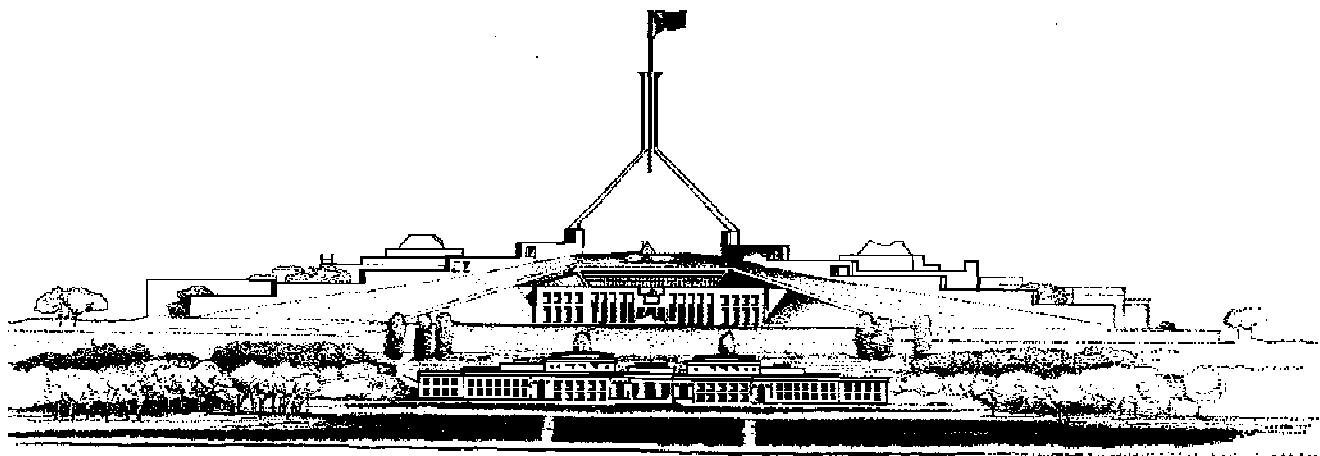




COMMONWEALTH OF AUSTRALIA
PARLIAMENTARY DEBATES



**HOUSE OF
REPRESENTATIVES**

Official Hansard

THURSDAY, 2 MAY 1996

THIRTY-EIGHTH PARLIAMENT
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BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES
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Thursday, 2 May 1996

Mr SPEAKER (Hon. R. G. Halverson OBE) took the chair at 9.30 a.m., and read prayers.

GOVERNOR-GENERAL'S SPEECH

Address-in-Reply

Debate resumed from 1 May, on motion by **Mrs Gash**:

That the following address-in-reply to the speech of His Excellency the Governor-General be agreed to:

May it please Your Excellency:

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

Mr MARTYN EVANS (Bonython) (9.31 a.m.)—As I was saying last night before the House moved to adjourn, there has been a massive effort in this country over the past decade and more on behalf of science. Expenditure on science has been very substantial. That means Australia has in some measure bucked the trend in the OECD, because among business and even public sector authorities the research trend has been downwards in some OECD countries. Australia has resisted that notion in the last decade under the Labor government. As an opposition spokesman on science and technology, I intend to ensure that the government is accountable in this area of Australian development. Without that accountability, our opportunities for future creativity and innovation in manufacturing and all areas of agriculture and environmental management will not be with us.

I want to look first at the Howard government's initial record in this place in relation to science. We have not yet had much opportunity to judge that record and I will withhold final judgment until I see what the record is. But we must be overcautious in relation to this area because already we have seen the government's intention to reduce government spending by a massive amount—some \$8 billion—over the next two years. If that reduction occurs, it must have some

impact in the areas of science, technology and information technology; areas for which I wish to take particular responsibility on behalf of the opposition.

While the government made a number of promises about science in its election statements—for example, there was a commitment to maintain and even increase CSIRO funding and there was a commitment to increase university research—we have to look at those specific promises in the context of the government's general statement about how its members will handle government as a whole. While there may be a promise to increase funding for university research there has to be a question mark about general grants to universities and the overall tertiary education sector. That may well impinge on the ability of those universities to deliver effective research.

While funding for university research may rise, the slashing of general university funds will certainly undermine the ability of the tertiary sector to deliver on university research. It is university research which delivers basic science to this country. There are a number of other institutions which perform very strongly in this regard but, certainly, it is university research which underpins basic research in Australia and throughout the world. If that ability of universities to deliver in the area of basic research is undermined our opportunities as a nation will be undermined.

There was a commitment in relation to the CSIRO. I notice that the Minister for Science and Technology (Mr McGauran) has issued a press release reaffirming that commitment. But we now see that funding in the innovation statement is to be massively cut by this government. They have already indicated their intention to take funds from the substantial commitments which the previous Labor government made towards innovation in this country. As I said last night, innovation underpins most of our efforts in the technology area certainly and in science generally.

If massive funds are to be withdrawn from that innovation statement, the opportunity for the CSIRO, scientists and industry to move in this area will be undermined. So while there

might be some specific promises, which at this stage I am prepared to assume will be honoured, the reality is that, in the broader context of a government which proposes to massively cut funds from not only the public sector but also the private sector, basic science, applied science and innovation in this country are certainly under threat.

The private sector has a very high standard of growth, of foreign market penetration, for patents—one of the highest in the OECD. Our benchmarks in science show us to be world class in the areas of science publications and registered US patents, for example. Our cost and skill base, our skill availability for research and development, are second to none. That is something I am sure about which all honourable members will be proud.

Our share of high technology exports has grown at the rate of about 26 per cent a year since 1986. That is a better record than in many of the tiger economies of Asia. We can see from those benchmarks which I have briefly enumerated that the private sector's contribution to science in this country over the last decade or so has been very substantial. But what has underpinned that; what has provided the basis for that expansion of private sector science? The research and development tax scheme introduced by the Labor administration has alone been responsible for a very substantial part of the growth we have seen in private sector research and development.

Part of that has been triggered by improvements in elaborately transformed manufactures and by improvements in the manufacturing economy. R&D in the private sector usually follows the pace of any increase in manufacturing development. As this country has expanded its exports manufacturing capability and its domestic manufacturing base, so industry has responded with increased efforts in research and development.

Fundamental to that whole process has been the tax concession scheme. That scheme is not cheap but it does present very good opportunities for industry to receive some assistance from the private sector to ensure that it can continue to invest in R&D. Research and development is inherently risky. It

does not always pay off. In fact, there is a very long payback period. If the R&D tax concession were abolished, something which would save the government some \$200 million to \$300 million, there would be a short-term gain for the government but a long-term loss for Australia and Australian industry. It would undermine our ability to fund innovation and to be competitive in the world in the areas of high technology.

Australia has always had a very sound basis for the science which it undertakes. Science in this country has always provided the basis for us to move forward in our economy. It is something about which Australians have always been proud. We have been good at science in this country. I do not want to see that position undermined. The current climate of fear and uncertainty which the government is producing not only in the public sector—that is very evident—but also I believe in the private sector is one which will undermine our ability to deliver in the area of science.

Science needs stability. It needs an assurance of further funding. Industry needs that commitment for the future to enable it to place its own dollars at risk. It needs to know there will be certainty in the years to come. I am afraid that is one thing which this government is not delivering to industry. It is not providing it in the public sector—that is patently obvious. Indeed, it is something which we might well have expected from the government, but I am sure none of us quite expected that the uncertainty this government's policies have produced in industry at large would be delivered in the way we have seen. They are not engendering the kind of confidence for the future, the kind of certainty, which industry needs to place funds at risk. I think that will be to the government's detriment in the short term and Australia's in the long term.

That \$200 million to \$300 million I am sure sounds like an awful lot of money to members on the opposite side, to a government which is desperate to fund election promises it knew it could not keep unless it slashed public spending generally. Now they are confronted with the reality of that. They have to find what they believe to be a substantial

amount of money, and they are going to find it by withdrawing funds from important schemes like the tax concessions on research and development, which have ensured that this country has a substantial research and development effort. This post-election climate of uncertainty has brought to science and information technology particularly but other areas of government as well a new era in uncertainty and financial instability.

We have heard from government ministers that everything is on the table. Indeed, in relation to social security—an area to which this government made strong commitments for future funding—we hear that things are on the table. That is an awesome expression if you are in receipt of benefits or if you are looking to the government to ensure that your next meal is on the table.

In relation to health, co-payments have not been ruled out by this government—a very strong step indeed in undermining the very provisions of Medicare, which is something those opposite committed themselves to maintaining. If those kinds of issues are on the table, if matters of that substance and commitment are on the table, how can we expect the government to honour commitments in areas like research and development, the tariff concession scheme, the export market development grant scheme, government consultancies and government information technology expenditure?

It is not my intention to at this stage go too deeply into those issues. I have limited time today, and I am sure there will be many other opportunities in this House to cover issues like that. But I think it is time to turn to some specific examples of how this government's failures to commit expenditure in these areas will undermine Australian industry and our competitiveness and innovation in the world. I have selected two particular topics for that—one because of its relevance to South Australia, my home state, and the second because of its importance to the Australian economy as a whole.

I would like to discuss the issue of space technology. We have a very final frontier in Australia. Apart from the outback, we have the final frontier of space. Indeed, my own

state of South Australia has always been at the leading edge of space technology in Australia. The town of Woomera, which is a substantial space technology base in South Australia, enjoyed considerable growth in the 1940s and 1950s, when the initial European space combined efforts were first put into practice but then lapsed for a while.

The previous government strenuously applied itself in the last decade to ensuring that this opportunity is not lost to Australia, because in the 1950s and 1960s space was really all about very large launch vehicles and about putting payloads into space which were very substantial indeed. It was about the manned space program, and it involved very large and very expensive satellites.

That is no longer the case. Technology has moved beyond that. We can now deliver into low earth orbit very small satellites. These satellites are comprehensive in their activities and able to deliver to the people who are prepared to pay the modest sums which it now takes to put them into space the very substantial and specialised benefits which those satellites deliver to them. One of the obvious areas for that is communication. There are any number of consortia in the world now looking to put into space low earth orbit satellites which will deliver specialised communications services right throughout the planet.

There is also the very important area for Australia of remote sensing, because of its significance in mining, in agriculture and in all of the primary and resource and energy industries on which Australia has so excelled in the past. Those satellites are a very important part of that technology. If we have to purchase our imaging data, our remote sensing data, from other countries like the United States, France or Russia, as we are currently doing, the cost of that would be very high and we would run the risk that they will edit that data for their own commercial purposes or they will withhold that data from us at critical times. We would not have the kind of certainty over our own economic future which this country rightly demands.

If we are to be part of the next generation of remote sensing technologies and if we are

to benefit from the kind of technology which space delivers, it is important that we have that effort involved. Woomera, I regret to say, is under threat from this government. This government is refusing to commit to a number of contracts which are available. Articles in the press last week indicated that the minister has refused to rule out the closure of the Woomera base and the withdrawal of significant funding commitments from those projects.

There is short-term financial gain in that but, again, there is long-term loss for this country. There is a substantial long-term loss for my home state of South Australia. I hope to see the Premier of South Australia, Dean Brown, joining with me in calling for this government to renew its commitment to space, because Woomera depends on that, South Australia depends on it but, much more importantly in the long run, our mining, agricultural, energy, resources and communications industries—all absolutely vital to Australia's future development—also depend very heavily on our commitment to space, on our commitment to Woomera.

Those things cannot be ignored. They are vital to the future development of this country. I hope that not only the Liberal state government in South Australia but also the new government here will show a renewed commitment to science, a renewed commitment to space and a renewed commitment to the information technology industries which are so important to our future development.

Mr SPEAKER—Before I call the honourable member for Eden-Monaro, I remind the House that this is the honourable member's first speech and I ask the House to extend to him the usual courtesies.

Mr NAIRN (Eden-Monaro) (9.45 a.m.)—Thank you, Mr Speaker. I add my congratulations to you on your election to one of the most important positions in this parliament. As a new boy on the block I am extremely pleased to have heard the comments made by you and the Deputy Speaker regarding raising the standards in this House. I am sure that all of the new members look forward to that.

I am here today because the people of Eden-Monaro spoke very loudly on 2 March.

I am here because they comprehensively rejected a party that had lost touch with ordinary people. They rejected a party that divided communities and that implemented policies that put out of work in excess of 40 per cent of our youth in some areas. They rejected a party that spawned a welfare culture, a party that penalised individualism and enterprise and a party that encouraged mediocrity.

I am here because the people of Eden-Monaro wanted a government that would give them some hope. They wanted a government that understood and would work for ordinary Australians. They wanted a government that was decent and honest. They wanted a government that would restore family values. The people of Eden-Monaro knew that a coalition government understood the needs and aspirations of rural and regional Australia. They knew that we understood the importance of small and family businesses.

The people of Eden-Monaro also respected those things that I said I could bring to the federal parliament: a background of diversity, of working hard to achieve results, of working with a variety of people and cultures, of developing a small business and of raising a family.

Yes, I am very honoured to be standing here today as the member for Eden-Monaro. I am the 11th member for Eden-Monaro, although two of the previous members had two separate terms; so, strictly speaking, I am the ninth person to represent the seat in its 95-year history. Eden-Monaro is one of the Federation electorates. So eight members in 95 years gives an average of about 12 years, and I intend to at least equal that.

I am particularly grateful to the people of Eden-Monaro for the confidence they expressed in me on 2 March and to the Liberal Party, which selected me as their candidate to contest the election. I thank all those Liberal branch members who gave so much of their time in helping me to get elected. I also wish to thank our coalition partners, the National Party, which participated in my campaign and whose members campaigned for me.

While issuing thanks, I want to acknowledge the tremendous support of my wife,

Kerrie, and my children, Ben and Deborah. Kerrie and her mother, Noelene Aubert, are in the gallery today. As a result of the change in speeches last night my children are not here today to hear my speech, but I guess like most teenagers these days they will see it on video. Kerrie was much more than a supportive partner throughout the past year; she was a key player in my whole election strategy.

I said that Eden-Monaro was a Federation electorate. Although there have been some boundary changes over the years, it continues to cover generally the same core areas. Many of the previous members for Eden-Monaro in their maiden speeches talked about the diversity of the electorate, and that is just as true if not more so today. With the electorate spanning from the coast in the east to the mountains in the west and from Queanbeyan and Batemans Bay in the north to the Victorian border in the south, one can quickly understand just how diverse it is. You name it, we have it in Eden-Monaro—primary industries, resources, tourism, power generation, public administration and small business just to name a few; they are all here.

