

# Insurance ‘name and shame’ threat

Companies put on notice.



**RISING TIDE:** Flood victims' anger leads to rethink on insurance rules

Insurance companies may be forced to comply with a compulsory code of practice and face the prospect of being ‘named and shamed’ for breaches, if recommendations from a parliamentary inquiry are implemented.

The House of Representatives Social Policy and Legal Affairs Committee has released its report into the operation of the insurance industry during disaster events after severe flooding hit several states and Cyclone Yasi devastated parts of north Queensland during 2011.

The committee has made 13 recommendations including beefing up the industry code of practice and making it mandatory.

It also wants the Australian Securities and Investments Commission (ASIC) to ‘name and shame’ insurers who breach the code of practice.

Committee chair Graham Perrett (Moreton, Qld) said the changes were designed to “bring in some stick” and give customers more power when trying to have complex and difficult claims finalised.

“During our travels around Australia to regions affected by natural disasters, we found that often the insurance claim process had a detrimental effect on people already devastated by trauma and loss,” he said.

“Unfortunately there are no regulations that compel insurance companies to do the right thing by their clients and resolve claims in a timely and satisfactory fashion.

“On the whole we can say that most insurance companies do make an effort however there are some gaps in there and this report has highlighted those gaps.”

Members of the committee heard hundreds of stories from homeowners and businesses around the country voicing concerns over how their claim was handled by their insurer.

Many who gave evidence to the inquiry detailed their frustrations in dealing with their insurance companies to get their claim completed while trying to rebuild their lives.

## LATEST

### THOUSANDS RESPOND TO MARRIAGE SURVEY

An online survey on two same sex marriage bills currently before the House of Representatives has received more than 20,000 responses from the public.

The survey is part of a review of the two marriage amendment bills by the House Social Policy and Legal Affairs Committee.

Both the Marriage Amendment Bill 2012 and the Marriage Equality Amendment Bill 2012 seek to repeal the definition of marriage as being only between a man and a woman to allow any two people regardless of sex to marry.

The Marriage Equality Amendment Bill 2012 goes further, specifically allowing any two people, regardless of sex,

sexual orientation or gender identity to marry.

Both bills also seek to repeal Section 88EA of the Marriage Act 1961 to allow same sex marriages solemnised in foreign countries to be recognised in Australia.

Committee chair Graham Perrett (Moreton, Qld) said the committee will hold a public hearing in Sydney in mid-April to discuss the legal implications of the two bills and plans to table its report by 18 June 2012.

The online survey will be open for responses until 20 April 2012, and can be accessed at the committee website. •

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## NEWS

THINKSTOCK



## LAW ENFORCEMENT POWER AUDIT

The House of Representatives Social Policy and Legal Affairs Committee has called for the Attorney-General to audit Australia's law enforcement agencies to justify recent and proposed expansion of their investigative and coercive powers.

The committee made the recommendation as part of its review of the Crimes Legislation Amendment (Powers and Offences) Bill 2011, which contains changes to how DNA evidence can be collected and used, how the Australian Crime Commission operates and matters pertaining to parole, drug importation and investigating corruption.

The committee largely recommended the bill pass unamended, but requested the Attorney-General provide a report by October this year to make it clear to what extent an individual's right to privacy can be abrogated in the course of an investigation.

Other recommendations include changes to the wording on the abolition of automatic parole to ensure the amendments do not apply retrospectively, and for the government to consider establishing a federal parole board.

In a separate inquiry the committee recommended a bill establishing an R18+ rating for video games be passed by the House.

Committee chair Graham Perrett (Moreton, Qld) said the new rating would bring classification of video games into line with the current standards for films.

"The committee considers that the bill aims to make a common sense change to the existing classification system for computer games, and is pleased to present this advisory report in favour of the bill," Mr Perrett said. ●

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Several witnesses told the inquiry some people had simply given up on their claims as the process was too complicated. The inquiry also heard complaints of inconsistencies, with some houses in the same street having their claim approved while others were rejected.

