months of 2002-03, $83,432 in food alone. The Migrant Resource Centre in Fairfield in New South Wales says they are overstretched trying to provide services to the people that require them. As you may recall, Madam Acting Deputy President McLucas, last week I mentioned that there were food riots in Fairfield when people thought that service was going to be closed down before these men and women had a chance to get the food vouchers and parcels that were made available by the generosity of those people.

In 2001-02 the St Vincent de Paul conference in Townsville received 3,542 calls for assistance. In 2002-03 they received 6,332 calls for assistance. The Lismore and District Financial Counselling Services helped out more people in the first six months of 2003 than they had in the previous three years. Lifeline Northern Rivers have seen a 130 per cent increase in the last two years in requests for material assistance and over 5,000 crisis telephone calls from people in the Northern

Rivers region alone. ACOSS, the principal representative of a number of community service organisations in Australia, say that from 2000-01 to 2001-02 they have had a 12 per cent increase of people coming to seek assistance from the community welfare agencies that are affiliated with them. On and on it goes. One of the most frightful and heart-rending statistics I recall was from the St Vincent de Paul Matthew Talbot Hostel in Sydney, which in 1998 helped house and assist 23,000 men. In 2002 it helped house 43,000 men.

If this richness and wealth is occurring in our community, where is it going? You will see in this report that has been compiled. We know where it is going—it is going to the top end. There is no trickle down occurring. Senator Hogg rightly says that the people who are losing in this community are not necessarily those people who are unemployed. There has been a real shift occurring in this country, and it also happened when Labor was in power unfortunately. There has been a dramatic shift to casual, part-time labour hire agency people. All these voluntary and professional service agencies report a growth in the number of people coming to seek their assistance who are actually at work. They also report that the people who are seeking their assistance who they have never seen before, like the working poor, are people over 65 years of age. They are also reporting that the people coming to see them are young people under 18. This is a change in the profile of people who ask their assistance.

I cannot recall in my life that I have ever had to go and ask someone for a meal, a cup of tea, a blanket or a bed. But there are at least 2.4 million Australians a year who are in some form of situation where they have to put their dignity on hold and go and hold their hands out for some assistance. That is why we called this report *A hand up not a hand out*—because every one of these proud Australians wants to make sure that they can get an opportunity to share this wealth that the Prime Minister said is just dribbling into the streets. It is not available to them at all because it is not being fairly distributed, this so-called great wealth that the Prime Minister lauded the other week.

I would like senators to have a look at the report and to get away from the rhetoric that unfortunately the government senators applied to the report. There are plenty of ideological differences between us reflected in the report that we will never resolve because of our firm commitment to the truth of Labor. But there are plenty of suggestions and recommendations in the report that could easily be adopted by the government if they had the mind to do so. As I said earlier, the major recommendation is the one to combat poverty—to have a commitment to targets and to achieving those targets by certain dates. That was dismissed by the government senators and by the Prime Minister. I am very disappointed in that, because this has been able to work in other countries. If anything else, we should continue to debate this report and speak to it at every opportunity, because very significant parts of this report are bipartisan and can be accepted not only by us but by the government if they are of a mind to do so.

I am disturbed that these service agencies, as they report on and on and on, are not coping with this modern Australia—that they are not able to provide the assistance to men and women and children who find themselves falling through the cracks. It is indeed a sad thing when, as reported by Senator Hogg, old people and students in Tasmania go to bed cold because they cannot afford to pay for heating and you have those other stretches in the economy that are occurring in various parts of the country. I hope we all have an opportunity to speak on parts of this report

and highlight the areas where an increasing number of Australians are missing out in this lucky country. The Prime Minister should be damned if he continues to ignore an opportunity to lift the rest of his countrymen out of the depths they are in and does not at least try to make sure this so-called economic miracle that has been visited upon us goes to everyone, not just the select few. I seek leave to continue my remarks later.

Leave granted.

Senator WATSON (Tasmania) (6.22 p.m.)—I wish to comment very briefly on the report of the Senate Community Affairs References Committee on poverty and financial hardship. During Senator Hogg's fine contribution I interjected when he commented that nobody should feel embarrassed about being poor. I think Senator Hogg took some offence. The purpose of my interjection was to say that many people are indeed humiliated as a result of being poor. I wanted to make that statement by way of clarification. I thank the Senate.

Senator SHERRY (Tasmania) (6.23 p.m.)—I want to make a brief contribution to the debate on the report of the Senate Community Affairs References Committee on poverty and financial hardship. Firstly, I want to congratulate the committee on the work it has done. I want to particularly congratulate the chair of the committee, my colleague Senator Steve Hutchins, on his dedication as he visited parts of Australia with the committee over the last few months. Also, I think his hard work is reflected in the passion with which he spoke earlier this evening. I want to speak about one particular aspect of the difficulties facing Australians living in poverty, and that is their retirement income. At paragraph 2.50 on page 19 of the report, which is headed 'The ABS financial stress study', there is reference to a survey of many people on very low incomes with respect to household expenditure and financial stress. It highlights the problems that many low-income earners face—including the ability to possess household essentials and participate in social activities, and the capacity to pay bills, raise money for an emergency and save—and the actions taken by people when they lack the resources to meet their needs, such as pawning goods.

It was in this context that the Australian Labor Party recognised in the late 1980s that it was important to add to the retirement incomes of Australians beyond the existing basic age pension by making it compulsory for all Australians to receive what is known as the superannuation guarantee—and it would start at three per cent and move to nine per cent. This was to add to the savings of all Australians but particularly to those of the six out of 10 Australians who had no superannuation at all. They were overwhelmingly low- and middle-income earners and casual, part-time and itinerant workers. When I look at this report, I see that there is no doubt that the concentration of poverty in this country, where people can find work, is with people who have part-time, casual or itinerant work. I can well recall the debate at the time. Our political opponents, the Liberal Party, passionately opposed the extension of compulsory superannuation and its addition to the age pension. They passionately opposed it. I can even recall the current Prime Minister, Mr Howard, referring to the extension of compulsory superannuation to low- and middle-income earners as 'theft'.

Times change, and the current government has made a few changes in respect of superannuation. There is one particular change I want to refer to, and I think it highlights the unfairness of the general approach of the current Liberal government to superannuation savings. I notice the Assistant Treasurer, Senator Coonan, about a week and a half ago extended the low-income earners co-

contribution to Australians who earn less than $450 a month or $5,400 a year. She decided that the $1,000 matching co-contribution to superannuation that is available to you if you are a low-income earner earning less than $27,500 would be extended to those Australians who earn less than $450 a month or $5,400 a year. She extolled the virtues of extending this $1,000 matching co-contribution to superannuation to Australians who earn less than $5,400 a year by suggesting that they should forgo a cup of coffee or the change left over from their shopping in order save and pick up this $1,000.

I would suggest to the Senate and to those listening that it is very difficult for anyone earning less than $5,400 a year to save $1,000 in order to pick up $1,000 from the government's low-income earners co-contribution. If you are earning less than $5,400 a year, the last thing I would suggest you would have any ability to save for would be a $1,000 co-contribution to put into superannuation. I note in paragraph 2.53 of the report that the issue for very low-income earners—that is, those people the current Assistant Treasurer, Senator Coonan, announced with great fanfare would have access to this $1,000—is their ability to pay for a meal. It is not so much their ability to put aside change from their shopping or put aside the money they might have spent on a cup of coffee to put into superannuation savings. The low-income earners co-contribution, whilst in theory appealing, in practice will not deliver significant levels of superannuation savings to the majority of low-income earners and certainly will not deliver them to those who earn less than $5,400.

We contrast this approach to the government's approach to the higher-income earners in our society. The current Liberal government has given an exclusive tax cut on superannuation contributions to Australians earning more than $95,000 a year. That is the Liberal approach: an exclusive tax cut to high-income earners and a co-contribution for low-income earners. The co-contribution is voluntary but in reality it does not allow the overwhelming majority of low-income earners to obtain the $1,000, because they do not earn enough income.

The other issue that I want to draw on with respect to poverty—particularly in relation to low-income earners—relates to the difficulty of finding alternative employment when you are in your fifties and sixties. It is very difficult. Many Australians in their fifties and sixties, if they lose their jobs or are retrenched, find it difficult to get back into the work force. In this context it is particularly unrealistic—I would say it is quite mean and tricky—of the current Liberal government to be advocating the 'work till you drop' solution in respect of retirement incomes. We have had an array of quite extraordinary claims by the Treasurer, Mr Costello, in the last few weeks, exhorting the 'work till you drop' approach—you should work longer and longer beyond the age of 70 or 75 until the day you die. This is an unrealistic solution. It is unfair and it is unrealistic for many Australians for whom alternative employment in their fifties and sixties is not available.

I note that the Treasurer, Mr Costello, said that there was going to be no such thing as full-time retirement. I find that quite an astounding outline of the new Liberal Party philosophy about retirement incomes in this country: there will be no such thing as full-time retirement. I think that is very unfair for a very significant number of Australians in their fifties and sixties who have worked hard, paid their taxes and cannot find another job. The Treasurer is suggesting that there is going to be no such thing as full-time retirement.

There is a whole range of quotes. The Treasurer does not want people to stop working. They are supposed to keep working and working for longer and longer. As I have said, to a significant degree this is an impractical approach but it is also a very unfair approach. To be fair, the Treasurer, Mr Costello, has said, 'I'm going to speak to employers about the need to employ older Australians.' He is going to speak to them. I think he referred to a company executive who would have to look at alternative employment in their fifties and sixties. That is all very well for people in the circles Mr Costello moves in, but unfortunately we will have to do a lot more than just speak to employers to convince them to employ many Australians in their fifties and sixties. So in the context of this poverty report I think it is important to look at the implications of the new Liberal Party philosophy and theme: the work until you drop theme with no more full-time retirement. It is certainly very impractical for low-income earners, particularly those who have lived in poverty for much of their lives.

Senator MOORE (Queensland) (6.33 p.m.)—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Consideration

The following orders of the day relating to committee reports and government responses were considered:

Economics Legislation Committee—Report—Provisions of the Greater Sunrise Unitisation Agreement Implementation Bill 2004 and the Customs Tariff Amendment (Greater Sunrise) Bill 2004. Motion of the chair of the committee (Senator Brandis) to take note of report agreed to.

Scrutiny of Bills—Standing Committee—Third report of 2003: The quality of explanatory memoranda accompanying bills. Motion of the chairman of the committee (Senator Crossin) to take note of report agreed to.

Australian Crime Commission—Joint Statutory Committee—Report—Cybercrime. Motion of Senator McGauran to take note of report agreed to.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator McLucas)—Order! There being no further consideration of committee reports, government responses and Auditor-General's reports, I propose the question:

That the Senate do now adjourn.

Financial Services

Senator WATSON (Tasmania) (6.36 p.m.)—Before I commence my main presentation on this adjournment tonight, I wish to clarify the difference between the position of the ALP, as enunciated by Senator Sherry, which is work until you are stopped, and the coalition approach, which is retire when you are ready. That is a much more dignified and reasonable approach.

Tonight I wish to comment on an apparent oversight in the financial services licensing arrangement and, in the process, call for the licensing of research houses. This parliament has overseen the introduction of significant structural reforms to the regulation of financial services in Australia. The new law has required a substantial investment by the providers of financial services and the issuers of financial products to ensure that appropriate systems are in place to underpin efficient and professional services and to build the wealth of Australians, particularly in superannuation and managed funds.

However, I wish to submit that our task is not yet over. The recent international and US scandals should be a continual reminder to all senators that there is no room for complacency. While 11 March 2004 marks the end of the transitional period for the Financial Services Reform Act, financial services regu-

lation is still a work in progress in a dynamic and very competitive industry. We must ensure that the laws we pass build confidence and assist in the creation of wealth for Australians. A fundamental aim of the new financial services law has been to set high standards for the providers of superannuation, managed funds and insurance services. A feature of this law is the extent to which it uniformly embraces all providers of financial services and financial products. To maintain the integrity of the system we must ensure that exemptions from the requirements are merited and that the system is not being undermined by legislative loopholes or the clever manipulation of exemptions.

I direct the attention of honourable senators to the omission from the regulatory net of financial service reform of the services provided by many of the research houses in Australia. In this regard I note the current exemption—under regulation 7.1.33A of the Corporations Regulations—that a recommendation or statement of opinion to a person about the allocation of their available investment funds among certain asset classes including managed investments, life insurance or superannuation products, is not a financial service.

I understand that many research houses use research as a way of leveraging into other business areas, some of which require the research house to hold an Australian financial services licence. The law should specifically provide that research houses require an Australian financial services licence to conduct and publish public ratings. After all, to the majority of financial planners, research house ratings of fund managers are equivalent to a 'buy' or 'sell' recommendation by a broker. As we all know, brokers must be licensed and so too should research houses.

I must say that I feel a sense of deja vu in making this statement, because this is not a new issue. Senator Sherry might recall that, in the first report of the Senate Select Committee on Superannuation—of which we both were members—in June 1992, the committee raised its concerns with unregulated professional advisers that acted, in effect, 'as the "gatekeeper" between the fund and the fund manager'. It is now almost 14 years since that report and, as is clearly evident from recent press reports, asset consultants and research houses are actually the gatekeepers of the financial services industry but appear to escape the obligations imposed on financial services licensees that are designed to protect investors. Research houses wield significant influence in the financial services industry and, through ratings, can dictate fund flows. When a research house makes a recommendation, why is this not considered to be financial advice? Why is a recommendation that may dictate an investment decision not subject to the same standards as those applying to the financial advice of a planner or the financial services provided by a fund manager? Why isn't the research house accountable under financial services laws for the research it provides?