Eden-Monaro is a rural and regional electorate and is one of the many areas of Australia that have suffered badly over the past decade. It was one of the many areas of Australia that was forgotten, always missing out as more and more was centralised. It is one of the many areas of Australia that became expendable as noisy minority groups located in the large urban cities dictated policy.

But it was one of the many areas of Australia on 2 March that said, 'Enough is enough'—and enough was enough. People can take only so much. Let us take for example the town of Eden, which is on the far south coast of the electorate. It is a most beautiful town. It has a superb deepwater port, which has been the refuge for so many Sydney to Hobart racing yachts in distress. It is rich in resources of fish and timber and it is an excellent tourism destination, with a spectacular surrounding landscape. It really should be the garden of Eden, but it is not.

The town has had the stuffing knocked out of it as one political decision after another cut

deeper and deeper. Political decisions were made about the timber industry which became more and more puzzling and nonsensical each time—political decisions that have now resulted in good, hardworking Australians being out of work and walking around town scratching their heads.

They are scratching their heads because they want to work. They see tonnes and tonnes of wood lying on the ground, but they are not allowed to pick the wood up. They want to work at the woodchipping mill, but the mill is not allowed to take this discarded timber. The mill has overseas customers who want to buy those extra woodchips, but the mill is not allowed to sell it—and all of this without one single extra tree being saved. With a huge foreign debt, how silly were we?

The people of Eden-Monaro, and Eden in particular, realised how silly it was. The polling booth in Eden on 2 March showed a 17.6 per cent swing to me. I could relate similar stories from other towns such as Bega, Bombala and Delegate. Many other parts of this diverse electorate were much the same, although timber was not necessarily involved.

The overriding issues were youth unemployment and the state of small business. Small business is the lifeblood of rural and regional Australia. It is those family businesses on the farm and the enterprise of people in the towns that have kept our district going, but it has been very tough. Besides the crippling drought that our rural industry has endured, there has been no incentive for small business to invest and grow.

These are the people who risk everything they have on a weekly basis, more often than not paying their staff but not paying themselves, often keeping people employed when they cannot afford to but doing so because they cannot bear to put them off because they feel they are part of the family. But there was no thanks for that—just more red tape, regulation and, more recently, the indignity of unfair dismissal charges when they did have to put someone off. Those are the people who said enough is enough. They can revitalise our towns; they can employ our youth. These small businesses were part of the battlers who had been forgotten. These are the people who

voted for another battler, John Howard, because they could identify with him and he with them.

I could identify and empathise with the many battlers in Eden-Monaro and I found that they also identified with me. I guess that is because of my background and what they could see I could bring to Eden-Monaro and the federal parliament. I want to take a few moments to say a few words in that regard because I believe that my background and the diversity of things I have done are relevant to the make-up of Eden-Monaro and its diversity.

I have talked about the battlers of Eden-Monaro and their support of John Howard. I put myself in the same category. I was born and bred in the electorate of the honourable member for Kingsford-Smith (Mr Brereton), within a hardworking Australian family. My father worked at the fruit markets in Sydney. Unfortunately, my mother and father, Majorie and Roy Nairn, are not here today but they were here on Tuesday for the swearing in. Life was a bit of a battle, but we struggled through, and if there was anything that I learnt in those early days it was that you do not get something unless you work for it.

Paying for me to go to university was always going to be difficult, but fortunately hard work resulted in a Commonwealth scholarship that paid the fees. Before starting university I got a temporary job to earn some living expenses as a storeman and packer in the wool stores. To get that job I had to join the union—no ticket, no start. Unfortunately, such discrimination practices are still not totally outlawed, and I note that the New South Wales government is attempting to cement them. Fortunately, the new federal government will not condone such discrimination, as highlighted in the Governor-General's speech on Tuesday.

My chosen profession was surveying and I studied it at the University of New South Wales. It is a very honourable profession that has high ethical standards that have maintained the respect of the community at large ever since colonisation. I am delighted that Alan Mail, Barbara Button and Jeff Sanderson from the Association of Consulting Surveyors

Australia are in the gallery today. It is an industry body for which I was the vice-chairman until recently.

Through my profession I have been fortunate to have worked in a number of places throughout Australia and overseas. Those areas have included rural and regional New South Wales, Sydney, Tasmania, Western Australia, the Northern Territory, the United Kingdom, France, Switzerland, Alaska, Indonesia and Malaysia. Working in so many different locations with such diverse cultures was very rewarding both professionally and personally. Tolerance and understanding are two words that come to mind when I think back on some of those experiences, such as organising a residency permit in rural France or negotiating access to parts of Arnhem Land.

All of my career has been in the private sector, the past 13 years in my own business. It is a business that my partner, Earl James, and I developed from just two of us up to in excess of 20 staff now—a statistic I am very proud of. I recently commented to a group of graduates from a new enterprise incentive scheme course that one of the most rewarding aspects of having your own business is employing people. Providing a job to someone gives you a great buzz and far greater recognition should be given to those that do.

I come to this job with the sort of experiences that help me understand the people of Eden-Monaro that I now represent. Those experiences have positioned me to be able to respond to the challenges that lie ahead in Eden-Monaro; to assist in the growth and development of the area that has so much to offer as part of Australia's renewed life under a coalition government. That growth and development will occur, let me assure you, because no matter how tough it has been—and there are some tough decisions still to come—that enterprising spirit will not be subdued. It will eventually break out once we have fixed the economic climate, allowing confidence to return.

In addition to my experiences already mentioned, I want to acknowledge the political experience I gained during the time I was in the Northern Territory. I was privileged to

have served as President of the Northern Territory Country Liberal Party for four years—a role which taught me a lot about grassroots politics and people. I was fortunate to work with Marshall Perron, a very successful leader, who instilled in me the need to stay part of the people if you want to remain successful in politics. The Country Liberal Party knew that well and that ethos has been invaluable to me in Eden-Monaro. I am also pleased to have Nick Dondas, the Country Liberal Party member for the Northern Territory, sitting with us here in government. I also acknowledge the Country Liberal Party senator for the Northern Territory, Grant Tambling, and his staff who assisted me greatly in those early days in moving from being involved in the organisational wing of politics to the parliamentary level.

Let me go back to my role as member for Eden-Monaro. Eden-Monaro has been well served by its federal members during its 95-year history. As I said earlier, I am only the ninth person to represent it. It has had great stability, and I intend to maintain that record. Former members from both sides of politics have been held in high regard in the communities because they worked hard for the people in the electorate. On election night I was pleased to receive a phone call from the last Liberal member for Eden-Monaro, Murray Sainsbury, who wished me well and inquired about his former constituents as he now lives on the north coast of New South Wales in the electorate of Mr Deputy Speaker Nehl. I acknowledge the work of the Labor member I have displaced, Jim Snow, who was well regarded by the electorate. I am pleased to say that I had a smooth transition with some ongoing constituent files and other information passed across to me.

Eden-Monaro is a microcosm of Australia. It contains some of Australia's most beautiful country. Tourism on the coast and in the mountains is an expanding industry. Its primary industries of wool, beef and dairy have been major core income earners for Australia throughout its history. Its resource industries of timber and fish add to those export dollars.

Retirement is big business, with Batemans Bay, Moruya, Narooma, Bermagui and

Merimbula popular choices. But that brings with it special problems and needs. Cooma, on the Monaro, is the administrative centre for the great Snowy Mountains hydro-electric scheme, with challenges but also exciting prospects as the Snowy heads towards corporatisation. I refer to challenges such as the environmental needs of our legendary Snowy and Murrumbidgee rivers, and exciting prospects within the power generation industry.

Queanbeyan, the largest centre in Eden-Monaro, is a progressive city. It is no longer the struggle town or the poor sister of Canberra. More and more Canberrans are choosing to live in Queanbeyan. Industry is choosing to locate there. It has a great ethnic mix, with significant Macedonian, Italian and Greek communities, as well as a multitude of others from eastern and western Europe and, increasingly, from parts of Asia.

Queanbeyan has its own identity and increasingly will move away from the often expressed comment that its economic health relies solely upon the Canberra public service. We have to get out of that mentality. Private enterprise will provide all the growth and employment prospects necessary, provided the climate is right. Get that right and investment will follow. Government's role is to administer, not to try to do the job of private enterprise. With the right competition, private enterprise will always be more efficient and cost-effective.

My constituents in Eden-Monaro, several of whom are in the gallery today, like most Australians, have great faith in the Howard coalition government. They have put behind them a decade of darkness, a decade that has made them second-class citizens, a decade of 'them and us'. My constituents are eager to get on with the job. They are eager to do their part in helping to put Australia back where it belongs. They are eager to contribute to the growth of Australia's wealth. They know this is paramount in solving the many problems they have been left with. They know they cannot have the best protection for the less fortunate, for the sick and the elderly, unless we have a prosperous country. A country cannot provide those services if it is borrowing more and more.

The people of Eden-Monaro look forward to new times. They look forward to being part of the team called Australia. I look forward to being part of a group on this side of the chamber that is going to guide that team. I want to do my bit for the team.

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

Ms MACKLIN (Jagajaga) (10.03 a.m.)—Mr Deputy Speaker, congratulations to you on your election. The people of Jagajaga have placed a great trust in me and I am determined to honour that trust. They have set me an enormous challenge and I am determined to meet that challenge. They have given me a glimpse of their hopes and aspirations and I am determined to see those hopes and aspirations fulfilled.

That is not to say that the people of Jagajaga want me to take charge of their affairs. On the contrary, they certainly expect me to work hard for them, but they also expect me to work hard with them. Like people everywhere, they want more control over their own lives, not less. They want governments to spend more time empowering individuals and communities to take control of their own destiny. That will only happen if we do two things. First, we need to develop a much more active notion of citizenship. Second, we need to address the underlying issues that affect the level and quality of each person's participation in community life.

When I talk about citizenship, I am not talking in narrow legal terms. Being a citizen means much more than having a vote or holding a passport. It means being able to share in the life of the community. It means enjoying a certain level of security. It means belonging. If we accept this broader definition of citizenship, we will be well on our way to building a stronger democracy and a fairer, more secure and more cohesive society.

Generally speaking, Australians enjoy a strong sense of community and a high degree of social solidarity. While we often tend to take these things for granted, those of us on

this side at least recognise that the values of community and solidarity are something to be nurtured and cherished. Unfortunately, there are many opposite who do not share this view. They subscribe to Margaret Thatcher's notorious opinion that there is no such thing as society, no such thing as community—that the world is made up of isolated individuals or, at best, isolated families. Hence their faith in economic rationalism, which purportedly maximises the autonomy and liberty of the individual.

But does it? The economic rationalist policies are now being blamed for the disintegration of Britain's social fabric. As support systems have been removed and opportunities have been closed off, people have become less secure, less able to provide for themselves and less certain of their future. They have been increasingly denied the freedom to make meaningful choices about their own lives.

The renewed interest in active citizenship is a direct response to economic rationalism. It reflects people's commonsense recognition that, whatever the Liberal Party dries might say, we are united by a shared social existence and a shared civic ethic. It reflects the community's belief that legitimate social needs should be met by appropriate social services. It also reflects an understanding that some of the most pressing and momentous problems facing us today—most importantly, the degradation of our environment—can only be dealt with collectively.

By embracing active citizenship, we commit ourselves to three things: first, that all members of the community are of equal intrinsic worth and that all should enjoy the same opportunities to recognise their full potential; second, that all members of the community have the right to organise to pursue their collective interests and to participate in the direction of public policy; and, third, that people have a right to those things without which active citizenship is impossible, especially work, education and health services. These are the underlying issues affecting the level and quality of each person's participation in community life. Let us look at these in greater detail.

The right to work is fundamental in a civilised society. Unemployment marginalises and excludes people from full participation in the community. It follows that employment and income security are essential for active citizenship.

While Labor was successful in creating jobs, there is still much to be done. Labor's Working Nation offered an integrated solution to unemployment. It combined support for the long-term unemployed; considerable increases in funding for training and retraining; practical support, not rhetoric, for employers; and development initiatives designed to improve the economic regeneration of depressed regions. This is precisely the mix we need if we are to break the back of unemployment, and it would be totally irresponsible to change direction now.

The government has already committed itself to a fiscal policy deliberately designed to stifle economic activity and reduce employment opportunities. To also dismantle Working Nation would be to rob the unemployed of all hope.

It is particularly important that we maintain the momentum of urban and regional development. Some parts of Australia, it is true, have felt the effects of economic restructuring much more than others. The decline of particular industries has created local concentrations of hardship and unemployment in places like the northern suburbs of Melbourne and particularly in parts of Jagajaga. The 1956 olympic village and the surrounding industrial estate are very representative of this problem.

It is not good enough to tell people in these areas that market conditions have changed. It is not good enough to tell them that it would be economically rational to pack their bags and move on. For a start, there are too many people involved—hundreds of thousands, in fact. Like most people, they are attached to their homes and to their neighbourhoods. More importantly, these neighbourhoods are generally rich in assets and advantages that, with a little planning and investment, can be translated into economic opportunities. They should be renewed, not abandoned. We should be encouraging a pattern of growth

which is both socially and economically sustainable.

Many cities in the world have neglected this. As a result they now have elite neighbourhoods, physically separated—sometimes literally walled off—from the poorer parts of town. Some parts of the cities prosper while others decay. This is hardly my idea of efficiency, and it should not surprise anyone to learn that cities in which these extremes exist function poorly; many are failing entirely. The message is that growth is more likely to occur in places which are cohesive and equitable, places which are pleasant and attractive—not just for the elite, but for everyone.

It has to be said that we are still some way from this ideal in Australia. However, it is our good fortune that it is not beyond our reach. Labor's better cities program has shown us that we can rejuvenate disadvantaged areas by getting the community, the private sector and all spheres of government involved. Now we learn that the government intends to strike another blow at the unemployed by abolishing this far-sighted program, despite the support it has attracted from state governments of all persuasions.

Having a job is essential, but it has to be one that has decent working conditions. Australia has pioneered the notion that wage levels should be set according to people's needs and not just according to what the market can bear. Nearly a century later, working people are once again fighting for a living wage. Often, the only hope for the most vulnerable and lowest paid members of the work force lies in the award system and the Industrial Relations Commission. That is why it is so essential that these institutions should not be gutted or abolished. This is particularly important for women.