Some residents are still waiting for a final outcome of their claim a year on from events which destroyed or severely damaged their homes.

The federal government has already responded to calls for a standard definition of flooding to be used across the industry and legislation is before parliament. It has also pledged to implement the compulsory use of a 'key facts sheet' which outlines to people exactly what they are covered for.

Mr Perrett said he did not believe that the changes would result in significant administration costs for the industry.

But Insurance Council of Australia (ICA) chief executive Rob Whelan said many of the code of practice changes recommended had already been implemented by either industry or the federal government and further regulation from governments or ASIC was not necessary.

"In early February the ICA board agreed to changes to the general insurance code of practice that addresses the concerns of consumer groups relating to claims handling timetables,

external expert reports and a right to claim," he said.

Mr Whelan said the ICA supported a legislated standard definition of flood. However he said the report failed to identify actions governments could take to improve the affordability of insurance and reduce the impact of disasters on at-risk communities. He also defended the industry's response to the overwhelming events of 2011.

"Last year, despite the fact insurers operated in extremely tough conditions and were handling thousands of calls every day, catastrophe claims were finalised on average in 29 days," he said.

"Despite the massive number of claims, much less than one per cent of all catastrophe claims were referred to the independent Financial Ombudsman Service for determination, which proves the effectiveness of both the internal and external dispute resolution process."

Federal parliament would need to pass legislation to make the code of practice compulsory.

The committee also recommended that governments should make additional funds available for mobile legal services to help anyone affected by a natural disaster make an insurance claim. ●

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NEIGHBOURHOOD WATCH: *Call for better diplomatic representation*

## Diplomatic focus needs to shift

Economic growth centres require attention.

**A**ustralia's diplomatic network is underfunded, overworked and unable to respond to the challenges of the current global environment, according to international policy think tank the Lowy Institute.

In a report titled *Diplomatic disrepair*, Lowy found Australia had the fewest diplomatic posts of any member of the G20 group of nations, and spent less than \$1 billion annually on diplomacy compared to around \$25 billion on defence.

It called for Australia to open at least another 20 new missions over the next decade, following on from recently opened posts in Peru, Ethiopia and India.

Co-author of the Lowy report Andrew Shearer said the Department of Foreign Affairs and Trade (DFAT) has been consistently run down in terms of funding and staffing by successive governments over the last 20 years. This is despite DFAT's crucial role in navigating a turbulent international political environment as well as rapidly growing demand for consular services.

"When you add all that up I am absolutely convinced that now is not the time for Australia to be running down the instruments available to government to protect our interests internationally," Mr Shearer said.

"And yet the work that we've done over the last several years I think makes a

very strong case that is exactly what we've been doing."

Federal parliament's Foreign Affairs, Defence and Trade Committee recently launched an inquiry into Australia's overseas representation. Foreign Affairs Subcommittee Chair Nick Champion (Wakefield, SA) said the new inquiry was established out of concerns raised during a previous inquiry into Australia's representation in Africa and the review of DFAT's 2009-10 annual report.

"While the committee recommended in the Africa report that Australia's diplomatic representation in Africa be increased, it recognised that a broader review of overseas representation was needed," Mr Champion said.

"In the review of the annual report the committee expressed the view that there was a substantial question in relation to DFAT's future role and the adequacy of the services it provides on behalf of Australia."

Mr Shearer said the new inquiry needs to provide a recasting of Australia's diplomatic focus, which he says is overly directed towards established economies in Europe.

"New posts are needed in emerging centres of influence and economic opportunity, particularly inland China and eastern Indonesia," Mr Shearer said. "The Gulf, Latin America and Central Asia are also priorities."

Mr Shearer warned there could be severe consequences if the inquiry does not produce an ongoing funding boost for DFAT and a bipartisan commitment to increase Australia's diplomatic capacity over the next decade and beyond.

"Diplomacy is the most cost-effective policy instrument to promote and secure our interests in a fast-changing world. Our overseas network has been neglected and run down over decades.