I believe this is an anomaly in the financial services laws, and I believe this Senate has an obligation to make sure it is corrected. Licensing and the potential for research houses to have conflicts of interest in the provision of their services are immediate issues going to the integrity of the regulation of financial services and must be addressed. While the proposed CLERP 9 arrangements for financial services licensees to manage conflicts of interest are a step in the right direction, the omission of research houses means that the reform only goes part of the way. I note the potential for abuse and possible Australian parallels, identified by Alison Kahler in the *Australian Financial Review* of 18 February 2004, with the matters being investigated by the US Securities and Ex-

change Commission in the 'pay-to-play' schemes involving pension fund consultants. I seek leave to table a copy of that article, and I commend it to the Senate.

Leave granted.

Senator WATSON—These are critically important issues, and I intend to refer them to both the Treasurer and the very capable parliamentary secretary Ross Cameron now that the financial services legislation is actually operating. I would also like to alert ASIC, the regulator, to the need to be more vigilant on the activities of research houses which have also managed investment and super fund products. From time to time you read of a certain research house that has just downgraded the products of one of its competitors. Such downgrades should be accompanied by a clear disclosure that there might be potential for a conflict of interest. Indeed, there is an obligation on the part of the research house to explain why there is no conflict of interest. Should such downgrades, where such conflicts arise, be independently assessed before they are published? This is a question we need to note. What we do not need is investors stampeding from investment A to investment B on the basis of some less than impartial research report.

The other issue which I believe needs examination is just who pays for research reports and whether these reports disclose who commissioned and paid for that research. Each and every research report should have a disclosure which says who paid for, or states that the research house itself has funded, that research. The old saying goes, 'He who pays the piper calls the tune.' This applies to research houses and their clients, and it would be a travesty if the law allowed such research houses to sing the tune of their clients or themselves at the expense of honest and transparent competition. Perhaps the research houses as a collective should publish an industry code of conduct as a starter, so that some of the more compromised and less accomplished players actually lift their game. This is a matter in which I will be taking a particular interest, as it is 14 years since that first report of the Senate Select Committee on Superannuation which addressed this issue of the gatekeepers was made and, unfortunately, not much has changed—and it needs to change.

On another matter, as most know, I have been a long-time critic of some aspects of APRA—particularly its handling of past certain superannuation issues—but tonight I would like to take the opportunity of commending that regulator on the very strong stance it has taken in relation to the National Australia Bank. I believe it is appropriate and timely.

Rural and Regional Australia: Health Services

Senator ALLISON (Victoria) (6.43 p.m.)—I rise tonight to talk about the launch yesterday by the rural health groups of a 10-point plan and the recommendation in that plan that grants be made available to local councils in rural and remote areas to provide what are known as walk-in, walk-out clinics for GPs. It was very encouraging for us to see the consensus that is growing in momentum around the country for sensible policy solutions like this to the issues that face regional Australia.

Last year in the A Fairer Medicare debate, I advocated walk-in, walk-out clinics on behalf of the Democrats as one way of overcoming the barrier to getting more GPs into country areas. It was part of our comprehensive response—Committed to Medicare—to the government's package. The government was not interested in this more flexible way of getting Medicare dollars into country areas that are currently missing out but, for those in the wider health policy world, it

resonated. I received a lot of letters from people who can see that, as a country, we are wasting opportunities to solve longstanding problems.

Witnesses to the inquiry into Medicare said that a significant barrier for doctors serving in the bush, particularly young doctors, was the need to set up shop. It can be a huge financial burden. Purchasing or renting premises, fitting them out as a clinic, finding staff and so on are all reasons why young doctors are perhaps less likely to see a practice in one particular country town as their lot for the next few decades. The Rural Doctors Association report on the viability of rural and remote practices said:

> The capital cost of premises and infrastructure and the negative impact this had with regard to recruitment of doctors and on incomes was seen as having significant negative impact on viability.

In essence, the report says that the small business market-oriented approach to health services does not always work well in rural areas, and younger doctors who are not interested in working 60 or 70 hours a week are looking for more flexible and alternative approaches. This means flexibility is needed on the part of the government as well as a willingness to be innovative and to show leadership. It is not good enough for governments to accept the fact that people in remote areas attract $80 a year on average per capita from Medicare when people in the best suburbs of Sydney or Melbourne receive more than $200.

The government should be driven by fairness and equity, not by Treasury and the bean counters. We should not simply be looking for opportunities to avoid spending. We need to get away from the notion that services are just about profit or should at least pay for themselves. Bus services generally lose money out of peak travel times but, if they provide a good service to people who otherwise would not have transport, then we say they have a social and environmental legitimacy. We can expect the government to make sure buses are provided and, if necessary, are publicly funded. That is what taxes are all about. There will be debates about how you step in. Some of those will be ideological and others will be based on good economic sense. Sometimes you will provide an explicit subsidy to a private operator, sometimes you will pay extra to the socially disadvantaged and sometimes it will make good economic and social sense to maintain government ownership.

So what about health infrastructure in small country towns? The government could argue that sinking a lot of money into bricks and mortar with the associated problems of maintenance is not economically sensible. I think it would be hard placed to do so because Minister Abbott has just announced on 18 March an extra $3 million for the revitalisation of regional private hospitals—the bush nursing hospitals on the whole, which have always been private and are another reason why there is inequity in our health system with regard to country and city.

The Ardrossan Community Hospital in South Australia has just received $170,500 to build a new front entrance and redevelop the hospital administration area. Ballan District Health and Care in Victoria has got money for refurbishing bathrooms and replacing floor coverings. The Mildura Private Hospital in Victoria got $94,964 for establishing a telemedicine service at the hospital and providing important educational resources to improve training. All of that says the government recognises that, if you want services in the bush, there has to be infrastructure and someone has to pay for it. In the cases I have just cited, the government has decided it will contribute to infrastructure that has private ownership in order for services to be provided. There is an expectation that the infra-

structure associated with public hospital provision is a state matter. States can decide to contract out to private hospitals or they can own their own infrastructure—and they do. Regardless of that, it is still a state matter.

So why shouldn't there be an expectation that infrastructure that is considered an essential component of services that the federal government is responsible for is therefore funded? I have argued for the past two years that rural and regional Australia miss out on Medicare dollars, and this Medicare deficit needs to be addressed. At the moment it makes perfect economic sense for the federal government to decide not to fund GP clinics because in many cases local councils are doing this themselves, but they are doing it out of desperation.

There is another option, such as that at Corryong, where three GPs are employed on salaries. This resulted from a collaborative approach by the hospital when three GPs left the area leaving the entire town without primary health care. In a paper about that service, one of the doctors talks about the great advantages for doctors which we do not often hear about from the AMA and other organisations. He says:

> The advantages of public sector employment as a GP are seldom elaborated. The principal benefits are the freedom to practise medicine the way one wishes in a truly collaborative environment with one's medical colleagues and other members of the health team. Salary and conditions for public sector medical staff, including GPs have evolved to be highly competitive with the net outcomes for medical practitioners in other forms of practice, eg corporate medical centres or private practice. Additional advantages include the overhead costs for practice support staff and equipment being met by the employer, in this case being the local Health Service, and the provision by the employing body for Medical Indemnity Insurance. Implementation of such a model of medical service in a small isolated community requires an imaginative, committed and highly competent local Area Health Service management structure. Compatibility of the Board, its Executive and the individual GPs is essential.

So there are other options. We do not need to just look at GP services and primary health care in that small business model.

We will wait with interest to see whether the Medicare package that has been agreed and the safety net which was dealt with in the Senate recently make a difference to bulk-billing rates, whether they are increased in rural areas, whether we have places where there are still no GPs in rural areas and whether MedicarePlus can be made better by measures such as walk-in, walk-out clinics. I am pleased to support the call by those rural health groups. The Democrats are obviously singing the same tune. I strongly recommend to the government that this approach be adopted.

Environment: Great Barrier Reef Marine Park

Senator McLUCAS (Queensland) (6.51 p.m.)—I use this opportunity tonight during the adjournment debate to note that the Great Barrier Reef Marine Park zoning plan—also known to those of us from North Queensland as the representative areas plan, or RAP—has passed through this place. It has been a very quiet process in here but, I have to say, a very noisy process in North Queensland. As a set of regulations, the process here did not allow debate, unless a disallowance motion had been moved, and I am pleased to say that that did not occur. However, it is important that we place on the record the views of North Queenslanders about this process.

The Great Barrier Reef is one of the world's most complex ecosystems. It has enormous value to North Queensland, to Queensland and to Australia. There are the enormous economic values of tourism and fishing; there are the social values of the ac-

cess that people who live in North Queensland have to the reef and the association that they have with the reef; and, of course, there are environmental values. But there are also cultural values associated with the reef, notably to the Indigenous peoples of Far North Queensland and Queensland generally, and those cultural values need to be recognised in a more formal way. I hope that that task will be undertaken if not by the current government then certainly by the next government—which I am very hopeful will be a Labor government.

It is true that there are threats to sustaining this wonderful ecosystem and that those threats are real. Threats to the continuation of the biodiversity of that ecosystem are very real. As we know, fishing in the Great Barrier Reef Marine Park area has not always been managed to the level of best practice. That is essentially because our understanding of the good management practices of fisheries has grown and, as it has grown, we have had to change fisheries management practices. Change like that always leads to very difficult processes—when we tell fishers that their access to the resource is going to change, of course they will try and defend the access that they currently have. Change was always going to be fought and it was always going to be difficult. I commend the fishers who have undertaken these negotiations in good faith on behalf of their industry for the work that they have done. I also commend those people who did the hard work of negotiating. It is not easy because, when we as a community change our expectation of the use of a resource, people's access and people's livelihoods are changed.

Another issue facing us is what we are going to do with coral reef fin fish fishery. There has been exploitation of the coral trout and the red emperor fisheries, which is mainly the result of the live export opportunities that have developed recently. There have to be changes. I commend the Queensland government for the work that they are doing with that fishery to manage it better. They have undertaken major changes with the trawl fishery and, while that work has been completed, there is more to do.

The threats to the continuation of biodiversity are real. The dugong oil industry ended in 1967, which is not very long ago. There was an increase in the fishing effort at that time which impacted on the ability of those mammals to increase in numbers. The increase in the fishing effort impeded the recovery of dugong numbers. I commend the Queensland government for the work it is doing in managing those fisheries and I encourage cooperation between both the Commonwealth and the state governments in managing further changes in fisheries management in the Great Barrier Reef Marine Park region.

As a result of this plan, it is evident that further work will need to be done, notably in the inshore fishery. Financial support for these changes will be required, and I plead with both the federal and the state governments not to turn this process into a blame game. We in North Queensland are tired of buck-passing. We are tired of governments resorting to legal technicalities to abrogate their responsibility for changes that have to be made and that will affect lives and the livelihoods of local residents. There has been discussion that Queensland will have to undertake complementary zoning in the areas of their responsibility to reflect the areas of federal responsibility. Queensland's responsibility is the area above the low-tide mark. I would hope that any financial assistance and structural adjustment package is worked through with the focus on the interests of those who currently access the fishery, not with the interest of making political points. I commend communities such as Hopevale Aboriginal community, who have undertaken

turtle and dugong management plans in order to maintain the biodiversity of that region.

There are other threats to the sustainability of the Great Barrier Reef that I want to bring to the attention of the Senate. Land based sources of pollution are real and are affecting water quality, especially in the lagoon area of the Great Barrier Reef. But I do not intend to point the finger at any sector in the community. I am of the view that the only way that we can change practices is to work through cooperation and cooperative ventures. I am of the view that the only way that we can work with landholders—be they farmers in the coastal strip or graziers in western Queensland over the other side of the Great Dividing Range—is to provide incentives to encourage better farming practices that will deliver environmental outcomes. That is a policy challenge that we all have in front of us.

Another threat is global warming and the resultant coral bleaching that will occur if water temperatures continue to rise in the Great Barrier Reef Marine Park area. Labor's plan to sign the Kyoto protocol is a good start, but we have a long way to go. Recent information suggesting that in 20 years we could be looking at enormous devastation and loss of coral in the Great Barrier Reef if we do not deal properly with global warming and water temperature rises is of concern.

The recommendations of the Great Barrier Reef Marine Park's new zoning plan make major changes to the access of people in North Queensland to use and enjoy the reef. Therefore, the process that was used to get to that point needed to be transparent and the decisions had to be based on fact and rigorous science. The principles of the representative areas plan are to, firstly, map the different bioregions of the park, identifying 70 different regions and, secondly, to provide protection—that is, no-take areas—of 20 per cent of each of those 70 regions. The percentages do vary marginally from system to system.

There were two rounds of consultation in just over a 12-month period. There were many thousands of responses to the first draft and 21,000 people responded to the second draft of the representative area plan. It consumed much time and resources of the marine park authority—more than 12 months—but I want to commend the 21,000 people, many of whom were from North Queensland, for the enormous effort that they put into this process—be they individuals, commercial fishers or commercial fishing representative bodies, recreational fishers, environmental groups or people like me who simply enjoy the reef. Thank you to those people for the work that they have done.