True, Australia does have a very proud record on women's rights, especially in the industrial arena. Women's earnings relative to men's are higher here than in the USA, Britain and Japan, and only slightly lower than in the Scandinavian countries which are the world leaders. The Australian industrial relations system has delivered women many other benefits as well, including maternity and

family leave. It has delivered them from the worst kinds of discrimination and disadvantage. That is why women have argued so strongly for the retention of the award safety net. I will be a very fierce defender of women's rights and the need for women to collectively organise to improve their wages and conditions.

It is very hard to be an active citizen if you are unemployed or disenfranchised, and it is equally hard if you do not have access to a full range of educational opportunities. In fact, educational disadvantage, unemployment and political alienation often go hand in hand. We have seen enormous improvements in education over the last 10 years, with the proportion of students finishing year 12 growing to 80 per cent and a huge growth in university enrolments and technical training.

However, many people now fear that underfunding will lead to a reduction in the quality of our public schools. This is an issue of major concern not just to individual schools and school communities but to the nation as a whole. Let us be clear about this: education is not just a state matter; education is a matter of the greatest national importance. If we are serious about giving people equality of opportunity, it is imperative that we develop and maintain a quality public school system based on consistent national standards.

It is equally imperative that we give more attention to the education and training needs of adults. People need the chance to acquire new knowledge and new skills throughout their lives. We can give them that chance by turning our schools into learning centres for the whole community.

Active citizenship requires a certain degree of security, including security from the anxiety associated with illness. That is why Medicare is so important. That is why it must be protected and extended.

Those of us from Victoria have seen what the coalition's attitude to the public provision of health care really is. The idea that caring for the ill, the infirm and the disabled is a community responsibility is totally foreign to the Kennett government. Their only interest is in health costs—or more particularly public health costs; they do not seem nearly so

concerned about the burden that the private health system imposes on the community.

If the federal government cares as much about Medicare as it says it does—and as the overwhelming majority of Australians and the people in Jagajaga do—it must tighten, not weaken, the Commonwealth-state Medicare agreements to ensure that the Kennett government, and others similarly inclined, cannot white-ant the public hospital system. It is particularly important that federal funds allocated for public hospitals are actually spent on public hospitals. Giving more responsibility for hospitals to the states will only weaken Medicare by undermining its basic premise, and let us not forget that this is the basic premise of Medicare: that every Australian should be able to get into a public hospital bed whenever they need it and that it should be free.

The same goes for aged care and child care. Giving up their share of responsibility for the care of the elderly and children—as the coalition seems intent on doing—and handing back responsibility to the states is a recipe for lower standards and fewer services. It will leave families to carry the job alone. It is the antithesis of responsible government to give up caring for the most vulnerable in our community.

Employment growth, integrated urban and regional development, quality education, universal health care—these are just some of the preconditions for active citizenship. Governments have an important role to play in ensuring that these preconditions are met. They have an important role to play in creating a stronger democracy and a fairer society. My role will be to focus attention on these vital issues at every opportunity. It will be to ensure, as far as I can, that the path of active citizenship is open to every Australian.

And let us remember that half of us are women. For true democracy, half of this place should be made up of women. We have a very long way to go. The Australian Labor Party will deliver its part. This great party and the many party workers who contributed to my election want to see more women in parliament. My thanks to all of them—not

least to Steve Herbert, my campaign director, who is a tireless worker for Labor.

Even more profound—as all of us have said and will say—is my obligation to my parents, my partner Ross, and to my children, who will suffer the greatest burden of all. These are the people to whom I already owe the most and to whom I will certainly owe much more before my time here is over.

Then there is my predecessor, the first member for Jagajaga, Peter Staples, who has the great respect of our community and who worked long and hard over the last 13 years to get a better deal for older people throughout Australia. He has given me the best apprenticeship, which I know will stand me in great stead.

Brian Howe, as many on this side will know, has been a wonderful source of inspiration to me, as he has been to so many people. He never lost sight of why he was in this place—never. His humanity and his ability to achieve outcomes that were just as well as practical should be an example to us all. He gave me the opportunity over the last five years to head two national policy reviews—on Australia's health system and on Australia's urban and regional development. It is a great challenge now to be able to bring those ideas into this place.

I owe it to all those people and to the Australian Labor Party to fight as hard as I can for the values we share—values based on a fundamental belief that there is such a thing as society and that our shared life in society imposes certain responsibilities on us. We can neglect those responsibilities and suffer the consequences; or we can fulfil them and make our communities more cohesive, our economy more efficient, and our nation stronger.

Mr DEPUTY SPEAKER (Mr Nehl)—Before I call the honourable member for Dickson, I remind the House that this is the honourable member's first speech. I ask the House to extend to him the usual courtesies.

Mr TONY SMITH (Dickson) (10.20 a.m.)—Thank you, Mr Deputy Speaker, and congratulations on your election. Before I commence, I should say at the outset that I wish to pay tribute to my predecessor, Mr

Lavarch, who, wherever I went during the campaign, was a respected person. After the campaign we effected a very, very amicable transition.

It has been a long road from the schoolyard at Junction Park where, as a 12-year-old, I dreamed of one day being a member of the House of Representatives, to rising in this very place to deliver my maiden speech as the member for Dickson. That year I scored a maiden century and took 15 wickets in the same match. It was a time when Australia was just coming out of the 1961 credit squeeze and when I remember Jim Killen was my member, having just held on to save the Menzies government. It was the time of the Beatles. It was also the time of the Vietnam War.

It was thus for some, in Dickens's famous words, the best of times and the worst of times. But, for me, going to Salisbury State High School, it was undoubtedly the best of times, slipping, oh so easily, out of high school after two years into an apprenticeship as a fitter and turner at Evans Deakin, having earlier knocked back the offer of a carpentry trade. Let me take a fast forward. What hope has a 15-year-old these days of exercising such an option?

Working in the Evans Deakin shipyard was a great apprenticeship for politics. There I learned about the futility of the management and union struggle; about demarcation disputes; about intimidatory shop stewards and, more often than not, frustration by ordinary workers who wanted to work but who were constantly called to stop-work meetings. Militancy was rife; productivity negative. The place was a shambles.

Once, I got sick of waiting for a boilermaker to do a simple welding job. I had been trained to weld. The tradesman and I had sat on our backsides for a day and a half. So I picked up a welder and did the job. That provoked a stop-work meeting. I was giving a threatening talking to and a strike was narrowly averted. Sadly, the shipyard went broke.

Thankfully, demarcation disputes are now rare. Restrictive work practices have been diminishing. Productivity is now the word. But, as Weipa and recent reactionary utter-

ances from well-paid union bureaucrats demonstrate, there are those who want to redraw battle lines and some workers are still being conned by them.

Do not get me wrong. I believe it is a fundamental right to be part of a union; it is equally a fundamental right not to be part of a union. In today's society, confrontation has no place. Unions have been promoting, and must continue to promote for their members, better and cheaper holidays that only the benefits of combined organisation can bring. Helping the families of members who have suddenly fallen on hard times through illness or job loss, sponsoring recreation clubs and assisting fellow unionists who are really being oppressed in Third World conditions overseas is the future mission for trade unionism.

My late father was a great unionist—he was a fine cricketer too; much better than I am. My grandfather—on my mother's side—was also a strong trade unionist. He was a first-class cabinet-maker and joiner. He went to school with, and remained a personal friend of, Ned Hanlon, a former Labor Premier of Queensland. He—and my mother will wish I had not said this—marched through the streets of Maryborough with other unionists with flaming torches. He had something to march about in those days.

My father was a member of the Postal Workers Union for 25 years. When I worked as a postman for 18 months, I did not want to join. Dad secretly joined me up. Paradoxically, he never voted Labor. I once asked him why, and I have not forgotten his answer—Labor was the philosophy of: don't do as I do; do as I say. Some things and some people have not changed, but others have.

But I digress. I got my trade. I went to sea as a marine engineer. I studied. I achieved my matriculation by correspondence while working on a farm. I went to university, was admitted as a barrister in 1982 and practised continuously until my election to parliament.

But along the way something has happened to the Australia I grew up in. It has seemed to lose its tag as the country of opportunity. Young people leaving school cannot pick and choose—they cannot even get a job. Most have nothing to look forward to in the short

term but a dole cheque. Tragically, for others, in the long term it is more of the same.

I have no doubt that the seeds of this depressing landscape were sown during the Whitlam era, when wages rose in one year by 35 per cent and prices by 18 per cent. It was unfortunate that the cracks were only patched during the Fraser government, when the foundations needed to be—indeed, were mandated to be—reset. I saw the cracks widen under Labor. The gap between rich and poor was accentuated to an alarming degree. There was the rise of the yuppie set and disturbing images of an arrogant generation driving expensive foreign cars and living beyond its means.

Attacks were made on every revered institution in society—from the family through to the church and the judiciary. The cult of the state became entrenched—the notion that that cute political expediency of the state throwing money at the problem solved the problem—when the real problem remained. Witness the spending on Aboriginal health and housing, where little or no attempts were made to identify causal links and produce outcomes.

No more satisfying, yet at times despairing, a branch of my legal practice was working with the Wakka Wakka Legal Service at Murgon. It was satisfying because of the dedication and commitment of the Aboriginal people to the service and to the Cherbourg community—not to mention the efforts of solicitor Cliff Hartley-Holl. It was despairing because there were so many young Aboriginals with so much potential and with nothing to do. If you add the ready availability of cheap and nasty alcohol, it is not surprising that the legal service and the court are overburdened with work. There is also the tragedy of youth suicide, and health problems abound.

If I am here for only three years, I am determined to back measures to address the causes of these problems—to encourage young Aboriginal people to believe in themselves; that they can do it. We need to help provide a mechanism for them to do it. When these young people can see their mates in good jobs, achieving at a secondary and tertiary level, then the community, not only

the Aboriginal community but also the Australian community as a whole, will benefit.

Despite some ill-informed and unhelpful comments about the advantages Aboriginal people have, I challenge anyone to come out to Cherbourg with me to look at the graves and the ages of those we have lost and to look at the opportunities available there and then dare to say to me, 'I would have done better if I had been born here!' Surely everyone in this chamber wants outcomes, wants results. Let that be our cry, our unifying theme and our collective determination.

Under the Keating government it was at times unedifying to witness the parliament, particularly at question time. It is salutary to remember what the Australian people think of arrogance, and on 2 March a vast majority spoke and despatched Paul Keating to political oblivion. It is with particular pride that I can say that the supremacy of parliament and its restoration as the pre-eminent democratic institution in Australia is right at the top of the agenda of my party. As part of the government of this country, albeit as a very junior backbencher, it is my duty to ensure that there is no slackening in this resolve. The buck stops with us. We are the standard bearers for the future of this nation. If we drop that standard, then the nation will reply in kind.

It is the future of this country and its apparent loss of identity that concern me. So much of the notion of being Australian seems to have been diluted by the Americanisation of our culture. This cannot just be because of the American TV situation comedies. There is the non-Australian paraphernalia that is being touted and worn by our youth. I have nothing against Americans, let me hasten to add. Indeed, I admire their great sense of national pride. But I am proud to be Australian. Can you imagine American teenagers wearing cricket caps and rugby league jerseys?

I believe in our unique character—the notions of mateship, friendliness and the spirit of Anzac and the green and gold national colours. The flag and signs and symbols that make me proud of my country do not seem to be infused in our young people and do not

seem to be a significant part of our national character. I ask myself: why has this happened?

Amongst other things, could it be connected to the somewhat insidious rise and rise of the state that has been a feature of the previous 25 years of Australian political development? It has come to be accepted that the state has to be an integral part of the development of every modern society. The role it plays, however, very much depends on one's own political perspective.

I see the state as a facilitator, not as the great preying mantis that I think it has become or, more particularly, that it has been expected to become because a culture has been created that there is a bottomless pit of money in the government coffers. Nobody seems to ask any more: where is the money coming from? We have become conditioned to put our hand out and it will materialise. As Senator Newman said recently: where is that old pioneering spirit that made this country?

The most disturbing expansion of the state is in the social area. It comes in the guise of political correctness and is all about thought control and social engineering. Much of it has been driven by stealth, frequently under the charade of United Nations treaties in conjunction with the external affairs power. To take an example coming across my desk almost every day, nobody quibbles with the duty of parents to maintain their children, but I object to the state telling a non-custodial parent that children are entitled to share in any increased standard of living of that parent, whatever that means, by forcing that parent to pay exorbitant amounts of money to the custodial parent, who is not required to account to the payer as to how the money is spent. More often than not the children do not get this share at all. Rather, it is a gift for the custodial parent.

I am not exaggerating when I say that it is creating desperation for non-custodial parents, particularly fathers, who are being crushed by it. They lose their children and they lose control over their own lives and destiny. My constituents are crying out for help, and I hear them. How on earth can it be fair and equitable that a non-custodial parent can be forced to part with money that is not earmarked for

maintenance? A hardworking, honest, non-custodial parent can have his or her livelihood torn from him or her by an unscrupulous custodial parent, with the latter receiving all of the resources of the state to enforce this infamy. To permit the state to roam into the delicate social areas of humankind will ultimately sow the seeds of the downfall of that state. An effective society will not tolerate state terrorism of this kind.

Political correctness has had its run, and society has been the poorer for it. Free speech must not be stifled. Free thought must be given full rein. Such an attitude will build a greater, stronger nation of people. The state can regulate but it cannot change people's hearts. A strong nation is made up of people whose hearts and minds can be expressed fully and whose lives have not been stifled by thought police.

Australia can only be as strong as the society on which it is built. My vision is that Australia has a role to play. Indeed, it should not only be the leader in the South Pacific region but be seen to be the leader. It must be generous to those poorer countries of the region but wise and just about it, not fond and foolish. It should work with aid agencies such as World Vision to produce results rather than see aid disappear into the pockets of an unrepresentative clique or the bureaucrats of a particular country.

Australia ought not to assume that as far as the stability in the region is concerned things in general are settled forever. The response of the Hawke and Keating governments to events such as the coup in Fiji and French arrogance with nuclear testing was pitiful. New Zealand made its position clear: such events were unacceptable. The former government's response can be likened to John writing in Revelation of the church of Laodecia: 'Neither hot nor cold, but being lukewarm, I will spew thee out of my mouth.'