"In an era of increased risk, time may be running out for government to reverse this trend and to take meaningful, sustained action to rebuild Australia's diplomatic infrastructure." •

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## NEWS

# Forestry proposals welcomed

## Industry support for parliamentary committee report.

**F**orestry industry representatives are hopeful governments will take action to shore up the sector's future viability in the wake of a wide-ranging parliamentary inquiry.

The House of Representatives Agriculture, Resources, Fisheries and Forestry Committee has made 19 recommendations for reform of the forestry industry following an extensive inquiry.

Among them was the need for a national plan for plantations, as well as consideration of national approaches to forestry and climate change, farm forestry and other issues. It has been 20 years since Australian governments issued the National Forrester Policy Statement.

Committee chair Dick Adams (Lyons, Tas) said the committee did not want to dwell on the environmental conflict that has been a prominent part of the industry's history.

"The recommendations have been carefully couched to give hope to our forest workers, our contractors, sawmillers, pulp and papermakers and our craft and woodworkers," he said.

"Australia wants a sustainable industry in all its facets and we want to ensure that our landscape still reflects the power of the trees."

The report has received the support of industry groups such as the Australian Forest Products Association (AFPA), particularly the inquiry's recommendation that the generation of electricity by burning of native forest waste products be recognised under the Renewable Energy Target (RET) scheme.

Regulations in the government's carbon tax package have prevented the eligibility of native forest biomass for renewable energy certificates.

However, independent MP Rob Oakeshott (Lyne, NSW) has moved a disallowance motion to overturn the regulation.

AFPA chief executive David Pollard said Mr Oakeshott should be congratulated for his "rational and necessary" action.

However environmentalists who have long campaigned on this issue are outraged by Mr Oakeshott's motion.

Environmentalist and well-known fashion designer Prue Acton said the timber industry needs to be called to account over its environmental claims.

"The timber industry often promotes timber products as environmentally friendly," she said.

"Certainly timber products may be less environmentally damaging than some plastics, but this does not mean that timber and wood products are environmentally friendly."

In other recommendations the committee has called for changes to the regional forest agreements to give more certainty, a system for quantifying carbon stored in wood products and a national public information campaign to promote the use of wood products as replacements for more energy intensive materials.

Overall the 10-month inquiry found the future of Australian forestry is bright, but acknowledged it was grappling with several challenges such as the impact of the global financial crisis and other market shifts.

"To help the future of the planet, we will need to have wood replace other materials which embody much more energy than non-renewables such as steel or plastic," Dick Adams said.

Mr Pollard said the government now had a number of reports on the forestry industry to consider.



**GROWING FUTURE:** Forestry report calls for reform

"We are heading down the path in association with the [Department of Agriculture, Fisheries and Forestry] of putting them together in some sort of comprehensive report that can provide the basis of a strategy of the industry," he said.

"This report of the committee would be an input to what the final strategic view of the industry's future is."

Mr Pollard said there was also "positive movement" on the formation of a taskforce with industry and government representatives to ensure the committee's report is acted upon.

"AFPA welcomes a number of key recommendations from this inquiry which acknowledge the important role the industry can play in a renewable and sustainable economy." •

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## Donation reform recommended

**P**olitical parties would need to declare all donations over \$1,000 under a raft of changes recommended by a parliamentary inquiry.

Federal parliament's Electoral Matters Committee has released its report into the funding of political parties and election campaigns, finding Australia's political financing arrangements are in need of reform.

"While there is no evidence that the funding and disclosure system is being abused, the inquiry has provided an opportunity to strengthen and provide more confidence in the system," the report said.

"Transparency and accountability must remain central goals of our financing arrangements."

The committee wants any donations above \$1,000 to be disclosed. At present the current threshold is \$11,900.

It also wants single donations over \$100,000 to be disclosed to the Australian Electoral Commission within 14 days.

The committee has also proposed greater disclosure of political spending, which is currently disclosed as a block sum with no specific details.