As I said, the process needed to be above reproach; it needed to be at arm's length from political processes. Unfortunately, I cannot say that was the case. There were a range of places where the tension about access to the reef became very difficult, including Princess Charlotte Bay—and we have talked about that place in the Senate before. It has had a long history of political intervention, and I am somewhat disappointed that the politics have won out over the science. South of the Russell and Mulgrave rivers was another point where there was, in my view, some political intervention. I will, at another time, talk about Repulse Bay because that story needs to be placed on the public record. Considerable and insidious intervention occurred at a very high level after discussions between communities and the Great Barrier Reef Marine Park Authority had been held and decisions had been made. I am afraid that it was after those decisions were arrived at that politics intervened. *(Time expired)*

Townsville City Council

Senator BRANDIS (Queensland) (7.01 p.m.)—Like Senator McLucas, I too want to speak about political intervention and irregularities in decision making in North Queensland. My issue tonight involves the administration of the Townsville City Council. The Townsville City Council is currently controlled entirely by the Australian Labor Party. The mayor and all 10 of his divisional councillors are members of the Australian Labor Party. Labor mayor Tony Mooney's council team would have us believe that they are an open and accountable administration.

The Labor Party in Townsville receives large financial support from the community, particularly from developers, and from business people who wish to have a good business relationship with the council. This cosiness between some members of the Townsville business community, the Labor mayor and his Labor Party monopoly risks the proper management of the city's finances. As I am limited by time, I wish to draw attention to one example of this cosy relationship between certain business people in Townsville and the Labor mayor, Tony Mooney.

It is a matter of public record that Mr Jarrod McCracken owns the Northtown Shopping Centre in the Flinders Street Mall. Northtown Shopping Centre is now the new home of the Townsville City Council's Knowledge Centre—the City Library—as well as the offices of the council's Department of Community and Cultural Services. In 2001, the council sought to build a new city library. The council called for tenders to provide the new premises for the Knowledge Centre and office premises at the end of 2001. Tenders closed in 2001 and six firms tendered to house and furbish the city's new library and most of the offices of one of the council's departments. Tenders closed on Friday, 5 November 2001. The Labor controlled council did not decide where they would relocate the office facilities and library until the beginning of 2003. The tender for leasing premises to the council for the new library and council offices was won by Crackers Corporation Pty Ltd. An ASIC search shows that Crackers Corporation Pty Ltd has only one shareholder and director—Mr Jarrod McCracken.

Crackers Corporation bid for the lease at the end of 2001, and was awarded the contract to lease the Northtown Shopping Centre for 15 years from the start of 2003. What makes this lease agreement of particular interest to the ratepayers of Townsville is that the Australian Labor Party's 2002-03 Australian Electoral Commission annual return reveals that the Labor Party declared it received, in that reporting period, a $10,000 donation from Crackers Corporation Pty Ltd. The Labor Party's returns show that Crackers Corporation has made no other donation to the Labor Party, and the AEC returns also reveal that it has made no financial contribution to any other political party at any other time other than during 2002-03—that is, at about the same time it received the lease from the council.

The ratepayers of Townsville would be rightfully concerned that either not long before or shortly after Crackers Corporation and Mr McCracken received the contract to lease library facilities and offices, Crackers Corporation gave $10,000 to the Australian Labor Party—a very substantial sum of money. Given that this was a once-only donation, with no similar donation reported in previous years, Townsville ratepayers would find it hard to believe that the large donation had nothing to do with Crackers Corporation receiving the library lease. The Australian Labor Party must give a public commitment that the $10,000 payment that it received from Crackers Corporation at approximately the same time as the ALP controlled council

was deciding where to move the new library and council offices did not inappropriately influence the ALP's decision to put the new library and council offices in Mr McCracken's building. Ten thousand dollars is a very substantial sum of money. For Mr McCracken to give that sum of money to the Labor Party in Townsville, he either received something in return or he must have been extremely impressed with the Labor Party monopoly on council.

The lease for 15 years of the new library and the Community and Cultural Services Department's offices dramatically increases the value of Northtown Shopping Centre. The 15-year lease calls to mind another celebrated lease, Mr President, of rental premises somewhat closer to this building—Centenary House. The 15-year lease meant that Northtown Shopping Centre—a shopping centre that, until the council's lease, was substantially empty—now has an anchor tenant which will drive up the value of the shopping centre. It is not hard to see how important the decision of the ALP controlled council to put the library in Northtown was to Mr McCracken's company.

The receipt of this money from Mr McCracken by the Labor Party, at just the time such a large business deal was being decided upon, shows the dangers in having a council made up entirely of members from one political party, who all stand to gain if the deal goes through. I call upon Labor mayor Tony Mooney to explain to the ratepayers of Townsville what Mr Jarrod McCracken received for his $10,000 payment to the ALP through his company in 2002-03. It must be obvious to any fair-minded ratepayer that in Townsville, if you want to do business with the Labor controlled council, you need to provide a financial contribution to the mayor's re-election war chest.

If indeed everything is above board and Mr McCracken's very generous financial contribution did not buy him anything, then the Labor Party should return the $10,000 to avoid the very obvious appearance that the $10,000 was payment for making the right decision with regard to the tender. It is very important that, when a developer gives money to a political party and then benefits from a huge business deal from the council, the public be reassured that there is no impropriety in the decision making. This is a clear example of why the ratepayers of Townsville need a watchdog on council to ensure that the Tony Mooney ALP council team do not get too keen to take other developers' money.

Senate adjourned at 7.09 p.m.

DOCUMENTS

Tabling

The following documents were tabled by the Clerk:

Defence Act—Determination under section 58H—Defence Force Remuneration Tribunal—Determination No. 1 of 2004.

Higher Education Support Act—Higher Education Provider Guidelines, dated 22 March 2004.

Lands Acquisition Act—Statements describing property acquired by agreement under sections 40 and 125 of the Act for specified public purposes [2].

QUESTIONS ON NOTICE

The following answers to questions were circulated:

Foreign Affairs: Zimbabwe

(Question No. 1683)

Senator Brown asked the Minister representing the Minister for Foreign Affairs, upon notice, on 1 August 2003:

(1) What is the Government's current assessment of the situation in Zimbabwe compared with its assessment at the time of the last Commonwealth Heads of Government Meeting (CHOGM).

(2) What action will the Government be requesting at the next CHOGM, scheduled for December 2003, in relation to Zimbabwe's possible re-admission to the Commonwealth.

(3) Does the Government support Zimbabwe's expulsion from the Commonwealth.

(4) What other options are open if the Commonwealth fails to take appropriate action to improve the situation in Zimbabwe; could options include action by the United Nations and coalitions of countries.

(5) Would Australia be willing to send a delegation of election supervisors to Zimbabwe if the electoral challenge by opposition leader Morgan Tsvangirai in November 2003 is successful.

Senator Hill—The following answer has been provided by the Minister for Foreign Affairs to the honourable senator's question:

(1) The situation in Zimbabwe has continued to deteriorated since CHOGM, indicated by continued political repression and human rights abuses with Government and law enforcement involvement; failure by the Mugabe regime to engage in dialogue with the opposition or international bodies (including the Commonwealth) who are attempting to improve the political situation in Zimbabwe; and continued farm seizures further crippling food production and putting millions of Zimbabweans at risk of starvation.

(2) Australia successfully pursued Zimbabwe's continued suspension from the councils of the Commonwealth at the Abuja CHOGM in December.

(3) Overtaken by events. The Abuja CHOGM decided to continue Zimbabwe's suspension. Subsequently, Zimbabwe voluntarily withdrew from the Commonwealth. Australia would be pleased to welcome Zimbabwe back once its government upholds Commonwealth values.

(4) Overtaken by events. CHOGM provided a mechanism whereby Zimbabwe could work towards having the suspension lifted by clearly demonstrating its unconditional commitment to the Harare Principles.

(5) Australia will consider appropriate action at the time.

Social Welfare: Newstart and Youth Allowance

(Question Nos 2544 to 2545)

Senator George Campbell asked the Minister for Family and Community Services and the Minister Assisting the Prime Minister for the Status of Women, upon notice, on 17 February 2004:

(1) Can the Minister provide information showing trends since 1996 in the number of persons claiming NewStart and Youth Allowance (Other) for more than 3 years.

(2) Can the Minister provide the most recent of this information by Small Labour Market Area.

Senator Patterson—The answer to the honourable senator's question is as follows:

(1) I have attached photocopies from my Department's publications, Occasional Paper Number 1: Income Support and Related Matters – A 10 Year Compendium 1989-1999 (attachment A) and Occasional Paper Number 7: Income support customers: A statistical overview 2001 (attachment B) which provide duration statistics for Youth Allowance (other) and Newstart Allowance recipients for the nominated periods.

Also attached is a copy of the relevant pages from the Statistical Overview for the year 2000 (attachment C) and a table providing the information for the financial years ending 30 June 2002 and 30 June 2003 (attachment D).

(2) Newstart Allowance and Youth Allowance (other) customer numbers as at 16 January 2004 by Small Labour Market Area are provided in the attachment E.

Table : Long-term unemployed customers (a): Duration by sex, June 2002*

	Males		Females		Persons	
Characteristics	No.	%	No.	%	No.	%
Duration (b)						
More than 1 year to less than 2 years	73,916	29.3	35,080	29.6	108,996	29.5
2 years to less than 3 years	42,632	16.9	22,693	19.1	65,325	17.6
3 years to less than 4 years	37,774	15.0	21,735	18.3	59,479	16.0
4 years to less than 5 years	23,106	9.1	9,407	7.9	32,423	8.7
5 years and over	74,968	29.7	29,726	25.1	104,694	28.2
Total long-term Unemployed	252,276	100.0	118,641	100.0	370,917	100.0
Mean duration (weeks)	215	..	210	..	213	..
Median duration (weeks)	170	..	161	..	168	..

* Sourced from Centrelink Newstart Database - June 2002 as at 5 March 2004.

(a) These figures do not include people who receive a nil rate of payment. The number of unemployed customers comprises customers who are on Youth Allowance with a student status other than full-time student [generally referred to as Youth Allowees (other)] and Newstart Allowance.

(b) Duration as measured from the income security start date.

Table : Long-term unemployed customers (a): Duration by sex, June 2003*

	Males		Females		Persons	
Characteristics	No.	%	No.	%	No.	%
Duration (b)						
More than 1 year to less than 2 years	64,061	26.9	32,074	26.3	96,135	26.7
2 years to less than 3 years	43,903	18.4	23,378	19.2	67,281	18.7
3 years to less than 4 years	28,181	11.8	15,229	12.5	43,410	12.0
4 years to less than 5 years	26,603	11.2	15,632	12.8	42,235	11.7
5 years and over	75,686	31.7	35,757	29.3	111,443	30.9
	238,434	100.0	122,070	100.0	360,504	100.0
Mean duration (weeks)	227	..	234	..	229	..
Median duration (weeks)	174	..	173	..	174	..

* Sourced from Centrelink Newstart Database - June 2003 as at 5 March 2004

(a) These figures do not include people who receive a nil rate of payment . The number of unemployed customers comprises customers who are on Youth Allowance with a student status other than full-time student [generally referred to as Youth Allowees (other)] and Newstart Allowance.

(b) Duration as measured from the income security start date.

Attachement E

Newstart Allowance and Youth Allowance (other) customer numbers as at January 2004 by Small Labour Market Area

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
31001	Acacia Ridge	223	81	304
40070	Adelaide (C)	496	301	797
40121	Adelaide Hills (DC) - Central	167	53	221
40125	Adelaide Hills (DC) - North	71	26	98
40124	Adelaide Hills (DC) - Ranges	136	48	184
40128	Adelaide Hills (DC) Bal	101	38	139
80189	Ainslie	93	53	146
37001	Aitkenvale	119	48	167
71004	Alawa	61	24	85
50081	Albany (C) - Central	443	166	609
50084	Albany (C) Bal	386	141	527
35951	Albany Creek	111	31	142
31004	Albion	77	31	108
10050	Albury (C)	885	575	1,460
31007	Alderley	95	43	138
36251	Alexandra Hills	262	86	348
40221	Alexandrina (DC) - Coastal	230	113	343
40224	Alexandrina (DC) - Strathalbyn	139	57	194
31012	Algester	117	34	151
70201	Alice Springs (T) - Charles	197	165	362
70203	Alice Springs (T) - Heavitree	244	227	470
70205	Alice Springs (T) - Larapinta	360	305	666
70207	Alice Springs (T) - Ross	298	250	548
70208	Alice Springs (T) - Stuart	75	62	138
20111	Alpine (S) - East	149	65	214
20112	Alpine (S) - West	104	66	170
80239	Amaroo	25	< 20	39
31015	Annerley	301	151	452
31018	Anstead	< 20	< 20	NA
71008	Anula	52	20	72
30150	Aramac (S)	< 20	< 20	NA
80279	Aranda	29	< 20	44
20260	Ararat (RC)	243	116	359
31023	Archerfield	< 20	< 20	NA
50210	Armadale (C)	1,306	509	1,815
10111	Armidale Dumaresq (A) - City	467	294	761
10112	Armidale Dumaresq (A) Bal	90	59	150
33497	Arundel	137	47	184
31026	Ascot	84	24	108
50250	Ashburton (S)	60	20	80