Events like the East Timor massacre are matters that cannot be left to lie in the too hard basket. In my view, such an event may not have happened had this country established its presence to such a degree that any country contemplating mischief would think

about how Australia would react before embarking on a frolic of its own.

Quite obviously, Australia needs a significant defence capability as part of this strategy. As I have said, Australia must reopen its eyes, look at the changing landscape in its region and devise such policies as will give it a leading prominence. It cannot be forgotten that Papua New Guinea, our ally and nearest neighbour, would look to us should any instability or encroachment on its territory occur as a result of the activity of a foreign power.

The strategy of raising Australia's profile and status as a nation to be internationally respected in the region will ultimately, I believe, instil a sense of pride, a unity of purpose and a respect for our institutions amongst the Australian people. As part of this strategy, taking into account the high levels of youth unemployment in the community, it is time to consider a compulsory service and training scheme to give young people a chance to develop skills and at the same time serve the country.

Such a scheme could include work with the State Emergency Services, bushfire services, national parks services and the defence services. In my opinion, such a training scheme—let us give it a name, say 'Aust-rain'—may provide at least some of the answers that the nation is seeking to the endemic problems surrounding youth unemployment and the unacceptable level of crime amongst young people. To have people in the long-term unemployed scrap heap indefinitely, frequently providing a fertile environment for anti-social activity, amounts to a shirking of our responsibility as legislators and leaders in the community. These are the messages the people of Dickson are giving me.

I want to turn to another important issue, the National Estate, our environment. I do not subscribe to the unadulterated greed and growth mentality of unbridled, untrammelled development. People frequently look at some obnoxious development or the removal of some pristine bushland, throw their hands in the air and say: 'Well, that's progress.' But I am reminded of these simple words of C.S. Lewis: 'We all want progress, but progress is getting where you want to be.' I do not think

my constituents want a despoliation of the environment in the name of progress. There are times when an old tree, an historic building or a unique area must be preserved. On the other hand, we do not want a frozen economic landscape. The Howard government has the most significant environment policy this country has ever seen. I fully support it.

The term of this parliament will be a crucial one in the history of Australia. The challenge lies ahead of us. I am acutely conscious that, while it is essential that small business and the private sector generally be encouraged to go out and get working and that individuals cannot expect the state to address their every whim, there is the moral imperative that enjoins us to be prepared to live a bit more simply while others may simply live. Anyone who has seen the ravages of famine in the Horn of Africa would think twice about cutting the aid budget. And we must never forget the less fortunate in our community, who sometimes, through no fault of their own, are left in need of help and assistance. That is what I see as the ethos of Australia and what being Australian is all about—to be proud of our nation and of our heritage, proud of our culture and always willing to lend a hand to a neighbour who is genuinely in need.

My wishes and my hopes along with, I believe, the wishes and hopes of my constituents and probably most Australians are that Australia will be a better, more unified, less selfish country as a result of the coalition government. As a back bench member of that government, it is my duty to play a part in the formulation of policies to achieve those ends.

The opportunity to serve one's country as a representative of an electorate making up a part of Australia is a humbling one. I thank God that this job has been given to me, and I thank the people of Dickson for their support. There are many party people—the unsung heroes—who do not seek recognition. I thank them. My wonderful mother, who gave me my great love of books; my late father; my children, Deryk, Luke, Jim, Elizabeth and Perce; my dear sister Rosemary; my sensitive and kind brother James; and my much loved sister Diane, who was taken from us almost a year ago, have all helped to make

this dream become a reality. Most of all, I thank my dear Anna for her wonderful love, support and wise counsel, which were incalculable.

The spiritual element of life is for many an essential ingredient of their existence. Political life is a transient one. When I reach the end of it, may God remind me of the immortal words of Jim Elliot, a missionary martyred in Ecuador in 1955: 'He is no fool who gives up what he cannot keep to gain what he cannot lose.'

Mr DEPUTY SPEAKER—Order! Before I call the honourable member for Maribyrnong, I remind the House that this is the honourable member's first speech and I ask the House to extend to him the usual courtesies.

Mr SERCOMBE (Maribyrnong) (10.39 a.m.)—Australia, along with the rest of the international community, is experiencing extraordinary and rapid change. I do not believe it is an exaggeration to compare the revolution in the technological base of our society and economy with the industrial revolution of two centuries ago. I believe that, in a number of areas of economic and social life, the impact of the changes in our technological base are of greater significance than that particular revolution which transformed the world. I believe some of the implications are only dimly perceived at the present time.

I will use an analogy to illustrate what I believe to be the impact of technological change. The generations that saw electricity introduced obviously recognised that electricity would have a significant impact in relation to production processes. Nowadays, I think we can concede that the operation of modern cities is simply inconceivable without that technology. Similarly, our domestic and social arrangements and our family lives are inconceivable without that technological development.

There are numerous technological developments, such as the convergence of computing, communications and media technology, that are revolutionising and impacting on our world at the moment. They will continue to have an impact on the globalisation of our

economic affairs and the reshaping of industries and employment patterns. Miniaturisation technology, fibre optic technology, which provide enormous bandwidths and digitisation, including digital compression techniques, will transform both our society and our economy.

Our manufacturing sector is becoming smarter. Yesterday—and please forgive me, Mr Deputy Speaker—the member for O'Connor (Mr Tuckey) entertained us with a joke about Toyota Taragos. Perhaps I could ask, given the advanced technology involved with manufacturing motor vehicles these days, what the difference is between the member for O'Connor and a Toyota Tarago. The answer is that the Toyota Tarago is a lot smarter!

World trade patterns are shifting dramatically to service exports and 'knowledge intensive' commodities. Economies that can meet this shift are well placed in the emerging world. Such economies can grow at faster rates and reduce unemployment without the balance of payments constraints that affect our economy from time to time. Conversely, economies that are uncompetitive in these areas will face difficulties in sustaining economic growth.

It is sobering to reflect on the fact that the major differences between so-called rich and poor societies in today's world are different growth trends over the last two centuries rather than major differences in standards of living that existed between those societies two centuries ago. The lower income societies today are those which, because of European empires and other factors, failed to gain access to the great industrial revolution.

The implications for Australia of this at the present time in terms of our development, and given my contention about the significance of the changes in the technical base, are fairly clear. For Australia, the crucial structural issue is the creation of new and/or expanding industries, integrated into the rapidly growing sectors of the world economy to provide our growth and prosperity. Our problem has been that our exports have tended to be dominated over time by products with slow growth in terms of international demand and prices and

the problem with our imports has been the opposite.

The former Labor government was making huge strides in addressing these fundamental issues. Since the mid-1980s, exports of high-technology products from Australia have grown strongly. They were growing at 26 per cent per annum. That is one of the largest growth rates in the world. In the area of elaborately transformed manufactures—the most rapidly growing area of world trade—Australia has, since 1985, continued to grow more rapidly in terms of volume and percentages than the rest of the world.

Australia is a very cost competitive place to carry out research and development and this fundamentally underpins the 'knowledge intensive' industries to which I referred. It is 137 per cent more expensive to carry out industrial research and development activity in Germany and 157 per cent more expensive to do it in Japan.

This situation is not accidental. This situation that Australia now finds itself in requires appropriate policy, including incentives for research and development, incentives to commercialise public sector research and support for science and innovation in the budget.

Research by Melbourne's Centre for Strategic Economic Studies has demonstrated that a fundamental factor—not the only factor—in Australia's success in elaborately transformed manufacturing trade since the mid-1980s has been the industry specific policies pursued by the former Labor government.

For example, in the pharmaceutical industry—an industry which in many parts of the world is closing down—because of the operation of the factor F program by the former Labor government, according to the Industry Commission the following has been achieved for the Australian economy: \$4.5 billion in extra exports; \$709 million in additional R&D expenditure; and \$800 million in additional investment. I stress that that is in an industry which is at the leading edge of technology but which in many parts of the world is closing down. Similar observations can be made in another leading edge area such as information technology through the former Labor

government's partnerships for development program.

The signs, however, from the new government already in its short time are all somewhat alarming. The new government does not appear to understand the vital importance of some of the areas to which I have referred for this country's very future as a prosperous, growing economy. Reports in the press, particularly the financial press, have certainly convinced me of this government's intention to slash the factor F program in the pharmaceutical industry to which I have already referred and which is an important example of what can be achieved by cooperative effort between government and industry.

There have been convincing, consistent reports about the government's intention to slash the export market development grants program. In the 1994-95 financial year some 3,500 claims were processed under this particular scheme. Companies employing 600,000 Australians were the beneficiaries of this scheme and those companies generated \$5.1 billion in exports.

Minister Moore has been quoted as saying that small business is not taking up this program, and there is an article to that effect in the *Australian* of 29 April. Clearly, he is not on top of his portfolio and he is misinformed, because something in excess of 70 per cent of the firms taking up the export market development grant are companies that employ fewer than 25 staff.

There has been consistent speculation in the press about the government's intentions to chop about \$200 million off the research and development tax concession. Once again, Minister Moore has been saying how a lot of this activity generated as a result of those arrangements is 'mere product development'. What an extraordinary observation for a minister for industry to make! It is 'merely' the elaborately transformed manufactures that are transforming the manufacturing base of this country under the sorts of policies that this government has inherited.

Similarly, \$124 million has been earmarked for cuts from the development import finance facility. That program has been remarkably successful in enabling Australian companies

to export mainly services as part of our development responsibilities to other parts of the world. Ausindustry programs benefiting small, innovative companies have been clearly marked for the chop.

Because of those factors we have already seen so much negative comment in the press about this government's industry policy.

The Australian Chamber of Manufactures—scarcely a Labor Party front organisation—has been quoted as talking about 'slash and burn' cuts. Mr Handberg of that organisation has expressed alarm that some of the most cost effective business assistance programs are to be axed.

The managing director of a Melbourne based transformer maker, Atco Controls, was recently quoted in the press as saying: Industry has become world competitive but they—'they' meaning the government—haven't noticed.

What an extraordinary attack by the managing director of a successful Melbourne company. Others have already been quoted as describing this government's approach to industry policy as 'ham-fisted', 'illogical' and 'stupid'. Even Minister Moore has been quoted as describing it as 'dreadful policy'. He is dead right on that—it is dreadful policy. In the *Canberra Times* of 29 April a Mr Holt of the National Supplies Office was quoted as saying:

We're trying to grow our export performance. But we won't get that broad economic growth unless we help the smaller, innovative firms.

I say amen to that. Exactly!

It is instructive to look at just one other small group of economic statistics to point out just how fundamental the pursuit of growth policies is to the success and prosperity of this country. In 1970, in purchasing power parity terms, the east Asian economies were only 45 per cent of the United States GDP. In 1995, those east Asian economies were 20 per cent above the US GDP and by 2005 it is estimated that they will be double the size of the US economy.

So a government that does not understand the importance of its own role in actively promoting Australian participation in the growth areas of world trade is doomed to

failure, which will have terrible consequences for Australia, given the sorts of historical dimensions I have tried to paint.

The government is failing not only in the industry policy area. It is also clearly failing in its understanding of social fairness—and not just in things like the foreshadowed changes to industrial relations but in important areas such as those related to industry. For example, the government has decided to close down the former government's program for outworkers in the clothing industry. The government has decided to change Australia's position in international forums to try to get some decent international regulation in these areas of exploitation.

On 17 April the Melbourne *Herald Sun* contained articles about women clothing workers being 'commonly ripped off, intimidated and sexually harassed'. The Labor government was addressing the social unfairness inherent in so many aspects of that industry, yet this government has already terminated that action.

Mr Deputy Speaker Nehl, I take this opportunity to congratulate you on your election to the position of Deputy Speaker. Prior to my election to this parliament, I served two terms in the Victorian state parliament, so I have served under two Speakers of different political origins. I had the honour of serving under Dr Ken Coghill, the Speaker in the Victorian parliament in the last term of the Labor government. Dr Coghill was certainly a Speaker who understood and actively pursued—at some cost to himself—an approach which, from time to time, protected the legislature at the expense of the executive. Speaker Delzoppo, in more recent times, earned the respect of both sides of the House. I therefore bring some understanding of state political matters with me.

I am a strong believer in the view that our 'horse and buggy era' constitution needs considerable attention to ensure that our system of government is equipped for the 21st century rather than the 19th century. I also bring with me some local government experience, both as a council officer and as an elected representative. So I have had some experience at all levels of government.

I want to acknowledge that a considerable amount of my experience was obtained by serving a political apprenticeship with my friend and colleague who is in the chamber, the member for Melbourne Ports (Mr Holding). Clyde was kind enough—some might suggest foolhardy enough—to have employed me for a considerable period in the 1980s, and I am very grateful for that. I want to put my appreciation to Clyde on the record.

I come to the parliament from the electorate of Maribyrnong. Maribyrnong is an electorate very much at the heartland of Melbourne's north-western suburbs. It is a very diverse electorate which covers a cross-section of metropolitan Melbourne—from the older, established suburbs such as Moonee Ponds and Essendon through to newer housing estates in St Albans and North Sunshine. According to the Australian Bureau of Statistics, it is the most ethnically diverse electorate in Victoria, and it is a particular honour to represent that diversity.

I want to also put on the record my appreciation and the appreciation of the electorate for the outstanding service provided to Maribyrnong by my predecessor, Alan Griffiths. Alan represented the electorate in this place with distinction for 13 years. I am sure we all wish him well in future endeavours.

I have talked about many matters today in a macro sense, particularly the future of manufacturing in this country, and that aspect is especially pertinent to my electorate. There are a range of opportunities that I am anxious to pursue and which I will be calling vigorously on this government to pursue.

The former Prime Minister put forward an extraordinarily attractive and innovative set of propositions about the development of Essendon airport as a high technology, multi-media centre. I believe that is an opportunity for Australia—not just Victoria or Melbourne—to put itself at the forefront of one of the most rapidly growing areas of world economic activity. I will certainly be doing what I can to persuade this government to honour and pursue those commitments.

One proposal which the Victorian state government, to its credit, supports is the establishment of an aviation, air and space

museum at Point Cook in Melbourne's west. That is something which, in terms of the proposals being discussed with this federal government, I believe would transform opportunities in that part of Melbourne. So there are a range of areas I am interested in.

Defence industry is another area that I will be paying considerable attention to because of its importance to the west and north of Melbourne. The Anzac frigate program has been an extraordinarily important stimulant for activity in the part of Melbourne that I represent. I am looking forward to continuing to play a role in promoting those sorts of activities.