A dissenting report from the Coalition members of the committee criticised some of the 30 recommendations, particularly the lowering of the declaration threshold which it said serves the interests of Labor, the Greens and their backers.

"[This] will significantly impact the ability of individuals to give donations to political parties without the potential for intimidation and harassment," it said.

Meanwhile the Greens expressed their disappointment that bans on donations from tobacco and alcohol companies would not be implemented.

"Prohibiting these industries from making political donations would be a first step in combating the corrupting influence of donations in politics," the Greens' report said. •

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**DRESSED FOR SUCCESS:** Fashion skills helping new migrants

## Creativity assists with settlement

**N**ew arrivals from war torn countries like Sudan need more help to stay in school or gain meaningful work experience to avoid becoming involved in criminal activity, according to a former teenage refugee.

Nyadol Nyuon, who arrived with her family in Australia in 2005, knows from her own experience that more educational support is needed — especially in regional Australia — to help young people maximise their potential.

She is now an ambassador for The Social Studio in Melbourne which helps mostly African refugees gain hands-on experience in the fashion, retail and hospitality industries.

"A lot of young people from refugee backgrounds struggle when they go to high school, and since young people spend a lot of their time in high school this is an environment where, if more is invested in it, they can get more out of it," Ms Nyuon said.

She told a parliamentary inquiry into multiculturalism that giving more support to young people struggling at school could help them stay engaged and less likely to become involved with gangs and other criminal behaviour.

"So if we invest in schools and the education system we might also be countering some other issues in the community and maybe even stopping other things from happening in the future," she said.

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Chief executive of The Social Studio, Grace McQuilten said the studio was started as a direct response to a range of settlement issues faced by refugees, including unemployment, isolation and difficulties accessing education and training.

The studio has had success in retaining 90 per cent of its students with a range of strategies such as providing them with access to education and assistance with employment opportunities in retail, hospitality and clothing production. This creates a sense of social inclusion and community engagement through their interaction with customers and other members of the public.

Dr McQuilten said the studio's fashion focus helps. "The most obvious is our focus on creativity through fashion and design, and our flexible training delivery where students access TAFE level training, all of which occurs in a supportive setting at The Social Studio," she said.

"A number of programs are attached to the enterprise to ensure students can access support for issues that impact on their ability to participate, including driving tuition, financial counselling, legal advice, referrals for housing, medical needs and counselling."

Dr McQuilten cited a Human Rights and Equal Opportunity Commission study which supported Ms Nyuon's views on the need for greater educational support for newly arrived refugees.

The study of African Australians found the settlement experience is made difficult by a lack of flexibility at education and training facilities to meet the needs of refugee students. It also highlighted the negative attitudes by some teachers and trainers to the abilities of their refugee students, and their difficulties with the curriculum due to a lack of formal education.

The study found younger refugees can lack confidence in English, which creates significant anxiety and feelings of embarrassment on the part of students and can result in increased absences or dropping out.

"We advocate for increased support systems for refugee students in primary and secondary schools, along with alternative educational programs and vocational training for students who

discontinue schooling," Dr McQuilten said.

"Supportive workplace based training and work experience programs greatly enhance the employability of newly arrived migrants from refugee backgrounds. We have found that with increased confidence, self-esteem and English language skills young people form the building blocks for subsequent employment."

Ms Nyuon told MPs at the hearing that when it comes to community awareness of multiculturalism, she thinks more has to be done from within communities such as her own Sudanese community.

"We need to do more to reach out to the mainstream Australian community," she said. "Also, more needs to be done by government officials in making sure that the idea of multiculturalism does not look like something that the ethnic community or people who look ethnic do and the rest sort of watch. Maybe we as a community are not demonstrating very well how multiculturalism benefits our society."

"If we put more emphasis on that, maybe people could see that it is part of an Australian identity, not something that belongs to certain people."

Ms Nyuon highlighted the media's role in how certain communities are being perceived in Australia.