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
10150	Ashfield (A)	603	276	877
31031	Ashgrove	147	68	215
33501	Ashmore	210	72	283
31034	Aspley	164	68	232
30200	Atherton (S)	375	173	547
10200	Auburn (A)	1,752	652	2,404
50280	Augusta-Margaret River (S)	199	66	265
30250	Aurukun (S)	41	28	69
72802	Bakewell	43	< 20	49
31037	Bald Hills	74	30	103
20571	Ballarat (C) - Central	866	604	1,470
20572	Ballarat (C) - Inner North	545	375	920
20573	Ballarat (C) - North	< 20	< 20	NA
20574	Ballarat (C) - South	529	374	903
10250	Ballina (A)	1,035	625	1,660
31042	Balmoral	55	24	79
30300	Balonne (S)	121	34	155
10300	Balranald (A)	72	33	103
30350	Banana (S)	236	93	329
80339	Banks	35	< 20	44
10350	Bankstown (C)	3,638	1,624	5,262
31045	Banyo	97	41	137
20661	Banyule (C) - Heidelberg	872	453	1,325
20662	Banyule (C) - North	757	244	1,002
30400	Barcaldine (S)	21	< 20	26
30450	Barcoo (S)	< 20	< 20	NA
31048	Bardon	112	44	157
40311	Barossa (DC) - Angaston	97	42	140
40314	Barossa (DC) - Barossa	107	43	150
40315	Barossa (DC) - Tanunda	58	< 20	67
10400	Barraba (A)	67	49	115
80369	Barton	< 20	< 20	NA
40430	Barunga West (DC)	41	35	78
20741	Bass Coast (S) - Phillip Is.	147	66	213
20744	Bass Coast (S) Bal	349	201	550
50350	Bassendean (T)	366	159	525
10450	Bathurst (C)	632	352	984
70609	Bathurst-Melville	182	227	409
30500	Bauhinia (S)	21	< 20	31
10500	Baulkham Hills (A)	992	244	1,238
20831	Baw Baw (S) - Pt A	90	49	139
20834	Baw Baw (S) - Pt B East	79	39	117
20835	Baw Baw (S) - Pt B West	374	155	529
20911	Bayside (C) - Brighton	373	127	500
20912	Bayside (C) - South	574	245	818
50420	Bayswater (C)	1,485	731	2,216

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
30552	Beaudesert (S) - Pt A	525	211	735
30557	Beaudesert (S) - Pt B	518	195	714
33461	Beenleigh	236	113	350
10550	Bega Valley (A)	755	375	1,130
80549	Belconnen - SSD Bal	< 20	< 20	NA
80459	Belconnen Town Centre	< 20	< 20	NA
22751	Bellarine - Inner	430	245	675
31053	Bellbowrie	46	< 20	57
10600	Bellingen (A)	406	412	818
50490	Belmont (C)	913	374	1,287
31057	Belmont-Mackenzie	57	< 20	67
30600	Belyando (S)	127	40	167
30650	Bendemere (S)	< 20	< 20	NA
33504	Benowa	233	78	312
40521	Berri & Barmera (DC) - Barmera	99	66	165
40524	Berri & Barmera (DC) - Berri	236	104	340
10650	Berrigan (A)	137	53	190
33463	Bethania-Waterford	133	61	195
50560	Beverley (S)	34	< 20	48
30700	Biggenden (S)	47	25	72
33507	Biggera Waters	119	43	162
33512	Bilinga	61	36	97
10700	Bingara (A)	42	41	80
36254	Birkdale	198	61	259
30750	Blackall (S)	< 20	< 20	NA
10751	Blacktown (C) - North	1,122	370	1,491
10752	Blacktown (C) - South-East	1,898	630	2,528
10753	Blacktown (C) - South-West	2,722	1,131	3,853
10800	Bland (A)	76	41	117
10851	Blayney (A) - Pt A	105	48	152
10852	Blayney (A) - Pt B	43	23	67
10900	Blue Mountains (C)	1,199	426	1,626
50630	Boddington (S)	27	< 20	38
10950	Bogan (A)	93	57	150
11000	Bombala (A)	37	33	70
80609	Bonython	34	< 20	46
30800	Boonah (S)	118	57	175
31064	Boondall	119	49	168
30850	Booringa (S)	31	< 20	42
11050	Boorowa (A)	41	< 20	56
21111	Boroondara (C) - Camberwell N.	305	98	405
21112	Boroondara (C) - Camberwell S.	467	170	637
21113	Boroondara (C) - Hawthorn	391	157	548
21114	Boroondara (C) - Kew	304	90	394
11100	Botany Bay (C)	563	196	761
30900	Boulia (S)	29	< 20	41

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
11150	Bourke (A)	163	46	208
30950	Bowen (S)	631	124	755
31067	Bowen Hills	32	< 20	48
50770	Boyup Brook (S)	< 20	< 20	NA
31072	Bracken Ridge	239	121	361
80639	Braddon	58	47	105
35957	Bray Park	197	73	270
60210	Break O'Day (M)	203	190	393
11200	Brewarrina (A)	70	61	132
32002	Bribie Island	408	201	609
31075	Bridgeman Downs	45	< 20	58
50840	Bridgetown-Greenbushes (S)	74	35	108
31078	Brighton	148	75	223
60410	Brighton (M)	450	453	904
21181	Brimbank (C) - Keilor	2,097	1,117	3,214
21182	Brimbank (C) - Sunshine	3,042	1,894	4,936
71014	Brinkin	31	< 20	43
33513	Broadbeach	119	45	164
33515	Broadbeach Waters	213	80	292
31700	Broadsound (S)	51	20	71
11250	Broken Hill (C)	677	463	1,140
31083	Brookfield (incl. Mt C'tha)	31	< 20	40
50910	Brookton (S)	< 20	< 20	NA
50980	Broome (S)	668	248	916
51050	Broomehill (S)	< 20	< 20	NA
34601	Browns Plains	580	231	811
80729	Bruce	23	< 20	32
51120	Bruce Rock (S)	< 20	< 20	NA
31086	Bulimba	64	28	92
31750	Bulloo (S)	< 20	< 20	NA
21271	Buloke (S) - North	31	29	60
21272	Buloke (S) - South	55	30	84
51190	Bunbury (C)	698	260	958
31810	Bundaberg (C)	1,485	892	2,376
33517	Bundall	146	49	196
31850	Bungil (S)	26	< 20	34
31091	Burbank	< 20	< 20	NA
31900	Burdekin (S)	603	174	778
31950	Burke (S)	77	59	136
33521	Burleigh Heads	210	82	291
33523	Burleigh Waters	330	134	464
31981	Burnett (S) - Pt A	400	240	640
31984	Burnett (S) - Pt B	368	222	590
60611	Burnie (C) - Pt A	548	438	986
60612	Burnie (C) - Pt B	52	32	84
40701	Burnside (C) - North-East	250	118	368

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
40704	Burnside (C) - South-West	210	100	311
32005	Burpengary-Narangba	358	112	470
11300	Burwood (A)	411	169	581
51260	Busselton (S)	409	155	564
11350	Byron (A)	1,363	952	2,315
21671	C. Goldfields (S) - M'borough	202	133	334
21674	C. Goldfields (S) Bal	163	128	291
11401	Cabonne (A) - Pt A	38	< 20	57
11402	Cabonne (A) - Pt B	< 20	< 20	NA
11403	Cabonne (A) - Pt C	149	67	215
32008	Caboolture (S) - Central	584	271	856
32013	Caboolture (S) - East	427	159	586
32031	Caboolture (S) - Pt B	126	46	173
32023	Caboolture (S) Bal in BSD	366	133	499
32062	Cairns (C) - Barron	609	203	812
32065	Cairns (C) - Central Suburbs	784	287	1,071
32066	Cairns (C) - City	327	120	447
32068	Cairns (C) - Mt Whitfield	421	154	575
32072	Cairns (C) - Northern Suburbs	326	92	417
32078	Cairns (C) - Pt B	256	144	400
32074	Cairns (C) - Trinity	995	353	1,348
32076	Cairns (C) - Western Suburbs	410	150	560
31094	Calamvale	144	47	191
32101	Calliope (S) - Pt A	269	115	384
32104	Calliope (S) - Pt B	57	30	88
32132	Caloundra (C) - Caloundra N.	525	244	768
32133	Caloundra (C) - Caloundra S.	433	201	635
32136	Caloundra (C) - Hinterland	213	131	344
32135	Caloundra (C) - Kawana	466	200	666
32138	Caloundra (C) - Rail Corridor	451	213	663
80819	Calwell	67	24	91
32151	Cambooya (S) - Pt A	< 20	< 20	NA
32154	Cambooya (S) - Pt B	37	< 20	50
51310	Cambridge (T)	291	121	413
11450	Camden (A)	441	137	579
31097	Camp Hill	131	47	178
21371	Campaspe (S) - Echuca	250	108	358
21374	Campaspe (S) - Kyabram	246	106	353
21375	Campaspe (S) - Rochester	119	62	179
21376	Campaspe (S) - South	88	34	122
80909	Campbell	116	94	210
11500	Campbelltown (C)	3,535	1,296	4,831
40911	Campbelltown (C) - East	385	193	579
40914	Campbelltown (C) - West	319	172	491
51330	Canning (C)	1,481	582	2,065
31102	Cannon Hill	83	38	122

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
11550	Canterbury (C)	2,935	1,130	4,066
36257	Capalaba	265	111	376
31105	Capalaba West	< 20	< 20	NA
51401	Capel (S) - Pt A	57	21	78
51404	Capel (S) - Pt B	66	22	88
34603	Carbrook-Cornubia	50	< 20	67
21452	Cardinia (S) - North	299	99	398
21453	Cardinia (S) - Pakenham	309	91	401
21454	Cardinia (S) - South	89	51	139
32200	Cardwell (S)	161	71	233
31113	Carina	130	47	177
31116	Carina Heights	82	29	112
31108	Carindale	184	66	250
51470	Carnamah (S)	< 20	< 20	NA
51540	Carnarvon (S)	267	82	349
32250	Carpentaria (S)	239	117	356
33525	Carrara-Merrimac	367	139	506
11600	Carrathool (A)	50	20	71
31121	Carseldine	95	39	135
21612	Casey (C) - Berwick	903	279	1,181
21613	Casey (C) - Cranbourne	1,115	410	1,525
21616	Casey (C) - Hallam	1,136	501	1,637
21618	Casey (C) - South	222	79	301
41010	Ceduna (DC)	177	108	285
60811	Central Coast (M) - Pt A	450	358	809
60812	Central Coast (M) - Pt B	96	76	170
11700	Central Darling (A)	131	74	206
61010	Central Highlands (M)	83	85	168
35958	Central Pine West	138	47	184
11720	Cessnock (C)	1,304	930	2,235
31124	Chandler	< 20	< 20	NA
31127	Chapel Hill	88	28	116
81089	Chapman	30	< 20	43
51610	Chapman Valley (S)	42	23	65
41061	Charles Sturt (C) - Coastal	551	293	845
41064	Charles Sturt (C) - Inner East	536	349	884
41065	Charles Sturt (C) - Inner West	522	324	846
41068	Charles Sturt (C) - North-East	809	592	1,401
81179	Charnwood	48	21	69
32300	Charters Towers (C)	232	97	328
31132	Chelmer	41	< 20	58
31135	Chermside	118	50	167
31138	Chermside West	109	46	156
81269	Chifley	45	22	67
32350	Chinchilla (S)	145	73	219
81359	Chisholm	69	25	95

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
51680	Chittering (S)	62	28	90
61210	Circular Head (M)	149	84	233
37003	City	95	42	138
31143	City - Inner	39	< 20	58
71018	City - Inner	133	129	262
71138	City - Remainder	68	37	105
31146	City - Remainder	83	40	124
41140	Clare and Gilbert Valleys (DC)	106	36	142
51750	Claremont (T)	78	37	116
61410	Clarence (C)	1,002	821	1,823
31151	Clayfield	183	68	250
41190	Cleve (DC)	< 20	< 20	NA
36262	Cleveland	193	69	262
32400	Clifton (S)	38	21	59
32450	Cloncurry (S)	86	23	110
36201	Clontarf	272	125	397
11750	Cobar (A)	109	56	167
51820	Cockburn (C)	1,353	505	1,857
71024	Coconut Grove	69	27	96
11801	Coffs Harbour (C) - Pt A	1,459	1,041	2,501
11804	Coffs Harbour (C) - Pt B	493	371	864
21751	Colac-Otway (S) - Colac	256	102	358
21754	Colac-Otway (S) - North	58	24	83
21755	Colac-Otway (S) - South	63	30	93
51890	Collie (S)	268	142	410
11850	Conargo (A)	27	< 20	37
11900	Concord (A)	229	79	308
81549	Conder	47	< 20	60
41330	Coober Pedy (DC)	101	83	184
81629	Cook	29	< 20	45
32504	Cook (S) - Weipa only	70	34	104
32501	Cook (S) (excl. Weipa)	249	164	414
11950	Coolah (A)	88	60	146
12000	Coolamon (A)	57	42	99
33527	Coolangatta	224	135	359
51960	Coolgardie (S)	83	29	111
32535	Cooloola (S) - Gympie only	498	314	812
32532	Cooloola (S) (excl. Gympie)	583	355	939
70700	Coomalie (CGC)	48	28	76
12050	Cooma-Monaro (A)	112	74	186
33531	Coombabah	204	73	277
33532	Coomera-Cedar Creek	246	88	335
12100	Coonabarabran (A)	164	142	306
12150	Coonamble (A)	141	93	234
31154	Coopers Plains	115	56	171
52030	Coorow (S)	< 20	< 20	NA