I also come here representing Australia's oldest and greatest political party, the Australian Labor Party. It is a party with a proud history, a party which Australians have turned to for leadership, particularly in times of national crisis. It is a party which I believe can be immensely proud of the last 13 years of government it provided to Australia. It was a government that positioned Australia, in all sorts of areas, for the very rapid, radical changes to the environment that we all live in, and I referred to that earlier in my speech. I believe that we will be back in power relatively quickly.

At a local level, I want to take this opportunity to acknowledge the very considerable efforts of people in my local area, the party members and supporters who assisted me in arriving at this place. It is always invidious to single out particular individuals, but Carol Sewart, Robert Mammarella and Paul Booth are people who worked extraordinarily hard and whom I ought to take the opportunity to acknowledge in this inaugural speech.

Most of all, and in conclusion, I want to acknowledge and thank my family for the support and love they have given me in enabling me to arrive at this particular situation. To my wife, Carmen, who is in the gallery, my children, Nadine and Rory, and my future daughter-in-law, Melissa, I thank you.

Thank you, Mr Deputy Speaker.

Debate (on motion by **Mr Andrew Thomson**) adjourned.

MINISTERIAL STATEMENTS

Reform of the Treaty-making Process

Mr DOWNER (Mayo—Minister for Foreign Affairs) (10.59 a.m.)—by leave—It gives me particular pleasure that my first statement to this House as Minister for Foreign Affairs should be to inform the parliament of the government's action to reform the treaty-making process. This reform is long overdue, and the actions taken and proposals to be submitted to the parliament are intended to implement the policy commitments announced by the coalition during the election campaign.

The changes will provide proper and effective procedures enabling parliament to scrutinise intended treaty action. Importantly, they will also overcome what this government considers to have been a democratic deficit in the way treaty-making has been carried out in the past. The measures will ensure that state and territory governments are effectively involved in the treaty-making process through the establishment of a Treaties Council. They will also ensure that every Australian individual and interest group with a concern about treaty issues has the opportunity to make that concern known. Consultation will be the key word, and the government will not act to ratify a treaty unless it is able to assure itself that the treaty action proposed is supported by national interest considerations.

In considering policy options, the government has taken careful account of national and international considerations. Among the latter, it is vital to note that trade flows, environmental concerns, human rights, to name only a few of an increasing array of such issues, can only be effectively managed and handled through international agreement. This means that treaties, the fundamental instruments of international law, are an increasingly important component of contemporary international relations and of Australia's own legal development. Accordingly, the treaty-making system must be reformed and updated so as to reflect this growing importance and influence on our domestic system in a way which will provide greater accountability to the treaty-making process.

This, for Australia, means that we must have an efficient domestic methodology for assessing the way proposed treaties meet our own national concerns. Parliament should be in a position to examine the considerations which are weighed by the government when it determines the need for Australia to take binding treaty action.

The new arrangements should go a long way toward rectifying the democratic deficit identified by so many commentators during the hearings conducted during 1995 by the Senate Legal and Constitutional References Committee. Very many individuals and organisations put their views forward on treaty-making in 1995. I cannot name them all here, but I can say that they came from virtually every part of the Australian social, economic, cultural and political spectrum. They ranged from community organisation representatives to persons like Justice Michael Kirby and Sir Ninian Stephen. My colleague the Attorney-General (Mr Williams) also made two submissions to the Senate committee, and has played an instrumental role in the development of the actions and proposals I am privileged to announce today.

It is my earnest hope that the government's response to the Senate committee's report *Trick or Treaty? Commonwealth Power to Make and Implement Treaties*, which is scheduled for tabling in the Senate today, will restore confidence in the treaty-making process. I do, however, offer an undertaking to revisit these issues after experience with these reforms.

Before stating the changes that are to be introduced, I should note that they also respond to the belief of state and territory governments that reforms are needed. The states and territories put their views forward in 1995 in their *Position Paper on Reform of the Treaties Process* to the Council of Australian Governments. They proposed a number of reforms which have been considered by this government. While discussions are continuing with the state and territory governments on the detail of some of the reforms announced today, I believe that the new arrangements will go a long way to allaying their concerns over the treaty-making process.

In particular, I note that the Prime Minister (Mr Howard) has already written to Premiers and Chief Ministers to inform them that the Commonwealth will support the creation of a Treaties Council as an adjunct to the Council of Australian Governments. Further discussions will take place with the state and territory governments on the composition and working methods of the Treaties Council, but it is my hope that it will begin functioning without delay.

THE NEW ARRANGEMENTS

I shall now describe the reforms we have decided to make to the treaty-making process.

Tabling of treaties

Treaties will be tabled in parliament at least 15 sitting days before the government takes binding action. This means that treaties will be tabled after the treaty has been signed for Australia, but before action is taken which would bind Australia under international law. This latter action, which is often inaccurately called 'signature', is usually ratification or accession, but there are occasionally other forms or procedures for taking binding action. The procedure will also be used whenever other types of binding action are proposed, including termination or denunciation of a treaty.

The new arrangements will apply to all treaties, bilateral as well as multilateral. They will also apply to all actions which amend a treaty if the amendment would alter obligations with a legally binding impact on Australia. The Senate committee recognised that there would be occasions when the government would need to take treaty action urgently—

Mr Brereton—Ah!

Mr DOWNER—The barker on the other side of the House might be interested to know that there were Labor members on that Senate committee who quite decisively agreed with the coalition. The committee recommended that special procedures be instituted to cater for this need. It noted, for example, that a 15 sitting-day tabling requirement would often translate into 30 to 100 calendar days. Treaties which require immediate implementation, like the Bougainville Peace Keeping Treaty of

1994, demonstrate the need for special arrangements to meet special circumstances. Therefore, and in accordance with the Senate committee's recommendation, where tabling in advance of binding action is not possible, it will be tabled as soon as possible together with an explanation.

Mr Brereton interjecting—

Mr DOWNER—Have you been smoking something this morning?

Mr DEPUTY SPEAKER (Mr Jenkins)—Order! The minister will be heard in silence.

Mr DOWNER—I am deeply concerned about the member for Kingsford-Smith, Mr Deputy Speaker. I'm a caring person. I care about people's health.

These exceptions will be used sparingly and only where necessary to safeguard Australia's national interests, be they commercial, strategic or foreign policy interests.

National interest analyses

Treaties will be tabled in the parliament with a national interest analysis. This will facilitate parliamentary and community scrutiny of treaties, and demonstrate the reasons for the government's decision that Australia should enter into legally binding obligations under the treaty. The analysis will be designed to meet the need identified both by the Senate committee and the states and territories in 1995, namely that no treaty should be ratified without an analysis of the impact the treaty would have on Australia.

This document will note the reasons why Australia should become a party to the treaty. Where relevant, this will include a discussion of the economic, environmental, social and cultural effects of the treaty; the obligations imposed by the treaty; its direct financial costs to Australia; how the treaty will be implemented domestically; what consultation has occurred in relation to the treaty and whether the treaty provides for withdrawal or denunciation.

The size and complexity of national interest analyses will, of course, be tailored to particular treaties. More complex multilateral treaties will require a more detailed statement but this will not be allowed to become an unnecessari-

ly lengthy, resource consuming exercise. I expect the consultation process will identify which issues merit detailed analysis. Ministers will ultimately determine the appropriate balance between the size and utility of the document and the resources required to prepare it.

I expect the first tablings of treaties to see the beginnings of the national interest analysis system. The government looks forward to discussing these issues with state and territory governments in the COAG context.

Parliamentary Joint Standing Committee on Treaties

The government will propose the establishment of a Joint Parliamentary Committee on Treaties to consider tabled treaties, their national interest analyses and any other question relating to a treaty or international instrument that is referred to it by either house of parliament or a minister. The committee will provide detailed scrutiny and examination of those treaties that are of particular interest to Australians. I consider this to be a landmark step in strengthening parliament's role in treaty making as the committee will be empowered to inquire into all tabled treaties and bring forward reports for consideration by the parliament.

Treaties Council

The Commonwealth will support the creation of a Treaties Council as an adjunct to the Council of Australian Governments. The council will have an advisory function, but its composition and operational details will be the subject of further discussions with the states and territories.

The government believes that, together with the commitment to prepare national interest analyses for all future treaty actions, the establishment of a Treaties Council will herald a new phase in Commonwealth-state consultation on treaty making.

Treaties information database

The establishment of a treaties database was recommended by the Senate committee, and my department, in consultation with the Attorney-General's Department, is now working on its creation, taking advice from potential users in the non-governmental

community as well as from state and territory governments.

The database will be designed to make it easy for all persons and groups with an interest in treaty information to obtain it free of charge, as recommended by the Senate committee. Present planning envisages that, although the database will be available from the Internet, it will remain possible for those without electronic communication equipment to obtain information in hard copy form from the agency responsible for the treaty or the Department of Foreign Affairs and Trade.

Arrangements will be made to advertise the availability of the database once it is established. The government recognises that it is one thing to have the information available but quite another to make that very availability widely known.

Once established, the treaties database will complement the electronic links for public libraries program, which aims to provide Internet access to all public libraries in Australia. My department will work with the Office of Government Information Technology and other relevant agencies to ensure that the database both stays abreast of technological developments and provides information in a user-friendly form.

This exciting step will truly modernise the dissemination of treaty information in Australia. Industry bodies and NGOs are increasingly turning to the Internet as a means of communication that is particularly suited to the vast spaces of the Australian continent. Libraries in remote and rural communities that previously would not have kept hard copy texts of treaties and other information will, in future, be able to download this information from the Internet and make it available to anyone who wants it.

The treaties database also has implications for consultations on particular treaties. My department is examining the possibility that new forms of information dissemination, for example via electronic news groups, will make it easy to provide immediate advice of treaty developments to anyone who wants to be linked to the system. Discussions with potential users of this facility have already started, and I hope it will be possible for the

new system to be up and running quickly. I also hope this will be able to be developed for the benefit of the parliament, for it is important that the parliament and the new Joint Standing Committee on Treaties are linked to this form of information dissemination.

CONCLUSION

The reforms I have described represent a significant enhancement in treaty scrutiny and consultations at all levels in the Australian government and the community. Implementing them will be a major endeavour, and my department has already established a new treaties secretariat with responsibility for managing the reforms and coordinating their implementation. The treaties secretariat will also be responsible for monitoring public reactions to the reforms and reporting to me on ways in which they might be further enhanced.

Mr Filing—Without a veto.

Mr DOWNER—I am proud to say that the reforms give Australians unparalleled access to the work of governments in the making of new international laws. I firmly believe that the impact of international laws in the domestic context make it imperative that we continue to improve that transparency and recognise the fundamental right of people to scrutinise the way international law is made.

The government foreshadowed these reforms in both its foreign policy and law and justice policy statements. I am happy to be able to announce today that the government has delivered on these election promises within two months of being elected to office. The government's response to the Senate committee's report is scheduled for tabling in the Senate today.

In conclusion, in response to the interjections that have come from the other side of the House let me say that, for 13 years and through a period of significant reform in international law, the former Minister for Foreign Affairs and his predecessor refused all calls for any active parliamentary involvement in the treaty-making process. Indeed, it will never be forgotten that in the other chamber last year the former Senator Gareth

Evans, now the member for Holt, said derivatively of the role of the parliament in this process that he did not believe parliament should have any say at all in the treaty-making process.

So this represents a stark contrast to the arrogant disregard of the democratic processes of this country which took place under the previous government and the commitment to the democratisation of the treaty-making process that now takes place with the new government. I present the following paper:

Reform of the Treaty-Making Process—Ministerial Statement, 2 May 1996.

Motion (by **Mr Andrew Thomson**) proposed:

That the House take note of the paper.

Motion (by **Mr Andrew Thomson**)—by leave—agreed to:

That so much of the standing orders be suspended as would prevent the honourable member for Kingsford-Smith speaking for a period not exceeding 15½ minutes.

Mr BRERETON (Kingsford-Smith) (11.15 a.m.)—This morning we have seen the first ministerial statement from the new Minister for Foreign Affairs (Mr Downer), and what a damp squib it was. What a pitiful exercise in absolute superficiality. What an embarrassing backdown on his pre-election rhetoric in this area. What a complete admission of the impracticality of the measures he advocated in opposition and of all of his words in respect of treaty making and the practice of the former government in making treaties. What a complete acceptance of the expressed view of the now Deputy Leader of the Opposition (Mr Gareth Evans), when he pointed out the flawed coalition approach in this area. Indeed, what a wimpish attempt to pass off today's announcement as some sort of delivery of coalition election promises.

Mr Downer—Where does it differ?

Mr BRERETON—I will show you where it differs. Let me take the House to the document *A Confident Australia*, the coalition's foreign affairs policy. Section 15 is on the treaty-making process. These are the points and this is the policy that they went to the people with. Point one is the 'preparation of national interest analyses of treaties prior

to signature'—prior to signature. That is what they said; that was their first point. But the minister has come into the House today and said, 'No, all these treaties will be signed before they're tabled. There'll be no national interest analyses until after they're tabled.' That is point one of their election manifesto as far as—

Mr Downer—Where did you get that from?

Mr BRERETON—I got it from your document. I got it from page 26. It says, 'Preparation of national interest analyses of treaties prior to signature.' They are your words, not ours. This is what you had the Australian electorate believe—that prior to any signature there would be the preparation of these analyses.

The second point of the coalition's policy is the 'tabling of treaties with provision for debate'. It states:

The Coalition will legislate to require that treaties are tabled with the provision for significant debate in the Federal Parliament prior to ratification . . .

Which everyone took to believe would be prior to a government commitment to them. What do we find from the statement today? They are going to sign these and then they are going to table them in the parliament, except when there are special circumstances. So on that second point, the second fundamental, there is no delivery of what they said in the election.

I notice that the Minister for Foreign Affairs now walks out of the chamber. He should stick around, because it is not just in those first two areas that he has failed to deliver in terms of the coalition's expressed policy prior to the election. He said in the third point of that policy that they would establish a Treaties Council, and much was made of it. But when we look at today's statement from the minister we find that the Treaties Council is merely to be a subcommittee of COAG, which already has the scrutiny of these matters. So the third point is quite misrepresented.

Mr Deputy Speaker, let me take you to the fourth point. They said that there would be 'implementation of domestic legislation prior to ratification of treaties'. We are going

through the points one after another. There has not been a murmur about point four, the implementation of domestic legislation prior to the ratification of treaties.