"Particularly the Sudanese communities we deal with have had very bad media coverage — the notions of Sudanese gangs, which is really disproportionate to what is happening in the community."

"It does not assist in the process of settlement, it does not assist in making better communities; it just makes communities scared. We become scared of each other because we are made to feel like our neighbour is a bad person who may attack us."

"That is another thing that needs to be combated. More action needs to be taken. More and more young people feel that if they try to reach out for an Australian identity, it is almost as though they are being told 'You're not Australian enough in some ways'." •

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GETTY IMAGES

**THE DOCTOR IS OUT:** *Concerns over mobile medics*

## FLY-IN MEDICINE SECOND BEST

Rural health advocates have urged federal MPs to ensure the work of local health professionals is not undermined with the use of fly-in fly-out medical staff.

Concerns about the provision of rural health services have been highlighted by the National Rural Health Alliance (NRHA) to the House of Representatives Regional Australia Committee's inquiry into fly-in fly-out (FIFO) and drive-in drive-out (DIDO) workers.

NRHA told the committee policies and programs are needed to effectively balance the use of temporary staff and permanent workers in providing the best care possible to patients.

Executive director Gordon Gregory said feedback received from rural communities is that the use of FIFO health services is a "necessary second best".

"For the people of rural Australia, FIFO and DIDO services are part of a necessary compromise between the tyranny of distance and the justified expectation of [people's] access to services," he said.

The NRHA emphasised in its submission to the inquiry that despite the potential for some problems, FIFO workers make a significant contribution

to rural and remote health in areas of shortage and in some communities there is no other choice.

But it said the design and operation of FIFO health services must provide support to healthcare workers already on the ground rather than contribute to the closure of existing health and aged care services.

“The dismantling or deterioration of existing health infrastructure and shrinkage of the local resident health workforce makes it even harder for the community to retain its existing health professionals or to attract a new workforce — even a visiting one,” the submission said.

While advocating for its own members, NRHA has also raised concerns about the health of the growing number of FIFO workers it sometimes ends up treating, such as mining staff. It has recommended that there should be research into the impact on physical and mental health and wellbeing of FIFO workers and their families.

The Australian Medical Association’s Western Australia branch agrees. AMA WA president David Mountain told the inquiry there is a “noticeable dearth” of research and evidence into the full impact of FIFO practices on health, communities and small business.

“Recent reports have shown significant health concerns around FIFO workers, ranging from diabetes, to obesity, mental health and heart issues, and it is important that any review involves this key area,” Dr Mountain said.

In its submission to the inquiry the Royal Flying Doctor Service emphasised the importance of using FIFO staff to supplement local services. It also raised concerns about the impacts on its budget and ability to deliver services of increasing numbers of FIFO workers.

“If the FIFO workforce continues to grow the strain on RFDS health services is likely to increase,” it said. •

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# Ghost town warning

## Soaring insurance costs hit unit owners.



GETTY IMAGES

**HIGH RISE:** *Complaints about insurance hikes for units*

**T**he north Queensland town of Airlie Beach, renowned as a base from which to explore the Whitsundays, could become a ghost town because of massive increases in insurance costs.

At a community forum on residential strata title insurance, the House of Representatives Social Policy and Legal Affairs Committee heard that an increasing number of unit owners are finding themselves in arrears and in some instances forced to sell, as they face massive increases in levies brought on by insurance premium hikes.

These unit owners — often retirees — do not have the option of increasing the rents they charge to help cover their costs because there are already so many vacant units in the small town.

Airlie Beach unit owner Saro Kelly told the committee about the stress she is experiencing after her body corporate insurance increased more than 400 per cent in one year.

“I am the chair of the body corporate for a group of eight units. I have owned my unit there for almost

nine years. We have had no insurance claims over that period at all. As of just over 12 months ago, we were with Zurich Insurance and we were paying — this is for body corporate insurance — \$3,500 per annum. We went to renew that policy and they came back to us with a renewal amount of \$18,283.42,” she said.