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
31157	Coorparoo	341	145	486
12200	Cootamundra (A)	133	97	230
12250	Copmanhurst (A)	139	123	261
41560	Copper Coast (DC)	234	186	419
21831	Corangamite (S) - North	138	71	209
21832	Corangamite (S) - South	71	23	94
31162	Corinda	64	23	87
22752	Corio - Inner	1,640	945	2,585
12300	Corowa (A)	138	66	204
52100	Corrigin (S)	< 20	< 20	NA
52170	Cottesloe (T)	93	26	119
12350	Cowra (A)	317	137	452
70759	Cox-Finniss	72	90	162
37007	Cranbrook	153	62	215
52240	Cranbrook (S)	20	< 20	27
12400	Crookwell (A)	66	34	100
32551	Crow’s Nest (S) - Pt A	78	36	114
32554	Crow’s Nest (S) - Pt B	52	28	80
32600	Croydon (S)	< 20	< 20	NA
52310	Cuballing (S)	20	< 20	28
52380	Cue (S)	< 20	< 20	NA
12450	Culcairn (A)	51	35	86
52450	Cunderdin (S)	24	< 20	29
37012	Currajong	92	34	127
33533	Currumbin	48	< 20	68
33535	Currumbin Waters	178	72	249
81719	Curtin	40	< 20	58
34605	Daisy Hill-Priestdale	88	36	124
35961	Dakabin-Kallangur-M. Downs	316	126	442
32650	Dalby (T)	258	111	369
32700	Dalrymple (S)	109	61	170
52520	Dalwallinu (S)	< 20	< 20	NA
70809	Daly	245	294	538
52590	Dandaragan (S)	42	20	62
52661	Dardanup (S) - Pt A	119	44	163
52664	Dardanup (S) - Pt B	34	< 20	53
21891	Darebin (C) - Northcote	1,239	709	1,948
21892	Darebin (C) - Preston	2,228	1,295	3,523
31167	Darra-Sumner	88	37	124
31173	Deagon	55	28	84
81809	Deakin	22	< 20	31
32016	Deception Bay	532	226	758
21951	Delatite (S) - Benalla	248	147	395
21954	Delatite (S) - North	72	29	102
21955	Delatite (S) - South	116	87	203
12500	Deniliquin (A)	167	60	227

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
52730	Denmark (S)	142	74	216
52800	Derby-West Kimberley (S)	570	256	826
61511	Derwent Valley (M) - Pt A	162	168	330
61512	Derwent Valley (M) - Pt B	110	111	221
61610	Devonport (C)	706	555	1,261
32750	Diamantina (S)	33	< 20	39
81889	Dickson	31	< 20	48
52870	Donnybrook-Balingup (S)	115	27	142
31176	Doolandella-Forest Lake	215	64	280
61810	Dorset (M)	171	124	294
37014	Douglas	111	45	156
32800	Douglas (S)	384	225	608
52940	Dowerin (S)	< 20	< 20	NA
81989	Downer	57	32	89
72804	Driver	78	41	119
12550	Drummoyne (A)	285	85	370
32850	Duaringa (S)	111	50	161
12601	Dubbo (C) - Pt A	748	342	1,090
12604	Dubbo (C) - Pt B	108	48	156
82079	Duffy	34	< 20	49
53010	Dumbleyung (S)	< 20	< 20	NA
53080	Dundas (S)	37	< 20	50
12700	Dungog (A)	113	91	205
82139	Dunlop	< 20	< 20	NA
82169	Duntroon	< 20	< 20	NA
72806	Durack	66	35	101
31184	Durack	242	101	343
31187	Dutton Park	62	41	103
22111	E. Gippsland (S) - Bairnsdale	554	289	843
22113	E. Gippsland (S) - Orbost	225	147	372
22115	E. Gippsland (S) - South-West	73	44	118
22117	E. Gippsland (S) Bal	66	38	104
32900	Eacham (S)	215	130	345
33466	Eagleby	260	125	385
71169	East Arm	< 20	< 20	NA
71209	East Arnhem - Bal	568	634	1,202
31195	East Brisbane	158	69	227
53150	East Fremantle (T)	132	45	177
53220	East Pilbara (S)	153	45	198
33471	Edens Landing-Holmview	141	68	209
32950	Eidsvold (S)	30	< 20	48
31198	Eight Mile Plains	233	83	316
33537	Elanora	295	134	429
31203	Ellen Grove	105	33	137
41750	Elliston (DC)	23	< 20	41
71409	Elsey - Bal	157	104	263

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
33000	Emerald (S)	193	79	272
31206	Enoggera	112	51	163
33541	Ernest-Molendinar	68	23	91
33050	Esk (S)	356	153	510
53290	Esperance (S)	300	105	404
33100	Etheridge (S)	41	28	69
12750	Eurobodalla (A)	944	535	1,479
12801	Evans (A) - Pt A	22	< 20	34
12802	Evans (A) - Pt B	89	48	137
82259	Evatt	99	43	141
31211	Everton Park	122	52	174
53360	Exmouth (S)	72	< 20	84
82349	Fadden	23	< 20	26
31214	Fairfield	76	38	114
12850	Fairfield (C)	6,003	3,345	9,347
71028	Fannie Bay	78	46	124
82439	Farrer	32	< 20	46
31217	Ferny Grove	70	< 20	87
31222	Fig Tree Pocket	24	< 20	32
82529	Fisher	26	< 20	39
33151	Fitzroy (S) - Pt A	91	45	136
33154	Fitzroy (S) - Pt B	102	50	152
62010	Flinders (M)	< 20	22	NA
33200	Flinders (S)	40	25	65
41830	Flinders Ranges (DC)	52	25	77
82619	Florey	74	33	107
82709	Flynn	46	20	66
12900	Forbes (A)	313	115	428
82789	Forrest	22	< 20	37
31228	Fortitude Valley - Inner	25	< 20	37
31233	Fortitude Valley - Remainder	69	34	103
41960	Franklin Harbor (DC)	24	< 20	36
22171	Frankston (C) - East	560	191	751
22174	Frankston (C) - West	2,010	979	2,989
82889	Fraser	30	< 20	43
53431	Fremantle (C) - Inner	28	< 20	44
53432	Fremantle (C) - Remainder	811	410	1,221
28529	French Island	< 20	< 20	NA
82979	Fyshwick	< 20	< 20	NA
22250	Gannawarra (S)	200	83	283
37015	Garbutt	60	24	84
83069	Garran	30	< 20	43
33250	Gatton (S)	238	95	332
42030	Gawler (M)	330	182	512
33300	Gayndah (S)	71	35	107
31236	Geebung	61	25	86

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
22753	Geelong	302	182	484
22754	Geelong West	383	249	632
62211	George Town (M) - Pt A	157	157	314
62212	George Town (M) - Pt B	< 20	20	NA
53500	Geraldton (C)	586	272	858
12950	Gilgandra (A)	106	84	191
83159	Gilmore	38	< 20	52
53570	Gingin (S)	86	26	112
83249	Giralang	58	25	83
33350	Gladstone (C)	635	272	907
62410	Glamorgan/Spring Bay (M)	95	83	178
22311	Glen Eira (C) - Caulfield	1,115	504	1,619
22314	Glen Eira (C) - South	689	235	924
13000	Glen Innes (A)	163	111	274
22411	Glenelg (S) - Heywood	143	63	206
22412	Glenelg (S) - North	49	23	72
22413	Glenelg (S) - Portland	308	178	486
62610	Glenorchy (C)	1,198	1,048	2,245
13050	Gloucester (A)	94	61	154
53640	Gnowangerup (S)	25	< 20	31
33496	Gold Coast (C) Bal in BSD	242	90	333
22491	Golden Plains (S) - North-West	124	78	203
22492	Golden Plains (S) - South-East	125	51	176
53710	Goomalling (S)	< 20	< 20	NA
33600	Goondiwindi (T)	97	28	125
83289	Gordon	73	20	93
13100	Gosford (C)	2,831	1,211	4,042
53780	Gosnells (C)	1,976	667	2,642
13150	Goulburn (C)	489	204	693
83339	Gowrie	24	< 20	28
42110	Goyder (DC)	87	55	141
22621	Gr. Bendigo (C) - Central	464	295	758
22622	Gr. Bendigo (C) - Eaglehawk	250	152	402
22623	Gr. Bendigo (C) - Inner East	511	325	836
22624	Gr. Bendigo (C) - Inner North	166	96	261
22625	Gr. Bendigo (C) - Inner West	361	225	586
22628	Gr. Bendigo (C) - Pt B	219	154	372
22626	Gr. Bendigo (C) - S'saye	87	45	131
22671	Gr. Dandenong (C) - Dandenong	2,000	879	2,879
22674	Gr. Dandenong (C) Bal	2,058	1,098	3,156
22831	Gr. Shepparton (C) - Pt A	1,548	667	2,214
22834	Gr. Shepparton (C) - Pt B East	59	< 20	76
22835	Gr. Shepparton (C) - Pt B West	236	77	314
31241	Graceville	58	21	79
13200	Grafton (C)	476	398	875
31244	Grange	72	33	105

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
42250	Grant (DC)	149	74	223
72808	Gray	98	52	150
13400	Great Lakes (A)	771	563	1,335
22757	Greater Geelong (C) - Pt B	509	208	716
22758	Greater Geelong (C) - Pt C	21	< 20	31
13300	Greater Lithgow (C)	533	332	866
13350	Greater Taree (C)	1,258	883	2,141
34608	Greenbank-Boronia Heights	230	72	302
53851	Greenough (S) - Pt A	317	147	465
53854	Greenough (S) - Pt B	46	25	71
31247	Greenslopes	217	101	318
83379	Greenway	< 20	< 20	NA
35963	Griffin-Mango Hill	105	34	139
83429	Griffith	42	30	72
13450	Griffith (C)	417	163	580
71609	Groote Eylandt	66	93	160
33542	Guanaba-Currumbin Valley	403	163	566
71809	Gulf	375	259	634
37018	Gulliver	104	39	143
31252	Gumdale	< 20	< 20	NA
13500	Gundagai (A)	53	30	83
83529	Gungahlin-Hall - SSD Bal	< 20	< 20	NA
13550	Gunnedah (A)	364	219	584
13600	Gunning (A)	25	< 20	36
13650	Guyra (A)	134	92	226
83609	Hackett	53	30	84
83689	Hall	< 20	< 20	NA
53920	Halls Creek (S)	385	94	479
31255	Hamilton	73	20	93
13700	Harden (A)	70	21	92
83789	Harman	< 20	< 20	NA
53991	Harvey (S) - Pt A	324	122	446
53994	Harvey (S) - Pt B	153	63	216
13751	Hastings (A) - Pt A	894	514	1,408
13754	Hastings (A) - Pt B	604	450	1,053
83879	Hawker	31	< 20	47
13800	Hawkesbury (C)	809	231	1,039
31258	Hawthorne	64	28	92
13850	Hay (A)	57	28	85
37023	Heatley	110	45	154
33543	Helensvale	226	72	299
31265	Hemmant-Lytton	69	< 20	86
31271	Hendra	74	27	102
22911	Hepburn (S) - East	192	125	317
22912	Hepburn (S) - West	161	118	279
33700	Herberton (S)	194	127	320

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
37026	Hermit Park	120	45	164
31274	Herston	55	27	82
33751	Hervey Bay (C) - Pt A	1,298	773	2,070
33754	Hervey Bay (C) - Pt B	150	113	264
83969	Higgins	35	< 20	50
31277	Highgate Hill	228	132	360
35971	Hills District	295	99	393
33804	Hinchinbrook (S) - Palm Island	91	67	158
33801	Hinchinbrook (S) excl. Palm I.	358	94	452
22980	Hindmarsh (S)	85	52	137
62811	Hobart (C) - Inner	33	24	57
62812	Hobart (C) - Remainder	1,201	817	2,019
23111	Hobsons Bay (C) - Altona	1,139	574	1,713
23112	Hobsons Bay (C) - Williamstown	496	252	748
13900	Holbrook (A)	34	< 20	50
84059	Holder	26	< 20	38
42601	Holdfast Bay (C) - North	385	180	565
42604	Holdfast Bay (C) - South	244	111	354
31282	Holland Park	118	52	170
31285	Holland Park West	89	39	128
33545	Hollywell	61	22	83
13950	Holroyd (C)	1,827	745	2,572
84149	Holt	50	22	73
33547	Hope Island	69	22	91
14000	Hornsby (A)	1,013	232	1,246
23191	Horsham (RC) - Central	303	172	475
23194	Horsham (RC) Bal	64	28	91
84239	Hughes	28	< 20	40
84329	Hume	< 20	< 20	NA
14050	Hume (A)	106	55	161
23271	Hume (C) - Broadmeadows	2,413	1,303	3,717
23274	Hume (C) - Craigieburn	815	383	1,198
23275	Hume (C) - Sunbury	396	138	534
14100	Hunter’s Hill (A)	76	23	99
63010	Huon Valley (M)	422	325	747
14150	Hurstville (C)	927	384	1,311
37027	Hyde Park-Mysterton	81	30	111
33850	Ilfracombe (S)	< 20	< 20	NA
31288	Inala	571	237	808
23351	Indigo (S) - Pt A	169	76	244
23352	Indigo (S) - Pt B	49	29	78
31293	Indooroopilly	159	69	228
33900	Inglewood (S)	59	24	83
14201	Inverell (A) - Pt A	120	91	212
14202	Inverell (A) - Pt B	302	245	546
33962	Ipswich (C) - Central	1,751	682	2,433