Finally they said that they would 'establish a joint house treaties committee to provide a detailed analysis of the implications of any prospective signing'—prospective signing—'or ratification of an international treaty by Australia'. So in relation to points one, two, three, four and five you fail to deliver on four of them. In respect of the other one, it is merely a subcommittee of the existing process, which is COAG itself.

The joint house committee will be able to look at these matters only after they have been signed by Australia. Then we are told that there will be 15 sitting days. This is some sort of a cooling off period. But it is no different whatsoever from the existing situation. It is a complete acceptance of the total impracticality, which we pointed out to the coalition, inherent in the policies that they went to the electorate with.

Let us go to this morning's statement itself. Terribly important and central to it is the fact that even with these new arrangements there is to be a let-out clause. Whilst Australia will now sign prior to tabling there is a provision there—as the minister has pointed out—that where things require immediate implementation where there is a need for special arrangements to meet special circumstances then tabling in advance of binding final ratification will not be possible, but they will then be tabled as soon as possible together with an explanation. How on earth is this in any way different from the existing situation? But the minister comes into the chamber today and makes much of this as a two-month delivery of coalition policy and a fundamental and far-reaching reform. What utter and absolute nonsense.

Let me take the House to the issue of the national interest analyses that the minister referred to. When we look for what will constitute that national interest analyses we see no detail whatsoever, except for the fact that they will all be tailored to meet particular treaties and individual circumstances.

Who will decide them? It is all laid out here. There will be consultation, but that consultation will have to consider which issues merit detailed analysis, the minister said. Ministers will ultimately determine what goes in the analyses. How exciting! What a fundamental breakthrough! What a terrific far-reaching reform! We are going to get the minister determining what the national interest analysis will be and it will be tabled in the parliament after the treaty has been signed.

I think I have dealt with the question of the Treaties Council. It has been puffed up with great importance. It is a Treaties Council, mind you. But what is it? It is a subcommittee of COAG. What situation has existed since 1992 under the COAG charter agreed to by all the heads of government? It is simple and sweet. It provides for COAG itself to be the forum. So now there is to be a Treaties Council which is actually going to be a subcommittee of COAG. And we are supposed to think that this is a big deal; that this is a far-reaching reform. As the minister attempted to pass off:

... the establishment of a Treaties Council will herald a new phase in Commonwealth-state consultation on treaty making.

What utter and absolute rubbish. The longest portion of today's statement deals with a treaties information database, which I will comment on in my concluding remarks. What this statement shows today is that the Minister for Foreign Affairs has been mugged by the reality that he refused to accept in area after area prior to the election. The relations of the former government with Asia of which we were so proud is another splendid example.

We all know what those opposite were peddling around the place prior to the election. They were saying in respect of these matters that a right of veto would be given to the states. We heard it again and again. Any minister who was part of a ministerial council—and I was a part of MOLAC—used to hear it from their conservative partners all the time. They boasted about the fact that the election of a coalition government would give them an effective veto. The one thing I will congratulate the government on today is the fact that they have not in any way relin

quished the Commonwealth's powers to make treaties. We are very pleased with that.

Mr Downer—You are against it, are you?

Mr BRERETON—Oh, no. If you had given the states the veto which you always led them to believe they would have, then you certainly would have relinquished it.

Let there be no delusions and no rewriting of history of the parliament's role under the former government. We always believed that the role of the parliament was absolutely central. We always sought to legislate using the external affairs power; the power that was created through Australia's ratification of treaties. We did it and did it very proudly to save the Franklin Dam. We did it later in respect of industrial relations to provide a legislative basis for this parliament. We provided national universal standards of minimum wages, of parental leave available to every Australian worker, of equal pay for work of equal value and for protection of employees in respect of termination of employment. We are very proud of that. However, in each of those respects the legislation introduced and debated in this parliament was to take advantage of the treaty. In other words, the treaty did not take effect until the legislation had passed through both houses of parliament.

We in opposition have no concerns whatsoever about any actions that provide for greater understanding of the role of treaties and greater opportunities for public involvement. We are keen to encourage that wherever possible. That was the very reason why when in government we set up with state and territory governments the Standing Committee on Treaties—the body which is being made much of and which is going to be renamed the Treaties Council. We consulted with community groups on a regular basis on all major treaty negotiations. We did it in respect of the Uruguay Round, the energy charter, the law of the sea convention, the chemical weapons convention, climate change, the Montreal protocol and biological diversity. We consulted very widely with regard to all of those issues. There were many representatives of industry and many community groups who participated in those negotiations as

members of Australian delegations. The claim the minister made in the House today that consultation will be the key word already reflects the strong view of the Labor Party and the view we always sought to ensure was the case when in office.

In the few minutes I have left to conclude my remarks, I should say something about the longest section of the minister's statement. Guess what it dealt with? Treaties? No, the Internet. The minister described the treaties information database as an exciting step and as a wonderful breakthrough. We are actually going to see treaties put on the Internet. They are actually going to be on computers, and people are actually going to have access to them. We are supposed to get tremendously excited about this. To quote the minister's own words:

This exciting step will truly modernise the dissemination of treaty information in Australia.

Mr Downer—You are against it, are you?

Mr BRERETON—I think it is terrific, but it has happened in every other area. Why have a ministerial statement about a treaties information database? What a monumental breakthrough, this first ministerial statement! The minister comes into the House and states that a database is to be created for people to access treaties on computers. The biggest falsity in this statement is the claim that these announcements today are the delivery of the election promises made before the election. They are actually being delivered within two months of being elected.

Mr Downer—It is within two months.

Mr BRERETON—But you haven't delivered on four out of the five. In respect of the first one, it is a recreation of the existing practice. As I said at the outset, it is a pitiful exercise in superficiality. It is an embarrassing backdown on the minister's pre-election rhetoric. It is a complete admission of the impracticality of the measures he advocated in opposition. It is a betrayal of the private commitments he gave to the states that they would have a power of veto, and it is a complete and utter non-delivery of the promises that they made in the run-up to the election that, prior to the signing of any agreements, prior to the signing of any trea-

ties, there would be this whole process of scrutiny.

It is a betrayal of everything they said. It is nothing more than a complete acceptance of all the views that we expressed prior to the election when we said what they were proposing was an absolute and totally unworkable proposition. This wimpish attempt to pass off today's announcement as a delivery of election promises will be seen for what it is—an absolute farce.

Mr DOWNER (Mayo—Minister for Foreign Affairs) (11.30 a.m.)—We are going to give a bit more life to the parliament under this government and speak to some of these motions and respond to some of the stuff that is emerging from the opposition. I would have normally made a personal explanation, but I can do it this way. What the member for Kingsford-Smith (Mr Brereton) has done is totally misrepresent what we said before the last election and he has deliberately done so. The first point is we did implement the commitments within two months—admittedly, not much within two months, but within two months—that we made before the election. We have not backed down at all. We have not backed down on any of the commitments we have made.

What the member does not seem to understand is that the critical point when you make treaties is the point of ratification. Once you have ratified, you have passed the point of no return. That is the critical point. What we have done is provide all these processes to take place before ratification.

That stands in dramatic contrast to what the Labor Party said before the election. I will never forget Senator Evans at a conference last year, saying he would not subject the treaty-making process to the vagaries of parliament. That was the Labor Party's position—that treaty making should not be subjected to the vagaries of parliament. And who better as an example of not subjecting treaties to the vagaries of parliament than the member sitting at the table. Before the 1993 election, were you the Minister for Industrial Relations?

Mr Brereton interjecting—

Mr DOWNER—Well, one does not remember your curriculum vitae very well, although we remember a bit of it. We remember, for example, the Botany Council incident. We have not forgotten that. We remember the ballot box on the back of the motorbike. We remember that, Laurie! So we do remember a bit about your life.

The point I am making is that before the 1993 election, but after the election had been called, this former minister acceded to International Labour Organisation Convention No. 158. What did they do? Did the government consult the parliament? Well, the parliament had been prorogued. Did the government consult the public? No. Did the government let the public know?

Government members—No.

Mr DOWNER—Exactly. The then government did not even put out a press release telling the Australian people they had acceded to the convention. Yet accession to that convention was part of the mainstay of your so-called industrial relations reforms. It is an absolute disgrace for the Labor Party to criticise the democratisation of the treaty-making process when they were so totally opposed to bringing any democracy into treaty making. It was that sort of arrogance that ultimately led to them disappearing from office. The member for Kingsford-Smith—

Mr Brereton—You'd better get the right minister.

Mr DOWNER—Oh, it was a different minister, was it? I deeply apologise, Laurie. You didn't know about it; is that right? Did it happen without you knowing? You tell us and we will make sure that is on the record. You didn't know it was going to happen? No reply means yes, you did know it was going to happen. Maybe the Minister for Foreign Affairs or another minister did it but you were party to the whole grubby practice and you were a member of the cabinet at the time. Let me make one final point—

Mr Brereton—Mr Deputy Speaker, I take a point of order. I wish I had been a member of cabinet in 1993, but I was not.

Mr DEPUTY SPEAKER (Mr Jenkins)—Order! There is no point of order and the

honourable member knows it. The minister will direct his remarks through the chair.

Mr DOWNER—The member for Kingsford-Smith is now saying he had nothing to do with this. Is he saying he is ashamed of what the previous government did in relation to ILO 158? You ruthlessly used ILO 158 when you were the Minister for Industrial Relations. You were obviously party to the decision. You obviously knew about the decision. Let us hear an explanation from you as to why the then government refused even to put out a press release to let the public know that Australia had acceded to that convention.

That is the sort of grubby practice to which you people subjected the treaty-making process when you were in office. It does not matter who the minister was. You were certainly a member of the Labor Party at the time, Laurie. You have been for years. You were certainly involved in the process. You always supported the process and you were always very happy with the process. The member for Kingsford-Smith claimed in his speech that somehow we went around grubbily telling the states we would give them a veto over treaties. Let me make this absolutely clear: I never, on one occasion—

Mr Brereton—You are a con.

Mr DOWNER—A con! The member for Kingsford-Smith, the mastermind of the Botany Bay scandal, the man who masterminded the Blaxland preselection, is going around calling someone a con man! Laurie Brereton calling someone a con man! Really, that is breathtaking stuff.

Let me conclude by saying that I, as the shadow minister, never said to the states we would give them a veto over treaty-making powers. The commitment we gave them was the commitment they wanted. That commitment was that we would establish a Treaties Council. That is a commitment that we have fulfilled.

Debate (on motion by **Mr Stephen Smith**) adjourned.

GOVERNOR GENERAL'S SPEECH

Address-in-Reply

Debate resumed.

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

Mr ZAMMIT (Lowe) (11.37 a.m.)—Mr Deputy Speaker Jenkins, first of all, I offer my congratulations to you on your election to high office and wish you well. I also offer my congratulations and best wishes to the new Speaker and Deputy Speaker and wish them well too.

At the very outset I want to record my sense of honour at the very great privilege the electors of Lowe have bestowed on me. I thank them for their vote of confidence in electing me as their federal member to represent all those in my electorate, irrespective of background or political affiliation.

Also, it would be remiss of me if I did not express my appreciation to the voters of the New South Wales electorate of Strathfield, formerly Burwood, who elected me at four consecutive elections over an unbroken period of 12 years, always with a solid majority in a seat totally and always surrounded by state Labor held seats—a seat referred to as the Liberal Party's oasis in the inner west of Sydney. I want to thank them for having maintained their faith in me in switching from a state to a federal seat.

The seat of Lowe was created in the 1948 redistribution and carries the name of Robert Lowe, Viscount Sherbrooke, who was instrumental in discontinuing the transportation of convicts to Australia. The first member for Lowe was Bill McMahon who held the seat for some 33 years. He then at a given stage became Prime Minister of Australia and was knighted. We may never see such length of parliamentary service ever again, as the frenetic modern day political pace and electoral demands make it hardly unlikely.

The subsequent members for Lowe all served much shorter terms, rotating between Labor and Liberal members. Following Liberal Sir Billy McMahon's resignation and the 1982 by-election, the seat was won by Labor's Michael Maher, who held the seat for five years. He, in turn, was followed by Liberal Bob Woods, who held it for six years.

He was then succeeded by Labor's Mary Easson, who held it for one term. To say therefore that I am acutely aware of the volatility of the seat of Lowe would be an understatement. I take this opportunity to pay tribute to my predecessor, the former member for Lowe, Mary Easson, especially for the very gracious manner in which she conceded defeat on the night of the election.

During my 12 years in the New South Wales parliament I never took my electorate for granted nor eased off the pace, and I will not do so now. In fact, my wife Rita works in tandem with me in the electorate, so the saying 'two for the price of one' well and truly applies.

Lowe is an urban electorate in the inner west of Sydney. It has a total population of about 120,000 people, 78,000 of whom are voters. Lowe is middle class in character, increasingly multicultural and reflective of the new Australia—the Australia of the 21st century. Lowe is in the top six per cent of federal electorates with the largest number of overseas born people, the majority of whom were born in southern Europe.

More than 40 per cent of the residents in Lowe speak a language at home other than English. Of the 78,000 voters in Lowe, by far the largest non-Anglo-Celtic group is of Italian background, numbering in excess of 13,000 people or 16 per cent of the voters. The next largest groups are the Greeks, Chinese and Arabic/Lebanese at about 4½ per cent each; they are followed by the Vietnamese, Koreans and Tamils at about one per cent each. That diversity is reflected in the very large number of varied religious places of worship in the electorate, the latest being the Hwa Tsang Buddhist temple and monastery at Strathfield.

About 40 per cent of the electorate is traditional family oriented, which is well above the national average, and it has one of the lowest single parent percentages in the nation at about six per cent. About 40 per cent of the mothers in Lowe are in the work force and, consequently, Lowe is the third highest electorate in the nation requiring day care for children aged zero to four.

Another feature of the electorate is the density of population, placing it in the top 10 per cent of the nation. The electorate includes a very large number of million dollar homes and, in many cases, multimillion dollar waterfront homes as well as a much larger number of modest fibro or weatherboard homes and just about everything else in between.

My challenge is to assist the genuine in need, first and foremost, by providing the structures for their rightful claim to a better life. Governments and welfare agencies should be there to give a hand up to people who are in genuine need. However, the safety net should not be abused, and those who are abusing it are doing so at the expense of the less privileged. Those who may be rorting the system have every reason to fear the coalition government.