“We then started, after having a bit of a moment, to look around at other insurers. There were two things upsetting at that point. One was that there were only a handful of insurers that were offering body corporate insurance. The second was that the best offer we could find ended up being through one of our local brokers, Oceanic Insurance — the policy was from AMP — and was for \$7,877.”

She said her unit has become unaffordable and she is going backwards financially.

“I cannot put the rent up. I have had to give my tenant a rent reduction because there are so many vacant units in our area. I am lucky to actually have a tenant and I am grateful for that.

## NEWS

But the financial hardship out of the situation has been extreme.”

Anthony O'Rourke, chairman of a body corporate of nine units in Airlie Beach, told the committee insurance premiums had risen 225 per cent in one year.

“In 2009-10 our insurance was \$4,500. That increased in the following year, 2010-11, to \$14,500. Then last year, 2011-12, it went up to \$32,500. It was actually \$35,000 but I managed to get our broker to waive his fee, so we made a saving there.”

He said there was a glimmer of hope with an increasing number of miners coming to the town looking for places to rent.

While Airlie Beach appears to have been particularly badly affected, the financial difficulties caused by insurance hikes are affecting towns right along the coast, including Mackay and Proserpine.

Mackay resident and treasurer of a 20 unit body corporate, Mark Faulkner said their insurance costs went from around \$25,000 to \$102,000 in just a year.

“Our research has shown that if you have a stand-alone, four bedroom, split level house, your average insurance costs for that sort of dwelling are around \$2,000 to \$2,500, depending on your provider. On our calculations, we are paying in excess of \$5,000 per unit for having our insurance cover,” he said.

Mackay body corporate manager, Susan Seymour, said the insurance increases are impacting coastal areas.

“I am a branch manager for Body Corporate Services in Mackay. We look after over 120 buildings in Mackay, Moranbah, Emerald, Airlie Beach, Yeppoon and Rockhampton. The increase in insurance is coastal. You can get insurance for the inland and it has remained fairly stable. Airlie Beach has been hit significantly harder than any other region on the coast,” she said.

“Airlie will become a ghost town with empty units.”

The committee's report was released in March. •

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# Strike fighter may fall short

## Concerns raised over combat capabilities.



DEFENCE DIGITAL MEDIA

**DOG FIGHT:** *Aircraft performance questioned*

**A**viation experts have warned federal parliament's Defence Committee that Australia's multi-billion dollar Joint Strike Fighter program looms as an expensive failure due to the jet fighter's limited stealth ability to avoid radar and weapons systems.

Peter Goon from the aviation think tank Air Power Australia told the committee he believes the F35 Lightning II Joint Strike Fighters, due for delivery in 2015, will struggle in combat against more stealthy fighters being developed by both China and Russia. He said the F35 was developed to complement the faster, more agile F22A Raptor, which the United States government will not sell to its allies.

“The Joint Strike Fighter is now more expensive than the larger and over three times more capable F22A Raptor,” Mr Goon said.

“Russia and China are now well advanced in their production of advanced stealth fighters specifically intended to be competitive with the superior United States F22A Raptor. The inferior Joint Strike Fighter, defined in aerodynamic performance and stealth only to attack lightly defended battlefield ground targets, has no prospect of ever successfully competing against these larger, more agile, higher flying and

much faster foreign stealth fighters, which also happen to be better armed.”

Mr Goon said the very limited stealth capabilities of the Joint Strike Fighter were inadequate for avoiding and surviving from threats such as advanced long range surface-to-air missiles and modern counter-stealth sensors and detection systems.

Air Power Australia's Dr Carlo Kopp queried the limitations in modern warfare of an aircraft with only enough stealth to evade attack from battlefield surface-to-air missile systems. He claimed the JSF's joint operational requirements document set very low expectations for the aircraft's speed, turning performance and agility and also for its stealth performance.

Dr Kopp told MPs that of the current range of stealth aircraft out there, the only ones that are difficult to see from nearly all directions and by a wide range of radars are the B2 batwing bomber and the F22 Raptor. He believed the JSF was really only stealthy in performance from the direction over the aircraft's nose, meaning it is only hard for radars to detect from the front, but can be seen from the sides, behind and below.