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
33965	Ipswich (C) - East	1,266	464	1,730
33966	Ipswich (C) - North	108	43	150
33974	Ipswich (C) - South-West	45	< 20	62
33976	Ipswich (C) - West	114	41	155
54060	Irwin (S)	48	27	75
84419	Isaacs	28	< 20	40
84509	Isabella Plains	46	< 20	63
34000	Isis (S)	186	105	291
34050	Isisford (S)	< 20	< 20	NA
72000	Jabiru (T)	40	31	70
31296	Jamboree Heights	37	< 20	48
34100	Jericho (S)	< 20	< 20	NA
14250	Jerilderie (A)	22	< 20	29
84589	Jerrabomberra	< 20	< 20	NA
54130	Jerramungup (S)	< 20	< 20	NA
31301	Jindalee	59	< 20	76
71034	Jingili	55	21	76
34150	Johnstone (S)	640	291	930
34201	Jondaryan (S) - Pt A	125	50	174
34204	Jondaryan (S) - Pt B	134	53	187
54171	Joondalup (C) - North	663	186	850
54174	Joondalup (C) - South	1,352	402	1,754
14300	Junee (A)	102	72	175
54200	Kalamunda (S)	617	175	793
84779	Kaleen	127	54	181
54281	Kalgoorlie/Boulder (C) - Pt A	677	214	891
54284	Kalgoorlie/Boulder (C) - Pt B	< 20	< 20	NA
84869	Kambah	216	89	305
42750	Kangaroo Island (DC)	87	44	131
31304	Kangaroo Point	185	80	265
71038	Karama	100	37	137
31306	Karana Downs-Lake Manchester	78	31	109
43080	Karoonda East Murray (DC)	< 20	< 20	NA
54340	Katanning (S)	88	35	123
72200	Katherine (T)	504	279	783
31312	Kedron	212	99	311
54410	Kellerberrin (S)	< 20	< 20	NA
36801	Kelso	236	98	334
31315	Kelvin Grove	131	60	192
14350	Kempsey (A)	887	884	1,772
31318	Kenmore	71	23	94
31323	Kenmore Hills	22	< 20	30
54480	Kent (S)	< 20	< 20	NA
63210	Kentish (M)	178	141	320
31326	Keperra	130	45	175
14400	Kiama (A)	221	81	301

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
34250	Kilcoy (S)	68	33	101
34300	Kilkivan (S)	76	53	128
43220	Kimba (DC)	< 20	< 20	NA
63410	King Island (M)	22	< 20	30
34350	Kingaroy (S)	304	154	458
63611	Kingborough (M) - Pt A	469	236	705
63612	Kingborough (M) - Pt B	68	51	119
34612	Kingston	643	369	1,013
84959	Kingston	< 20	< 20	NA
23431	Kingston (C) - North	1,364	542	1,907
23434	Kingston (C) - South	789	332	1,121
36804	Kirwan	391	141	532
23671	Knox (C) - North	1,668	581	2,249
23674	Knox (C) - South	417	144	560
14450	Kogarah (A)	665	204	870
54550	Kojonup (S)	34	< 20	43
34400	Kolan (S)	215	126	341
54620	Kondinin (S)	20	< 20	28
54690	Koorda (S)	< 20	< 20	NA
85049	Kowen	< 20	< 20	NA
54760	Kulin (S)	< 20	< 20	NA
31331	Kuraby	86	40	126
14500	Ku-ring-gai (A)	381	78	459
54830	Kwinana (T)	700	321	1,021
14550	Kyogle (A)	325	290	616
33553	Labrador	591	282	873
43360	Lacepede (DC)	31	< 20	49
14600	Lachlan (A)	190	110	301
34450	Laidley (S)	330	154	484
54900	Lake Grace (S)	< 20	< 20	NA
14650	Lake Macquarie (C)	4,112	2,580	6,694
14700	Lane Cove (A)	212	49	261
71044	Larrakeyah	151	139	290
85139	Latham	47	21	68
23811	Latrobe (C) - Moe	535	337	872
23814	Latrobe (C) - Morwell	727	546	1,272
23815	Latrobe (C) - Traralgon	518	272	790
23818	Latrobe (C) Bal	51	28	79
63811	Latrobe (M) - Pt A	176	125	301
63812	Latrobe (M) - Pt B	26	< 20	44
64011	Launceston (C) - Inner	< 20	< 20	NA
64012	Launceston (C) - Pt B	1,675	1,336	3,010
64013	Launceston (C) - Pt C	57	48	107
54970	Laverton (S)	34	21	55
35973	Lawnton	81	37	118
43570	Le Hunte (DC)	< 20	< 20	NA

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
71048	Leanyer	97	36	134
71052	Lee Point-Leanyer Swamp	< 20	< 20	NA
14750	Leeton (A)	235	118	353
14800	Leichhardt (A)	1,073	457	1,530
55040	Leonora (S)	38	20	58
43650	Light (DC)	149	85	232
14851	Lismore (C) - Pt A	1,010	862	1,872
14854	Lismore (C) - Pt B	416	353	769
72304	Litchfield (S) - Pt A	80	87	167
72308	Litchfield (S) - Pt B	710	643	1,353
14900	Liverpool (C)	3,513	1,665	5,177
34550	Livingstone (S)	693	387	1,080
14950	Lockhart (A)	47	33	81
23943	Loddon (S) - North	61	20	81
23945	Loddon (S) - South	127	99	227
34663	Logan (C) Bal	40	< 20	56
34615	Loganholme	201	71	271
34618	Loganlea	233	146	379
34700	Longreach (S)	59	21	79
18859	Lord Howe Island	< 20	< 20	NA
31337	Lota	48	21	69
43710	Lower Eyre Peninsula (DC)	89	43	133
43791	Loxton Waikerie (DC) - East	175	68	244
43794	Loxton Waikerie (DC) - West	88	38	125
71054	Ludmilla	54	32	86
31345	Lutwyche	64	27	91
85229	Lyneham	68	39	106
85319	Lyons	49	24	74
85489	Macarthur	< 20	< 20	NA
24131	Macedon Ranges (S) - Kyneton	144	72	216
24134	Macedon Ranges (S) - Romsey	123	61	183
24135	Macedon Ranges (S) Bal	172	67	239
85589	Macgregor	47	21	68
31356	MacGregor	85	35	120
34762	Mackay (C) - Pt A	2,046	829	2,875
34765	Mackay (C) - Pt B	198	84	282
15000	Maclean (A)	613	437	1,050
85679	Macquarie	30	< 20	46
37031	Magnetic Island	82	29	111
33555	Main Beach-Broadwater	146	49	195
15050	Maitland (C)	1,214	786	2,000
85769	Majura	< 20	< 20	NA
71058	Malak	68	25	93
43920	Mallala (DC)	141	69	213
55110	Mandurah (C)	1,157	511	1,668
15100	Manilla (A)	78	66	145

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
55180	Manjimup (S)	168	76	243
31364	Manly	69	30	99
15150	Manly (A)	333	92	425
31367	Manly West	167	72	240
24211	Manningham (C) - East	107	36	144
24214	Manningham (C) - West	1,041	347	1,388
31372	Mansfield	159	66	225
34850	Mareeba (S)	679	388	1,067
36204	Margate-Woody Point	311	143	454
24330	Maribyrnong (C)	2,070	1,298	3,368
44061	Marion (C) - Central	713	384	1,098
44064	Marion (C) - North	561	346	907
44065	Marion (C) - South	273	104	377
34902	Maroochy (S) - Buderim	576	232	806
34905	Maroochy (S) - Coastal North	591	273	865
34907	Maroochy (S) - Maroochydore	610	258	869
34911	Maroochy (S) - Mooloolaba	355	133	489
34914	Maroochy (S) - Nambour	277	165	442
34918	Maroochy (S) Bal	599	342	941
34917	Maroochy (S) Bal in S C'st SSD	411	220	631
24411	Maroondah (C) - Croydon	840	328	1,167
24412	Maroondah (C) - Ringwood	655	234	888
71064	Marrara	34	< 20	47
15200	Marrickville (A)	2,076	870	2,947
34623	Marsden	619	244	862
34950	Maryborough (C)	654	540	1,194
85859	Mawson	24	< 20	34
31353	McDowall	102	44	146
85409	McKellar	54	23	77
34800	McKinlay (S)	< 20	< 20	NA
64211	Meander Valley (M) - Pt A	131	92	223
64212	Meander Valley (M) - Pt B	239	222	461
55250	Meekatharra (S)	68	32	100
85949	Melba	39	< 20	56
24601	Melbourne (C) - Inner	247	72	319
24608	Melbourne (C) - Remainder	1,191	680	1,872
24605	Melbourne (C) - S'bank-D'lands	177	103	280
24651	Melton (S) - East	476	188	663
24654	Melton (S) Bal	838	394	1,232
55320	Melville (C)	1,144	408	1,553
55390	Menzies (S)	< 20	< 20	NA
33557	Mermaid Beach	163	61	224
33562	Mermaid Wtrs-Clear Is. Wtrs	377	141	518
55460	Merredin (S)	40	26	66
15250	Merriwa (A)	39	21	61
33563	Miami	148	61	209

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
44210	Mid Murray (DC)	208	112	319
31375	Middle Park	49	< 20	64
24781	Mildura (RC) - Pt A	1,330	681	2,011
24782	Mildura (RC) - Pt B	65	33	99
35000	Millmerran (S)	68	28	96
71068	Millner	74	29	103
31378	Milton	45	< 20	61
55530	Mingenew (S)	< 20	< 20	NA
35050	Mirani (S)	114	53	167
35100	Miriam Vale (S)	163	118	281
44341	Mitcham (C) - Hills	288	125	413
44344	Mitcham (C) - North-East	154	63	218
44345	Mitcham (C) - West	367	211	577
86039	Mitchell	< 20	< 20	NA
24851	Mitchell (S) - North	285	149	435
24854	Mitchell (S) - South	304	120	424
31383	Mitchelton	92	40	132
31386	Moggill	< 20	< 20	NA
71074	Moil	60	24	84
24901	Moira (S) - East	135	74	208
24904	Moira (S) - West	410	172	583
86129	Monash	39	< 20	45
24971	Monash (C) - South-West	650	319	968
24974	Monash (C) - Waverley East	676	222	897
24975	Monash (C) - Waverley West	728	234	961
35150	Monto (S)	32	22	54
25063	Moonee Valley (C) - Essendon	1,488	795	2,283
25065	Moonee Valley (C) - West	662	312	974
55600	Moora (S)	52	20	72
25151	Moorabool (S) - Bacchus Marsh	238	88	325
25154	Moorabool (S) - Ballan	102	62	164
25155	Moorabool (S) - West	57	40	97
31391	Moorooka	225	80	305
55670	Morawa (S)	< 20	< 20	NA
32018	Morayfield	480	185	664
15300	Moree Plains (A)	663	271	934
25251	Moreland (C) - Brunswick	1,368	790	2,158
25252	Moreland (C) - Coburg	1,109	621	1,730
25253	Moreland (C) - North	1,082	624	1,706
31394	Moreton Island	< 20	< 20	NA
31397	Morningside	152	69	221
35250	Mornington (S)	58	40	97
25341	Mornington P'sula (S) - East	606	270	875
25344	Mornington P'sula (S) - South	881	406	1,288
25345	Mornington P'sula (S) - West	608	199	807
15350	Mosman (A)	144	29	174

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
55740	Mosman Park (T)	171	95	266
72814	Moulden	95	50	145
25431	Mount Alexander (S) - C'maine	171	106	277
25434	Mount Alexander (S) Bal	229	155	384
44551	Mount Barker (DC) - Central	307	97	404
44554	Mount Barker (DC) Bal	130	47	177
44620	Mount Gambier (C)	490	297	788
31402	Mount Gravatt	53	22	76
31405	Mount Gravatt East	159	67	226
35300	Mount Isa (C)	718	288	1,006
55810	Mount Magnet (S)	34	< 20	53
55880	Mount Marshall (S)	< 20	< 20	NA
35350	Mount Morgan (S)	154	91	245
31408	Mount Ommaney	26	< 20	33
44830	Mount Remarkable (DC)	62	38	100
25491	Moyne (S) - North-East	24	< 20	39
25493	Moyne (S) - North-West	36	23	59
25496	Moyne (S) - South	165	71	237
37033	Mt Louisa-Mt St John-Bohle	91	38	129
33476	Mt Warren Park	164	78	242
15400	Mudgee (A)	578	263	841
33565	Mudgeeraba	187	76	262
55950	Mukinbudin (S)	< 20	< 20	NA
56020	Mullewa (S)	48	< 20	62
15450	Mulwaree (A)	127	51	178
56090	Mundaring (S)	599	212	811
37034	Mundingburra	141	53	194
35450	Mundubbera (S)	66	< 20	80
31413	Murarrie	74	35	109
56160	Murchison (S)	< 20	< 20	NA
35500	Murgon (S)	236	75	311
35550	Murilla (S)	37	25	62
37038	Murray	193	78	271
15500	Murray (A)	136	42	177
56230	Murray (S)	298	150	448
45040	Murray Bridge (RC)	460	282	742
25621	Murrindindi (S) - East	106	57	163
25622	Murrindindi (S) - West	126	51	177
15550	Murrumbidgee (A)	35	< 20	47
15600	Murrurundi (A)	40	27	69
35600	Murweh (S)	117	34	150
15650	Muswellbrook (A)	346	198	544
25811	N. Grampians (S) - St Arnaud	81	58	140
25814	N. Grampians (S) - Stawell	174	108	282
71078	Nakara	58	22	80
15700	Nambucca (A)	742	680	1,423