Concurrent with this is my commitment to the business community, especially small business. The Howard government is committed to providing small businesses with the necessary framework to enhance their profitability, thus encouraging them to invest in future growth. Creating wealth is but the first step in redistributing wealth—it should not be the other way around: redistributing wealth before wealth has been created. Increased investment by the small business sector, which is the engine room of the Australian economy and is the largest employer by far of the Australian total work force, will result in an almost immediate reduction in unemployment and the beginning of the long-term recovery.

Ever since young adulthood and in times of disappointment, difficulty and setback, I have always derived great comfort and found support in my Christian faith and also in the inspirational words of great leaders, philosophers and writers—in particular, from the words of Theodore Roosevelt, who said:

It is not the critic who counts; not the man who points out how the strong man stumbles, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly; who errs, and comes short again and again, because there is no effort without error and shortcoming, but who does

actually strive to do the deeds; who knows the great enthusiasms, the great devotions; who spends himself in a worthy cause; who at the best knows in the end the triumph of high achievement, and who at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who know neither victory nor defeat.

My personal life, business life and political life are all reflected in those words. During the next three years as part of the coalition government, I will do my utmost in seeking to provide frameworks and opportunities for all Australians to be able to taste the triumph of high achievement.

Today, my mind goes back to December 1955 when, with my mother of Greek background and my father of Maltese background—both now deceased—I travelled by train from Alexandria in Egypt, my birthplace, to Port Said and then embarked on the *SS Strathnaver* for the voyage to Australia, arriving in Sydney in January 1956. That was a time of great turmoil in Egypt following the successful revolt by the Egyptian people against the reign of the corrupt King Farouk.

It was also a time of great dislocation for the Europeans in Egypt who recognised the fact that they understandably had to relinquish their positions. We therefore had to leave in a hurry. We had to leave behind or sell what we could and arrived in Australia, not as assisted passage migrants—because that did not apply to those other than from the UK—but virtually penniless, as most other immigrants have also done, especially since the 1950s. We had the added burden of having to repay the moneys borrowed for our passage to Australia.

I am very grateful that Australia provided a haven for my family and me. I am very grateful that Australia has provided us with a land of opportunity, stability, peace, a system of law comparable to the best in the world and a democratic system of government of which we are all proud. I am grateful that opportunities exist for immigrants such as me who, as a young boy, came to a new land. I feel that I have provided a role model to which others may aspire. I am grateful.

But let it never be forgotten that Australia has also been fortunate to have received the

sons and daughters—the cream—of so many nations of the world who travelled to the new land to build a new nation; a nation of immigrants that is the envy of other nations of the world that have built a multicultural society. We have succeeded in Australia with our multicultural experiment, even though I do not believe we give ourselves enough credit for it.

I am totally committed to multiculturalism which, in my view, reflects the two most basic Australian values of a fair go and tolerance. The reality of the cultural diversity of our nation, and the fact that six million Australians are of non-English speaking background, is clearly established and evident. Multiculturalism requires no debate. The only useful discussion should concern what we of non-English speaking background bring to Australia. The debate should be all about how to make it work even better.

While I am on the subject of multicultural and ethnic affairs, there are three specific issues that I want to raise today—however briefly—that are of concern and that need to be addressed and which I will pursue in this parliament. The first issue is that of the plight of immigrant women, the second most disadvantaged group in our society after the Aborigines. This topic is rarely, if ever, discussed.

The second issue is that of a fair and equitable share of senior positions at the decision making level. My observations during these past 12 years or so in public life have been that government boards, authorities and instrumentalities are almost totally, if not totally, devoid of people of non-Anglo-Celtic background. The same applies to the upper echelons of the senior levels of the Public Service. We need to find out why that is the case and address the issue if we are to move forward as a society secure in the knowledge that we are all entitled to and are receiving a fair go.

The third issue I refer to is the practice of some ministers of the Crown in previous state and federal administrations who have attended ethnic functions and have presented to the relevant leaders a cheque in a blaze of publicity while posing for the cameras. I note the presence in the chamber of the Minister for Immigration and Multicultural Affairs (Mr

Ruddock). He has a very good grasp of his portfolio and I know that he would never be so insensitive as to do that.

But this is invariably seen by the community at large as buying the ethnic vote, and the recipients are seen as condoning that practice. Not only is this practice demeaning and insulting to the ethnic communities, as has been conveyed to me repeatedly by these community leaders, but it has had the effect of a quite understandable community backlash against the ethnic communities by the rest of the community as it gives the impression that the ethnic communities are constantly receiving handouts in the form of taxpayers' moneys. There is no doubt that in the overwhelming majority of cases a strong need exists for that government assistance.

However, my complaint is twofold: firstly, the insensitive manner in which these presentations are made and, secondly, whenever a presentation is made—be it to a charitable, sporting or cultural organisation—due care must be taken in everyone's interest to delineate the specific need to which the moneys will be applied. Of far greater value to the ethnic communities would be an acknowledgment of the work done by hundreds of thousands of volunteers who work to alleviate the pain and suffering of newly arrived migrants, refugees, aged migrants and the young who are troubled and feel alienated.

I bring to this parliament my extensive experience in government and in opposition during my 12 years in the New South Wales parliament. In looking around the chamber today I hope I will be forgiven if I occasionally think that I am back in the bear pit when I see former colleagues such as the honourable member for Macarthur (Mr Fahey), the honourable member for Page (Mr Causley), the honourable member for Cook (Mr Mutch) and the honourable member for Reid (Mr Laurie Ferguson). Earlier this morning we also had the honourable member for Kingsford-Smith (Mr Brereton) and the honourable member for Prospect (Mrs Crosio) in the chamber.

I also bring a strong knowledge of multicultural and ethnic affairs and business affairs to this parliament, having owned and operated

my own business for some 13 years before entering parliament. Additionally, I gained a valuable insight into Aboriginal affairs—a humbling experience—having administered the New South Wales Office of Aboriginal Affairs for some three years in my then capacity as assistant minister to Nick Greiner. During that time I travelled extensively throughout New South Wales, visiting Aboriginal communities and gaining a strong understanding of the plight and suffering of the Aboriginal people—the most disadvantaged of all Australians.

Over the next three years I will be a strong voice, as I always have been, for everyone in my electorate and for all Australians, irrespective of background, to ensure that we achieve a more equitable, just and fairer Australia. In taking my place in the Federal Parliament of Australia I express a degree of pride in the fact that I am not here as a result of having won preselection in a safe seat; rather, I am here as part of a very select few who have won back from our political opponents not just one but two seats—in my case, firstly, the New South Wales state seat of Burwood and, secondly, the federal seat of Lowe. Both seats were held by the Labor Party and both had very solid majorities which I had to overcome.

The other matter of pride is the fact that I am the first person of Maltese background to be elected to this parliament. This fact was unknown to me until it was brought to my attention on the morning after the election as a result of a phone call from the media in Malta, and also as a result of a subsequent phone call from the Maltese High Commissioner to Australia, His Excellency George Busuttil. The Maltese people are spread all over the world. In fact, there are probably nearly as many Maltese now in Australia as there are in Malta—somewhere in the vicinity of 300,000 people.

I want to express my deep gratitude to my campaign director, John Hallinan; conference president, Alan Wright; and campaign committee, including Alex Ebert, Bruce MacCarthy, Michael Casey, David Doust, as well as Ainslie Thomas and her team from the Burwood Young Liberals, who worked tire-

lessly for nine months in the lead-up to polling day. They gave me total support and always had confidence in my political judgment. My thanks also go to David Lidbetter, who assisted me greatly with his advice and depth of knowledge, technical and political, in addressing the issue of aircraft noise over Lowe.

I want to also thank Prime Minister John Howard, who visited my electorate on two separate occasions and was extremely supportive. I also note the presence in the chamber of my friend and colleague Tony Abbott, the member for Warringah, who was also extremely supportive. I appreciate all you have done for me, Tony, in my campaign. The Young Liberal Movement at times comes in for criticism from some of the members in the senior party. However, their assistance in my campaign was greatly appreciated, and I want Andrew Maiden, the New South Wales President of the Young Liberals, to take back to his members my sincere appreciation.

My heartfelt appreciation also goes to the 780 or so volunteers who helped in the lead-up to and on polling day. Without their support none of this would have been possible. My thanks must also go to the State Director of the New South Wales Division of the Liberal Party, Tony Nutt; his deputy, John Burston; and the dedicated staff who have finally debunked the myth that only the Labor Party knows how to win marginal seats. I would like to thank Pat Gourlay and Maria Tarabay, who are my former state electorate officers and have joined me in the federal office. I could not have hoped for more loyal and dedicated staff.

I want to conclude by saying that the Liberal victory in Lowe would not have occurred had it not been for the immense support and constant encouragement given to me by my wife of nearly 27 years, Rita, and also for the strength and depth of understanding exhibited by my children, Michael, Phillip and Yvonne, all of whom I am very proud.

Lack of time prohibits me today from saying what I want to say about the shocking events that occurred on Sunday, 28 April at Port Arthur and that have shocked our nation into disbelief. My sincerest condolences go to

the families and friends of the deceased, and my sympathies also go to the injured and to the Port Arthur community. A similar killing spree occurred on 17 August 1991 in my then state electorate of Strathfield when six were shot and killed and the seventh was stabbed before the gunman turned the rifle on himself. The memory of the sight of those eight bodies at Strathfield Plaza on that Saturday afternoon will forever be emblazoned on my mind.

I will never forget the grief and anger of the families of the murder victims, most of whom I visited the next day to extend my condolences. I also want to say how upset and angry the police were when showing me around. One young police officer, in particular, was very abusive towards me; and I can understand that. He said, 'What are you going to do about it? You are the elected representative; what are you going to do about it?' I want to praise Prime Minister Howard for his courageous call for gun law reform. I have no doubt that he will rank equal to any of the best of Australia's Prime Ministers. However, and in addition, the issue of violence in films and videos must also be addressed sooner rather than later. Enough is enough.

I want to conclude by saying that I would like to feel that my contribution to this parliament and to community affairs would be to strive for new horizons and forward-thinking initiatives as we head towards the new millennium. I am inspired by the words of Senator Robert Kennedy which were repeated by Senator Edward Kennedy in his eulogy for his brother in 1968 when he said:

Some men see things as they are and say, why? I dream things that never were and say, why not?

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

Mr MOSSFIELD (Greenway) (11.57 a.m.)—Mr Deputy Speaker, I would firstly like to congratulate you on your election to your high office and wish you the best for the future. I would also like to congratulate those other new members who were elected at the 2 March election and also wish them good

health and a long term in this parliament, provided of course that does not interfere with the re-election of a Labor government at the next election.

I would like to say how honoured I am to be elected to the Australian parliament as the member for Greenway following upon my predecessor, Russ Gorman, who gave me so much public support during my preselection and after. I have been very impressed by the number of members on both sides of the House who have asked me to pass on their regards to Russ Gorman; I will be very happy to do so.

I would like to thank my ALP branch members for preselecting me as their candidate and for their hard work during the election campaign. There are far too many to mention individually, but I would certainly like to mention Councillor Sommerton, who was my campaign director. I would especially like to thank the voters of Greenway for their valuable support. The ALP vote in Greenway was not as good as expected, but I intend to work hard during the course of this parliament to ensure an improved ALP vote in Greenway and a Labor victory at the next election.

I am a fitter and turner by trade, having worked a total of 15 years in the trade before becoming a trade union official. As an apprentice, of course, I joined a trade union; and no doubt my father influenced me in doing that. I became the State Secretary and Federal President of my union, the Australasian Society of Engineers. Upon the amalgamation of the ASE and FIA, I became the Sydney branch secretary of FIMEE. I also served a term on the ACTU executive and was for seven years President of the Labor Council of New South Wales. I am very proud of my trade union background.

My family background is that my wife, Jan, and I have eight children, five grandchildren and numerous extended families, including my brother Warren. I was delighted that they were all able to be here at the opening of the parliament. The only one who was not here unfortunately was my daughter Jennifer, who is travelling overseas at the moment; but I certainly know she was with us in spirit. I place great value on family life as the basis

of a fair and just society. I hope I can make a contribution in this direction during my stay in this parliament.

The electorate of Greenway, a western Sydney electorate, is named after Francis Howard Greenway, an architect under Governor Macquarie. It covers an area of 121 square kilometres and runs from Blacktown and Seven Hills in the south through to Riverstone in the north. The southern part of the electorate is a long-established residential area. Through the centre of this electorate there are new residential areas of Dean Park, Quakers Hill and Parklea.

In the north there is a mixture of residential areas and small rural industries. One of the major aspects of the Greenway electorate is the massive residential development that has taken place. The first stage of the Rouse Hill development centred on the Parklea release area is currently in the early stages of development and is eventually expected to house 50,000 people. Full development of the Rouse Hill development area could result in over 300,000 new residents. Recent development in Quakers Hill has also been extensive.

The 1991 census shows a population increase of 72 per cent over the 1986 figures. The people moving into these areas are overwhelmingly young married couples either with children or intending to start a family. Again, the census figures speak for themselves. Forty-seven per cent of the population is under the age of 24, and 46 per cent is between the ages of 24 and 54. The electorate itself, and Quakers Hill in particular, also has a large proportion of its residents from non-English speaking countries. These people represent some 25 per cent of the electorate, and immigration policies of a compassionate nature are high on my list of priorities.

One of the greatest problems felt by young families in this community is the isolation from relatives and friends coupled with the stress of a life change experienced by raising young children and being isolated from community services. This isolation has resulted in higher than normal levels of social problems. I have been advised that within the community an average of one in

three families experiences some form of financial or social difficulty.

Where there are inadequate recreation and community services, the location can become very isolated for young families, particularly mothers at home with young children, if they do not have easy access to public transport, libraries, banks, post offices, public telephones and child-minding centres and if regional shopping centres are some distance away. There is an urgent need for more government support for community and church organisations operating in this area so that they can, in turn, help families to maintain a happy and contented lifestyle.

This rapid residential development has placed considerable strain on the finances of Blacktown Council. Infrastructure investment has been reactive and concentrates on incremental improvements. While considerable infrastructure development has been carried out, such as the ring road and underpass at Blacktown and the new Blacktown bus and rail interchange—all funded under the previous Labor government's better cities program—the New South Wales government is also carrying out a large amount of infrastructure work. However, budgetary constraints have resulted in a situation where this new and developing area continues to be inadequately serviced by road and rail systems.