“That has big implications in combat, because if you are going up against a 1980s Soviet air defence system



of the type that we saw destroyed very effectively in Libya 12 months ago, a Joint Strike Fighter would be reasonably effective in that environment, because these older Soviet radars would not see it,” Dr Kopp said.

“But if you are putting it up against the newer generation of much, much more powerful Russian radars and some of the newer Chinese radars, the aircraft is quite detectable, especially from behind and from the lower sides.”

Defence simulations expert and former air force fighter pilot Christopher Mills, who works for RepSim, showed the committee computer simulations of a hypothetical air battle in 2018 between either 240 F35s, 240 F22 Raptors or 240 Super Hornets against an equivalent number of Chinese Sukhoi Su-35s off the northern coast of Taiwan. The hypothetical scenario proved devastating for the JSFs and complete annihilation for the Super Hornets.

“We sent out 240 F35As against the Su-35s, and 30 came back — out of 240,” Mr Mills said. “We sent out 240 Hornets and not a single Hornet came back. We sent out 240 F22s — 139 came back, and only 33 Sukhois came back. You would not expect an F35 to be able to take on an advanced fighter like the C35. It is an attack aircraft. To reinvent it as an air superiority weapon is a complete mistake. It is not.”

The managing director of RepSim Michael Price explained the simulations were done for global policy think tank RAND Corporation under a hypothetical scenario that by 2018 China would have developed high frequency over-the-horizon radar which would defeat the stealth characteristics of both the F22 and the F35. He was particularly damning of the upgraded Super Hornets that Defence hope will cover any delays in delivery of the JSF.

“The Super Hornet has got no stealth at all,” Mr Price said. “At the end of the day, it is a technological lemon

for a modern air-to-air combat aircraft. It has got one speed, so it will fall out of the sky as soon as you shoot it.”

When asked by MPs, neither Air Power Australia nor RepSim were able to provide the committee with any alternative jet fighter to purchase instead of the JSF. At previous hearings Air Power Australia had suggested keeping F111s operational for longer. They implied at this hearing that more pressure should be placed on the United States government to change its longstanding policy of not selling F22 Raptors overseas and then acquiring them for the Royal Australian Air Force.

The Defence Department and Lockheed Martin, which makes the JSF, are both expected to answer these criticisms at later hearings. •

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## Wine quality may decline

Tasmania’s rich biodiversity and agricultural production are under threat from rising temperatures and falling rainfall, according to new climate change research.

Detailed climate modelling conducted by the Antarctic Climate and Ecosystems Cooperative Research Centre shows average temperatures will rise by 2.9 degrees by the end of the century.

While significantly below the predicted global rise of 3.5 degrees over the same period, research centre CEO Dr Anthony Press told a House of Representatives committee inquiry into biodiversity that such a rise would still be enough to change the face of Tasmanian agriculture.

“The example we use a lot to demonstrate just how significant this might be is that Tasmania’s reputation as a pinot noir growing region will change significantly,” Dr Press said.

By the end of the century areas that grow pinot noir at the moment will be

far too warm to grow good pinot noir, he said.

The research also points to changes in rainfall patterns across the state, with the east and northeast receiving more rain while the southwest wilderness becomes drier, particularly in summer and autumn.

“Those kinds of changes to rainfall, rainfall patterns and temperature have the potential to significantly impact biodiversity,” Dr Press said. “There will be some species that will not be able to exist in the range that they are in at the moment.”

One example is Tasmania’s famous Miena cider gums, which exude a sweet drinkable sap in spring and are endemic to the region. The species is already facing extinction due to recent drought, and the projections made in the research do not point to a promising future.

Droughts, floods and bushfires are all predicted to increase in frequency and severity, which would be potentially devastating for Tasmania’s fragile wilderness ecosystems. •



WINE DECLINE: Climate change may affect vintages

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