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
35650	Nanango (S)	267	119	386
56300	Nannup (S)	26	20	46
45090	Naracoorte and Lucindale (DC)	103	47	150
56370	Narembeen (S)	< 20	< 20	NA
15750	Narrabri (A)	467	183	651
86219	Narrabundah	102	69	170
15800	Narrandera (A)	111	54	164
56510	Narrogin (S)	< 20	< 20	NA
56440	Narrogin (T)	78	33	111
15850	Narromine (A)	138	63	202
71084	Narrows	< 20	< 20	NA
31416	Nathan	22	< 20	35
35700	Nebo (S)	< 20	< 20	NA
56580	Nedlands (C)	192	69	260
33567	Nerang	559	212	772
31421	New Farm	384	196	580
15901	Newcastle (C) - Inner	203	147	351
15902	Newcastle (C) - Remainder	3,555	2,528	6,083
31424	Newmarket	74	34	108
31427	Newstead	88	43	131
22755	Newtown	206	115	321
56620	Ngaanyatjarraku (S)	95	81	177
86249	Ngunnawal	73	24	97
72409	Nhulunbuy	182	192	374
86279	Nicholls	61	20	81
71088	Nightcliff	98	38	137
25713	Nillumbik (S) - South	221	67	289
25715	Nillumbik (S) - South-West	193	52	245
25718	Nillumbik (S) Bal	124	33	158
35752	Noosa (S) - Noosa-Noosaville	252	109	361
35755	Noosa (S) - Sunshine-Peregian	316	139	455
35756	Noosa (S) - Tewantin	350	177	527
35758	Noosa (S) Bal	504	257	761
31432	Norman Park	125	57	181
15950	North Sydney (A)	488	102	589
37041	North Ward-Castle Hill	214	96	310
56720	Northam (S)	123	43	166
56650	Northam (T)	169	90	259
56790	Northampton (S)	71	41	112
45120	Northern Areas (DC)	76	60	135
64611	Northern Midlands (M) - Pt A	153	101	254
64612	Northern Midlands (M) - Pt B	116	92	206
31435	Northgate	88	38	126
45291	Norw. P'ham St Ptrs (C) - East	257	162	419
45294	Norw. P'ham St Ptrs (C) - West	297	184	480
31438	Nudgee	38	< 20	54

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
31443	Nudgee Beach	< 20	< 20	NA
31446	Nundah	178	65	242
16000	Nundle (A)	37	21	58
56860	Nungarin (S)	< 20	< 20	NA
86309	Oaks Estate	< 20	< 20	NA
16100	Oberon (A)	77	38	113
86389	O'Connor	86	49	135
86489	O'Malley	< 20	< 20	NA
45341	Onkaparinga (C) - Hackham	443	258	701
45342	Onkaparinga (C) - Hills	157	77	235
45343	Onkaparinga (C) - Morphett	602	280	883
45344	Onkaparinga (C) - North Coast	614	380	993
45345	Onkaparinga (C) - Reservoir	338	124	462
45346	Onkaparinga (C) - South Coast	632	308	940
45347	Onkaparinga (C) - Woodcroft	676	276	950
37044	Oonoonba-Idalia-Cluden	66	22	88
16150	Orange (C)	721	389	1,111
36264	Ormiston	80	22	102
45400	Orroroo/Carrieton (DC)	< 20	< 20	NA
33571	Oxenford	116	39	156
86579	Oxley	20	< 20	30
31451	Oxley	94	33	128
31454	Paddington	202	71	273
86669	Page	31	< 20	48
31456	Pallara-Heathwood-Larapinta	24	< 20	32
37047	Pallarenda-Shelley Beach	40	< 20	58
33573	Palm Beach	352	159	512
86719	Palmerston	64	21	86
72824	Palmerston (C) Bal	52	< 20	64
33575	Paradise Point	96	34	130
71094	Parap	46	27	74
86759	Parkes	< 20	< 20	NA
16200	Parkes (A)	338	231	569
31463	Parkinson-Drewvale	92	27	119
33577	Parkwood	170	58	228
35800	Paroo (S)	90	31	121
16250	Parramatta (C)	2,768	1,074	3,841
16301	Parry (A) - Pt A	116	65	181
16304	Parry (A) - Pt B	186	123	309
35850	Peak Downs (S)	34	< 20	48
86849	Pearce	20	< 20	29
16350	Penrith (C)	3,080	914	3,994
56930	Peppermint Grove (S)	21	< 20	27
57000	Perenjori (S)	< 20	< 20	NA
35900	Perry (S)	< 20	< 20	NA
57081	Perth (C) - Inner	40	22	62

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
57082	Perth (C) - Remainder	227	121	349
45540	Peterborough (DC)	65	80	145
73009	Petermann	238	222	460
35974	Petrie	113	41	154
86939	Phillip	< 20	< 20	NA
87029	Pialligo	< 20	< 20	NA
37051	Pimlico	83	31	115
35988	Pine Rivers (S) Bal	136	42	179
57140	Pingelly (S)	27	< 20	38
31465	Pinjarra Hills	< 20	< 20	NA
31467	Pinkenba-Eagle Farm	< 20	< 20	NA
36050	Pittsworth (S)	47	< 20	65
16370	Pittwater (A)	393	71	464
57210	Plantagenet (S)	108	39	147
45681	Playford (C) - East Central	487	329	816
45683	Playford (C) - Elizabeth	1,160	842	2,001
45684	Playford (C) - Hills	61	38	98
45686	Playford (C) - West	183	115	298
45688	Playford (C) - West Central	457	321	778
45895	Port Adel. Enfield (C) - Coast	710	409	1,119
45891	Port Adel. Enfield (C) - East	683	429	1,113
45894	Port Adel. Enfield (C) - Inner	601	436	1,038
45898	Port Adel. Enfield (C) - Port	959	740	1,697
46090	Port Augusta (C)	455	318	774
57280	Port Hedland (T)	354	103	458
46300	Port Lincoln (C)	405	215	620
25901	Port Phillip (C) - St Kilda	1,559	773	2,332
25902	Port Phillip (C) - West	568	302	870
46451	Port Pirie C, Dists (M) - City	412	423	835
46454	Port Pirie C, Dists (M) Bal	71	67	138
16400	Port Stephens (A)	1,262	710	1,973
16421	Pristine Waters (A) - Nymboida	111	95	207
16422	Pristine Waters (A) - Ulmarra	219	174	392
46510	Prospect (C)	416	246	662
31473	Pullenvale	20	< 20	NA
25991	Pyrenees (S) - North	78	48	126
25994	Pyrenees (S) - South	69	47	116
57350	Quairading (S)	20	< 20	32
16450	Queanbeyan (C)	513	239	751
26080	Queenscliffe (B)	25	22	48
36150	Quilpie (S)	< 20	< 20	NA
16500	Quirindi (A)	118	63	182
37054	Railway Estate	112	50	162
16550	Randwick (C)	1,534	544	2,076
31476	Ransome	< 20	< 20	NA
71098	Rapid Creek	85	33	118

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
57420	Ravensthorpe (S)	< 20	< 20	NA
87119	Red Hill	41	30	71
31481	Red Hill	159	73	231
36206	Redcliffe-Scarborough	426	220	646
36283	Redland (S) Bal	276	120	396
36265	Redland Bay	119	30	149
87209	Reid	46	37	83
89009	Remainder of ACT	< 20	< 20	NA
46671	Renmark Paringa (DC) - Paringa	51	< 20	66
46674	Renmark Paringa (DC) - Renmark	205	85	290
87289	Richardson	42	< 20	58
31484	Richlands	35	< 20	50
36300	Richmond (S)	29	< 20	38
16611	Richmond Valley (A) - Casino	250	166	415
16612	Richmond Valley (A) Bal	305	250	554
31487	Riverhills	44	< 20	56
87389	Rivett	35	< 20	50
46860	Robe (DC)	< 20	< 20	NA
31492	Robertson	70	29	98
33582	Robina	502	149	651
31495	Rochedale	22	< 20	28
34631	Rochedale South	261	73	334
16650	Rockdale (C)	1,499	526	2,025
36350	Rockhampton (C)	1,974	973	2,947
57490	Rockingham (C)	1,707	702	2,410
31498	Rocklea	56	22	78
57560	Roebourne (S)	205	84	289
36400	Roma (T)	122	34	156
36451	Rosalie (S) - Pt A	52	20	72
36454	Rosalie (S) - Pt B	78	42	120
37058	Rosslea	54	20	75
36208	Rothwell-Kippa-Ring	252	140	392
37062	Rowes Bay-Belgian Gardens	92	41	133
46970	Roxby Downs (M)	< 20	< 20	NA
33583	Runaway Bay	194	70	264
31503	Runcorn	238	84	322
16700	Ryde (C)	885	295	1,180
16750	Rylstone (A)	105	62	167
26261	S. Grampians (S) - Hamilton	153	87	240
26264	S. Grampians (S) - Wannon	36	< 20	55
26265	S. Grampians (S) Bal	80	53	133
31511	Salisbury	100	45	145
47141	Salisbury (C) - Central	807	543	1,350
47143	Salisbury (C) - Inner North	786	470	1,256
47144	Salisbury (C) - North-East	411	229	640
47146	Salisbury (C) - South-East	773	469	1,242

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
47148	Salisbury (C) Bal	156	89	245
31514	Sandgate	107	54	161
73209	Sandover - Bal	198	185	383
57630	Sandstone (S)	< 20	< 20	NA
36550	Sarina (S)	320	126	445
16800	Scone (A)	159	90	249
87569	Scullin	40	21	62
57700	Serpentine-Jarrahdale (S)	154	57	211
31517	Seventeen Mile Rocks	68	26	94
16850	Severn (A)	90	74	164
34634	Shailer Park	135	43	178
57770	Shark Bay (S)	28	< 20	39
36267	Sheldon-Mt Cotton	67	22	89
16900	Shellharbour (C)	1,363	748	2,111
31522	Sherwood	69	24	94
16951	Shoalhaven (C) - Pt A	666	428	1,095
16952	Shoalhaven (C) - Pt B	1,382	774	2,155
17000	Singleton (A)	338	134	473
34637	Slacks Creek	233	95	328
17050	Snowy River (A)	146	58	205
64811	Sorell (M) - Pt A	306	212	519
64812	Sorell (M) - Pt B	< 20	< 20	NA
73309	South Alligator	37	34	71
22756	South Barwon - Inner	797	368	1,166
31525	South Brisbane	134	78	212
26171	South Gippsland (S) - Central	166	101	266
26174	South Gippsland (S) - East	91	47	139
26175	South Gippsland (S) - West	133	59	192
57840	South Perth (C)	651	236	887
17070	South Sydney (C)	2,575	1,160	3,735
37065	South Townsville	74	33	107
47290	Southern Mallee (DC)	23	< 20	39
65010	Southern Midlands (M)	151	162	313
33585	Southport	986	471	1,457
87659	Spence	38	< 20	55
31528	Spring Hill	196	95	291
34642	Springwood	133	54	187
31506	St Lucia	115	43	158
31533	Stafford	87	37	125
31536	Stafford Heights	110	47	157
36600	Stanthorpe (S)	293	150	443
33586	Stephens	102	45	147
87749	Stirling	25	< 20	36
57914	Stirling (C) - Central	3,087	1,394	4,482
57915	Stirling (C) - Coastal	1,075	343	1,419
57916	Stirling (C) - South-Eastern	401	170	571

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
26352	Stonnington (C) - Malvern	495	190	685
26351	Stonnington (C) - Prahran	902	349	1,252
26430	Strathbogie (S)	164	111	275
17100	Strathfield (A)	389	136	526
35978	Strathpine-Brendale	257	96	353
47490	Streaky Bay (DC)	52	44	96
31541	Stretton-Karawatha	50	< 20	67
87839	Stromlo	< 20	< 20	NA
71104	Stuart Park	102	60	163
37068	Stuart-Roseneath	27	< 20	36
57980	Subiaco (C)	249	104	354
31547	Sunnybank	122	50	171
31552	Sunnybank Hills	256	105	361
26493	Surf Coast (S) - East	171	79	250
26495	Surf Coast (S) - West	124	59	182
33587	Surfers Paradise	489	165	654
17151	Sutherland Shire (A) - East	1,027	315	1,342
17152	Sutherland Shire (A) - West	819	210	1,030
58050	Swan (C)	1,827	724	2,551
26611	Swan Hill (RC) - Central	134	63	197
26614	Swan Hill (RC) - Robinvale	136	53	189
26616	Swan Hill (RC) Bal	170	88	258
17201	Sydney (C) - Inner	300	137	437
17202	Sydney (C) - Remainder	339	124	462
87929	Symonston	< 20	< 20	NA
73409	Tableland	57	35	92
31556	Taigum-Fitzgibbon	188	72	260
17250	Tallaganda (A)	47	26	72
58120	Tambellup (S)	< 20	< 20	NA
36650	Tambo (S)	< 20	< 20	NA
58190	Tammin (S)	< 20	< 20	NA
17300	Tamworth (C)	1,005	567	1,572
34645	Tanah Merah	< 20	< 20	NA
73609	Tanami	868	809	1,676
36700	Tara (S)	121	100	220
31558	Taringa	101	44	144
36750	Taroom (S)	< 20	< 20	NA
31563	Tarragindi	153	68	221
65210	Tasman (M)	56	60	116
47630	Tatiara (DC)	57	25	82
47701	Tea Tree Gully (C) - Central	404	175	580
47704	Tea Tree Gully (C) - Hills	147	49	197
47705	Tea Tree Gully (C) - North	293	142	435
47708	Tea Tree Gully (C) - South	498	269	766
17350	Temora (A)	89	83	173
74009	Tennant Creek - Bal	106	78	184

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
73800	Tennant Creek (T)	180	113	293
17400	Tenterfield (A)	186	157	343
47800	The Coorong (DC)	129	55	185
31566	The Gap (incl. Enoggera Res.)	183	61	244
71108	The Gardens	22	< 20	36
88019	Theodore	47	< 20	65
36268	Thorneside	82	32	114
36271	Thornlands	129	29	158
58260	Three Springs (S)	< 20	< 20	NA
36807	Thuringowa (C) - Pt A Bal	435	181	615
36831	Thuringowa (C) - Pt B	168	82	251
36850	Tiaro (S)	139	97	236
31571	Tingalpa	144	52	196
71114	Tiwi	73	29	102
58330	Toodyay (S)	94	47	141
31574	Toowong	341	122	462
36901	Toowoomba (C) - Central	348	139	488
36903	Toowoomba (C) - North-East	260	104	365
36905	Toowoomba (C) - North-West	463	185	648
36906	Toowoomba (C) - South-East	456	186	642
36908	Toowoomba (C) - West	530	212	742
88109	Torrens	21	< 20	30
36950	Torres (S)	305	165	469
37084	Townsville (C) - Pt B	130	96	226
26671	Towong (S) - Pt A	27	< 20	33
26672	Towong (S) - Pt B	54	< 20	73
58400	Trayning (S)	< 20	< 20	NA
88189	Tuggeranong - SSD Bal	< 20	< 20	NA
33591	Tugun	144	67	211
17450	Tumbarumba (A)	60	24	85
47910	Tumby Bay (DC)	45	30	75
17500	Tumut (A)	234	101	335
88289	Turner	76	62	139
17551	Tweed (A) - Pt A	1,233	673	1,907
17552	Tweed (A) - Pt B	867	586	1,452
34651	Underwood	71	37	108
49589	Unincorp. Far North	344	321	666
18809	Unincorp. Far West	34	21	56
49529	Unincorp. Flinders Ranges	41	< 20	58
49459	Unincorp. Pirie	< 20	< 20	NA
49039	Unincorp. Riverland	< 20	< 20	NA
49249	Unincorp. West Coast	42	25	67
49389	Unincorp. Whyalla	< 20	< 20	NA
99999	Unknown	1,491	1,056	2,547
47981	Unley (C) - East	247	140	387
47984	Unley (C) - West	293	143	435

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
31582	Upper Brookfield	< 20	< 20	NA
58470	Upper Gascoyne (S)	< 20	< 20	NA
31585	Upper Kedron	< 20	< 20	NA
31588	Upper Mount Gravatt	127	53	180
17650	Uralla (A)	129	83	211
17700	Urana (A)	< 20	< 20	NA
48050	Victor Harbor (DC)	237	108	346
74409	Victoria	234	165	399
58510	Victoria Park (T)	862	377	1,239
58540	Victoria Plains (S)	< 20	< 20	NA
36273	Victoria Point	207	53	259
37071	Vincent	68	28	96
58570	Vincent (T)	803	431	1,233
31593	Virginia	36	< 20	51
31596	Wacol	137	54	191
71118	Wagaman	62	24	87
17751	Wagga Wagga (C) - Pt A	895	536	1,432
17754	Wagga Wagga (C) - Pt B	73	45	118
37100	Waggamba (S)	49	< 20	67
58610	Wagin (S)	40	< 20	48
48130	Wakefield (DC)	136	80	214
31601	Wakerley	25	< 20	30
17800	Wakool (A)	97	44	141
17850	Walcha (A)	61	45	106
17900	Walgett (A)	396	340	735
48260	Walkerville (M)	96	55	152
37150	Wambo (S)	119	66	185
58680	Wandering (S)	< 20	< 20	NA
26701	Wangaratta (RC) - Central	414	230	644
26704	Wangaratta (RC) - North	54	32	86
26705	Wangaratta (RC) - South	90	53	145
71124	Wanguri	56	22	78
58761	Wanneroo (C) - North-East	374	115	489
58764	Wanneroo (C) - North-West	553	186	740
58767	Wanneroo (C) - South	1,063	532	1,595
88379	Wanniassa	90	43	133
88469	Waramanga	24	< 20	35
65411	Waratah/Wynyard (M) - Pt A	272	215	487
65412	Waratah/Wynyard (M) - Pt B	84	59	143
58820	Waroona (S)	61	27	88
17950	Warren (A)	104	52	156
18000	Warringah (A)	957	236	1,192
26730	Warrnambool (C)	607	351	958
37200	Warroo (S)	< 20	< 20	NA
37262	Warwick (S) - Central	281	133	414
37263	Warwick (S) - East	113	49	162

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
37265	Warwick (S) - North	62	28	90
37266	Warwick (S) - West	65	31	97
34654	Waterford West	166	75	240
88559	Watson	72	41	113
48341	Wattle Range (DC) - East	62	36	98
48344	Wattle Range (DC) - West	169	115	283
31604	Wavell Heights	186	68	255
18050	Waverley (A)	918	270	1,189
18100	Weddin (A)	74	34	109
88649	Weetangera	32	< 20	49
18150	Wellington (A)	239	173	413
26811	Wellington (S) - Alberton	117	66	183
26812	Wellington (S) - Avon	61	21	83
26813	Wellington (S) - Maffra	166	85	251
26814	Wellington (S) - Rosedale	198	94	292
26815	Wellington (S) - Sale	274	176	450
36276	Wellington Point	133	38	171
18200	Wentworth (A)	265	119	384
74809	West Arnhem	354	418	772
58890	West Arthur (S)	< 20	< 20	NA
65610	West Coast (M)	219	131	350
37074	West End	141	63	204
31607	West End	255	148	404
65811	West Tamar (M) - Pt A	473	352	825
65812	West Tamar (M) - Pt B	57	39	96
48411	West Torrens (C) - East	669	405	1,075
48414	West Torrens (C) - West	626	354	980
26890	West Wimmera (S)	63	34	97
31612	Westlake	47	< 20	61
88739	Weston	27	< 20	39
88829	Weston Creek-Stromlo - SSD Bal	< 20	< 20	NA
59030	Westonia (S)	< 20	< 20	NA
26981	Whitehorse (C) - Box Hill	582	226	807
26984	Whitehorse (C) - Nunawading E.	566	216	782
26985	Whitehorse (C) - Nunawading W.	620	269	890
37330	Whitsunday (S)	529	117	646
27071	Whittlesea (C) - North	183	77	259
27074	Whittlesea (C) - South	2,253	1,080	3,333
48540	Whyalla (C)	695	734	1,429
59100	Wickepin (S)	< 20	< 20	NA
31615	Willawong	< 20	< 20	NA
59170	Williams (S)	< 20	< 20	NA
18250	Willoughby (C)	468	116	585
31618	Wilston	65	30	94
59250	Wiluna (S)	23	21	44
33494	Windaroo-Bannockburn	76	37	113

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
18300	Windouran (A)	< 20	< 20	NA
31623	Windsor	145	61	205
18350	Wingecarribee (A)	523	177	699
71128	Winnellie	< 20	< 20	NA
37400	Winton (S)	42	23	65
31626	Wishart	163	68	231
27170	Wodonga (RC)	622	345	968
18400	Wollondilly (A)	422	152	571
18450	Wollongong (C)	4,354	2,549	6,902
37450	Wondai (S)	102	40	144
59310	Wongan-Ballidu (S)	< 20	< 20	NA
37500	Woocoo (S)	90	70	161
59380	Woodanilling (S)	< 20	< 20	NA
34656	Woodridge	901	517	1,418
72818	Woodroffe	96	51	147
18500	Woollahra (A)	498	148	644
31631	Woolloongabba	165	109	274
31634	Wooloowin	135	57	192
33593	Worongary-Tallai	179	73	252
71134	Wulagi	52	20	72
37078	Wulguru	169	55	224
59450	Wyalkatchem (S)	< 20	< 20	NA
27261	Wyndham (C) - North	1,241	495	1,737
27264	Wyndham (C) - South	87	41	129
27267	Wyndham (C) - West	355	159	515
59520	Wyndham-East Kimberley (S)	458	127	584
31637	Wynnum	228	88	315
31642	Wynnum West	218	84	302
18550	Wyong (A)	3,168	1,484	4,651
59590	Yalgoo (S)	24	< 20	26
18600	Yallaroi (A)	58	40	97
48750	Yankalilla (DC)	84	43	127
27351	Yarra (C) - North	1,610	937	2,547
27352	Yarra (C) - Richmond	733	349	1,082
27451	Yarra Ranges (S) - Central	312	144	456
27454	Yarra Ranges (S) - North	240	80	320
27458	Yarra Ranges (S) - Pt B	23	< 20	33
27455	Yarra Ranges (S) - South-West	1,650	587	2,236
88919	Yarralumla	24	< 20	34
27631	Yarriambiack (S) - North	< 20	< 20	NA
27632	Yarriambiack (S) - South	112	68	180
18651	Yarrowlumla (A) - Pt A	115	51	165
18652	Yarrowlumla (A) - Pt B	< 20	< 20	NA
18700	Yass (A)	109	45	154
31645	Yeerongpilly	60	21	81

SLA[1]	SLA Name	Income Support Duration less than 3 years	Income Support Duration 3 years or more	Total
31648	Yeronga	111	35	146
59660	Yilgarn (S)	< 20	< 20	NA
59730	York (S)	71	< 20	90
48831	Yorke Peninsula (DC) - North	138	88	226
48834	Yorke Peninsula (DC) - South	52	59	111
18750	Young (A)	285	134	419
31653	Zillmere	111	46	157

[1] For privacy reasons, populations with a value less than 20 are not displayed.

Environment: National Reserve System Program

(Question No. 2591)

Senator Bartlett asked the Minister representing the Minister for the Environment and Heritage, upon notice, on the 26th February 2004:

(1) For each of the following years: 2000-01, 2001-02, 2002-03; (a) how much did the Government spend on the National Reserve System program; and (b) how much of this was spent on land acquisitions.

(2) For the 2003-04 financial year to date: (a) how much has the Government spent on the National Reserve System program; and (b) how much of this has been spent on land acquisitions.

Senator Ian Macdonald—The Minister for the Environment and Heritage has provided the following answer to the honourable senator's question:

(1) For each of the following years: 2000-01, 2001-02, 2002-03 (a) the Government spent $13.7m, $23.6m and $13.5m respectively on the National Reserve System program; (b) of these amounts, $10.9m, $20.1m and $10.2m were spent respectively on land acquisitions.

(2) For the 2003-04 financial year to date (a) the Government has spent, as at 9th March 2004, $2.33m on the National Reserve System program; (b) of this, $760,503 has been spent on land acquisitions.

Environment: Threatened Species

(Question No. 2593)

Senator Bartlett asked the Minister representing the Minister for the Environment and Heritage, upon notice, on 26 February 2004:

(1) Have any fish species that are targeted by commercial fishers been included on the list of threatened species under the Environment Protection and Biodiversity Conservation Act 1999.

(2) Has the department received any notifications from fishers about encountering listed species.

(3) Does the department receive data from the Australian Fisheries Management Authority concerning encounters with listed species; if so, does this data include the time and date of the encounters and the name of the species concerned.

Senator Ian Macdonald—The Minister for the Environment and Heritage has provided the following answer to the honourable senator's question:

(1) No fish species that are targeted by commercial fishers have been included on the list of threatened species under the Environment Protection and Biodiversity Conservation Act 1999.

(2) No formal notifications from fishers about encountering listed species have been forwarded to the department.

(3) Yes, the department has received data from the Australian Fisheries Management Authority concerning the Authority's encounters with listed species arising from research permits issued under Part 13 of the Environment Protection and Biodiversity Conservation Act 199. This includes details of the encounters and the name of the species concerned.

Attorney-General's Department: Criminal Justice and Security Group

(Question No. 2647)

Senator Ludwig asked the Minister for Justice and Customs, upon notice, on 2 March 2004:

(1) (a) How many full-time personnel are employed in the Criminal Justice and Security Group of the Attorney-General's Department; and (b) at what Australian Public Service (APS) levels are they employed.

(2) (a) How many part-time personnel are employed in the group; and (b) at what APS levels are they employed.

(3) What changes have taken place in the group as a result of the Government's 'National e-security agenda'.

(4) (a) How many full-time staff are employed within the group in order to investigate and/or analyse threats to national e-security; and (b) at what Australian Public Service (APS) levels are they employed.

(5) (a) How many part-time staff are employed within the group in order to analyse and/or investigate threats to national e-security; and (b) at what APS levels are they employed.

Senator Ellison—The answer to the honourable senator's question is as follows:

(1) (a) There are 327 full-time personnel employed in the Criminal Justice and Security Group of the Attorney-General's Department; and

(b)

Level	Number
Senior Executive Service Band 3	1
Senior Executive Service Band 2	5
Senior Executive Service Band 1	13
Principal Legal Officer	17
Executive Level 2	23
Senior Legal Officer	32
Executive Level 1	66
Legal Officer (APS 3-6)	20
APS Level 6	46
APS Level 5-6 Broadband	2
APS Level 5	30
APS Level 4-5 Broadband	11
APS Level 4	20
APS Level 3-4 Broadband	8
APS Level 3	27
APS Level 1-2 Broadband	6

(2) (a) There are 11 part-time personnel and 35 casual personnel employed in the group to give a total of 373 personnel employed in the Criminal Justice and Security Group; and

(b) Part-time and casual personnel

Level	Number
Principal Legal Officer	2
Senior Legal Officer	2
Executive Level 1	2
APS Level 6	4
APS Level 5	1
APS Level 4 (Casual)	34
APS Level 1-2 Broadband (Casual)	1

(3) (a) In the 2002-03 Budget $3.6m funding, over four years, was provided to the Attorney-General's Department for the e-security national agenda. This was part of the cross-portfolio measure to improve security awareness and management of the national information infrastructure.

Five full-time positions have been funded through this additional funding, one Executive Level 2, one Executive Level 1, one Legal Officer, one APS Level 6 and one APS Level 4.

The work undertaken as a result of this additional funding ranges across coordination of Australian Government efforts to protect the national information infrastructure, incident alerts and reporting mechanisms, international engagement and strengthening the cybersecurity of our trading partners, standards development and legislative support.

(4) (a) There are no full-time staff employed within the group in order to investigate and/or analyse threats to national e-security.

(5) (a) There are no part-time/casual staff employed within the group in order to investigate and/or analyse threats to national e-security.