The new release areas will place an enormous strain on the existing road and public transport systems. Residents living in these new areas will have to drive or catch a bus to a railway station in the near vicinity to catch a train to other parts of the metropolitan area. There is, therefore, an urgent need to duplicate the rail line between Riverstone and Blacktown and for additional car parking spaces at Quakers Hill and Schofields railway stations. The federal government must continue the valuable better cities program in this area of much need.

I am advised that by the year 2006 this area will have a population equal to Canberra's but with a lot fewer community services and less infrastructure development. Without considerable federal government assistance, this region of the Greenway electorate could quickly become a ghetto.

One significant feature of the Greenway electorate that is clearly worth mentioning is its large youth population, with some 42 per cent under the age of 24. The need to provide a better lifestyle for our young people is a major priority for me. This priority must start with adequate education and health facilities and sporting and recreation facilities through to local employment. The issue of employment generally and youth employment in particular are issues that I have been involved in for quite a considerable period of time through a number of Working Nation labour market programs operating in western Sydney. I see employment growth as my No. 1 priority and it has received my immediate and urgent attention. I have already written to industries in the electorate to get their views on what needs to be done to improve local employment opportunities.

As an adjunct to my trade union activities I have had a deep interest in general education and vocational training. I believe these areas are important in providing young people with the skills necessary to take up available employment opportunities. I believe the Greenway electorate has been well served by previous Labor governments, both state and federal, and I will be anxious to ensure that there is no lessening of support for such an important area of western Sydney.

Within the electorate there are 11 high schools, 36 primary schools, the Blacktown College of TAFE and now the newly developed Nirimba education precinct at Quakers Hill. The University of Western Sydney Hawkesbury, along with the Western Sydney Institute of TAFE, the New South Wales Department of School Education and the Catholic Education Office, are committed to the development of this joint education precinct. I compliment the many people who had the foresight to develop the Nirimba naval base into the modern education facility that it is today. These include my predecessor Russ Gorman, the Minister for Education in the New South Wales government, John Aquilina, the previous Mayor of Blacktown, Jim Anderson, and Roger Price, the federal member for Chifley. This facility will enhance the training opportunities and, therefore, the employment prospects for our young people

for many generations to come. All parties share a view to ensure the educational advancement of students and to increase education and training opportunities for industries and local communities.

Let me say something about training for employment. It is important that we match the training that is available to young people in Greenway and surrounding areas with employment opportunities in local industries and the growth jobs of the future. The electorate of Greenway has an industry profile of heavy engineering, electronics, food processing, warehousing and distribution, and smash repairs. Clearly, all of these industries, if they can be sustained and improved, offer considerable employment opportunities for young people.

We have heard a lot about small business. Small business has played a major role in employing people in the Greenway electorate. Small business employs some 60 per cent of people working in the Blacktown local government area. Nationally small business contributes 30 per cent of the gross national product and employs some 50 per cent of the private work force—all under a Labor government. I do not know why people are critical of the Labor Party's policy, or the Labor government's policy, towards small business when small business has thrived under a Labor government. I am very pleased that this has happened.

Small business does rely on large enterprises, both government and private. With large enterprises downsizing, that is retrenching, it is important that security of employment and the protection of basic working conditions such as sick leave, annual leave and long service leave that previously existed in large enterprises are transferred to people working in small business.

That is why it is important that this parliament gets the unfair dismissal provisions of the Industrial Relations Act right. People working in small business are the most vulnerable section of the work force. This is not because owners of small business are necessarily unfair employers, but personal conflict, misunderstanding and the high pressure of small business means some employees do not

get a fair go. I am very proud of what the Keating government did in this area and I look forward to debating the new government's proposals which appear, at this stage, likely to downgrade the actions of the previous government.

Changes to the structure of the economy, the introduction of new technology and reforms to industrial relations and training have created a leaner, more multiskilled work force, which has to some extent excluded the unemployed under 25 years of age. The growth occupations are now in the areas of tourism, hospitality, community services and information technology. We have to adjust our training and employment programs to meet the needs of these industries.

Apprenticeships are still important in our major industries and occupations such as manufacturing, transport, and electrical generation and distribution. The emergence of new jobs in growth industries such as small business, where there is no apprenticeship system, means that career training is in the form of building blocks where you move from one skill area to another as the needs of the individual and employer require.

I pay a special tribute to those members of the Western Sydney community—employers, unions and various training authorities—who have been doing a great job working to overcome youth unemployment in our area. I look forward to continuing this joint community involvement in tackling this major problem.

During the recent election campaign I had the honour and privilege of attending many functions organised by local community groups. These functions involved senior citizens, Scouts, Girl Guides, the Country Women's Association and ethnic groups, and school prize functions. At all times I was impressed with the contributions these organisations are making to the wider community. Now as the federal member for Greenway I hope to have an even greater involvement with these worthy organisations.

I want to say something about nursing homes. During the election campaign I received a number of representations from aged care villages in my electorate. These villages expressed a belief that aged care was being

neglected by all major parties. They lamented that additional funding was being offered for arts but not for aged care. An example of how society is failing to look after our elderly citizens can be gained by looking at some figures provided by one village. Of all citizens in their 70s, 60 per cent do not require any aged care assistance, five per cent are in hostel care, five per cent are in home day care and another 30 per cent who are in need of care are not receiving any care.

It is because of the need to ensure that this worthy section of our community, many of whom fought to defend this country during World War II, have a carefree life and in memory of my mother who passed away on Christmas night after eight years of contented life in Gilroy Village, Merrylands that I intend to mention some of their concerns today. In their representations to me these groups raised a number of points. They believe there is insufficient government funding to pay for the daily care of nursing home residents. The cost of this service is based on a formula drawn up over 10 years ago. The changes to workers compensation regulations could result in additional costs for people running aged care facilities. They believe that hostels and nursing homes are receiving insufficient government funding to care for people who have serious health or communication problems, such as Alzheimer's disease, dementia and other forms of terminal illness.

Representations have been made to me that a compassionate and economic way of providing care for our elderly citizens would be through a redistribution of aged care services, where the service is taken to the individual and day long care is delivered by non-profit organisations. Existing villages could be funded to provide all services to elderly people in their own homes with the provisions for respite services and education and leisure centres to be available on a day-to-day basis in the retirement complex. These should be seen as additional services for those elderly people who are well enough and desire to live in their own homes and should not be seen as reducing the need for full-time residential care. I thank those on the other side who support that.

The government needs to review its funding policies by accepting responsibility for all aged care services instead of the current system where some services, mainly residential care, are funded directly by the government. Funds are given to the states for community services, and other community services are accountable and funded by the Commonwealth. This community service funding mix is both confusing and costly. I have been asked and would support that this federal government deal with peak organisations, such as Aged Care Australia and the Australian Nursing Home and Extended Care Association, in formulating future funding programs for aged people in Australia. These comments are a very brief resume of the needs of our elderly citizens. This group of people is in danger of being forgotten by governments. I intend to raise their concerns in this House whenever the opportunity arises.

Following the disappointing result of 2 March, certainly for our side of the House, there are some who come in here somewhat downcast and miserable. I for one am delighted to be here and I am ready to take issue with the new government on any issue I think necessary.

I remind all party members of the very famous stirring and introductory speech delivered by the late Ben Chifley at the New South Wales State Conference, when on 10 June 1951 he said:

I have attended some conferences before when we have had victory and some when we have had defeat. I hope that the defeat at the last elections, following on the defeat at the 1949 elections, has not discouraged members of the Labor Movement from fighting for what they think is right—whether it brings victory for the party or not. The Labor Movement was not created with the objective of always thinking what is the most acceptable thing to do—whether this individual will win a seat or whether the movement will pander to some section of the community. The Labor Movement was created by the pioneers and its objectives have been preached by disciples of the Labor Movement over the years, to make decisions for the best for all the people.

I support those views and pledge to remain true to them on behalf of the electors of Greenway. In a democracy like ours there are always winners and losers. This time we lost

but we know how to win and how to stay for at least 13 years. We will be back and I will be doing my bit to help achieve just that.

Mr DEPUTY SPEAKER (Mr Andrew)—Before I call the honourable member for Page, I remind the House that this is the honourable member's first speech and ask the House to extend to him the usual courtesies.

Mr CAUSLEY (Page) (12.17 p.m.)—Thank you, Mr Deputy Speaker, for the opportunity to rise in this House in this my maiden speech in this parliament. I think most members would realise that I served in the New South Wales parliament for almost 12 years and it would not be my maiden speech in a parliament as such.

I would like to say at the outset that it is a great honour to be here in the federal parliament representing the people of the electorate of Page—a relatively new seat that was formed in 1984. It was formed because of the growing population on the north coast. Part of it, of course, takes in the old seat of Cowper which has been represented over the years by longstanding members of the Country Party and National Party of Australia, the first being Sir Earle Grafton Christmas Page, a very remarkable man in many ways, who served in that area as a representative for 42 years. The member who served the remaining terms after one term of Labor when Mr Frank McGuren won the seat was Ian Robinson, who then served as the new member for Page and who had previously served in the New South Wales state government and who served a total term of something like 39 years in parliament. They were probably the two longest-serving members of parliament in the history of Australia. So there is a certain sense of history in representing this seat and following in the footsteps of such famous parliamentarians.

The electorate of Page—and I admit my bias early—is a beautiful part of Australia on the north coast of New South Wales. It stretches along from the Corindi beach just north of Woolgoolga where my colleague Mr Deputy Speaker Nehl holds the seat of Cowper—we join there—and goes north almost to Ballina to a little township called Broadwater. It skirts across the Richmond River there and

takes in Goonellabah which is a suburb of Lismore. It then takes in many of the picturesque villages around Lismore, that previous big scrub area, including Nimbin, of a quite notorious reputation, Dunoon, Clunes, Rosebank and the Channon. If anyone gets a chance to go along to the markets there of a Saturday morning, they would probably find it very enlightening. It takes in the major cities of Grafton and Lismore and the major townships of Maclean and Casino. It then goes right to the Queensland border, taking in little townships such as Drake, Tabulam, Urbenville, Bonalbo, old Bonalbo, right up to Woodenbong, Liston and Legume—quite a large area that then goes right back down along the Dividing Range to Hernani, which is just above Dorrigo in the south.

You can see that it is a rather large coastal electorate which takes in most of the Richmond River and practically all of the catchment of the mighty Clarence River, one of the largest flowing rivers in Australia. It carries some five million megalitres of water a year to the coast and sustains a tremendous amount of agriculture and industry within that area, which possibly in the past was a truly farming and timber area. But today, with the burgeoning populations along the coast, it is very much a retirement and tourism area. Such a beautiful area attracts many people, particularly from the south, from Melbourne and Sydney, in the wintertime to enjoy that wonderful climate.

I took great interest in the Governor-General's speech. Much of it would be of great interest and benefit to the people who live in the electorate of Page. There is no doubt that industries such as beef, sugar and timber will take great interest in the industrial relations changes proposed by this coalition government. Obviously, it is very important for us to be able to compete in world markets. At the present time in particular we have a beef industry, the cradle of which is in the north coast of New South Wales where many of the cattle are bred, whose store sales and weaner sales are important to the rest of New South Wales and Australia. That industry is vital to our whole cattle industry in the southern areas of Australia.

At the present time cattle producers are going through some very serious problems. When the member for Macarthur (Mr Fahey) was Premier and I was the Minister of Agriculture there was a serious drought in New South Wales. We did as much as we possibly could to help those who were suffering that extreme drought which went on for almost five years. Of course, as soon as the drought ended and they were expecting some relief, the prices for cattle collapsed. I dare say, through the changes we hope for in the industrial relations laws and some sense coming back into our waterfront, we might be able to compete with the New Zealanders and the Americans in world markets where it is so important for our producers to be unbridled by government red tape which sometimes loads them down and means that they cannot compete fairly.

In my maiden speech in the New South Wales parliament I made it very clear that the reason I went into politics was to protest about what minority groups were doing to my area. My family have been on the Clarence River a very long time. My great-grandfather went to the lower Clarence in 1888 as a farmer and my family is still there. I am very proud today that my parents are in the Speaker's gallery and my wife, along with the chairman of the Page electorate council, Mrs Margaret Duff, are here to support me on probably one of the few occasions that they have been able to hear me speak in either the New South Wales parliament or now in this very august chamber of the Australian parliament. So we understand that area very clearly.

My great uncle, Ben Skinner, was a timber cutter. One of the very first experiences I recall was going out into the bush with him at about 10 or 11 years of age, ostensibly to boil his billy but of course it was also to be on the other end of a crosscut saw. I think he once said he would be better off with a forked stick. He taught me a lot about the bush. I learnt a lot from him about how the bush and the forests are managed. I clearly recall one thing he told me. When he went to cut down a fairly big tree—what I thought was a massive tree—he looked around and said, 'Son, see that good, straight, little one over there?

We're going to take him that way because we're coming back for that one.' That was the management that those old people put into the forests.

Yet we hear debate today that is quite distorted. It is seriously affecting Australia and is certainly affecting the communities within my electorate, which is a very big timber area. Year after year, since the first Wran decision on rainforest, we have seen that resource progressively taken away from the industry, not because there is anything wrong being done but because most of those forests that have been locked up in national parks are forests that our forebears logged. We are told they are still pristine, and they are. So there was no damage done there.

If we listened to the old people in our communities who can give us advice and tell us how to manage those areas, we would be much better off than listening to the shrill cries of the minority groups presented on the ABC and in the *Sydney Morning Herald* because they are doing us enormous damage. Small villages depend heavily on the timber industry. I mentioned Woodenbong and Urbenville. I could talk about Whian Whian and Grafton, which is in a very major hardwood timber area of Australia. Those towns are very dependent upon the resource that is available. Yet last year we saw the former federal government bend to the wishes of the extreme groups, reduce the export quota for chips and bring in conditions on the export quota which mean that timber that is taken from private property is now almost excluded from the timber milling industry. That is the type of humbug that is causing enormous damage to our areas on the north coast.

Those small towns of Urbenville, Woodenbong and Whian Whian exist on grazing and the timber industry. People living in those towns are the salt of the earth. They work for very low wages—much less, in fact, if you look at a family situation, than those people on the north coast who are on unemployment benefits—yet they are being strangled by government red tape and by the government listening to extreme groups. I call on this parliament to look very carefully at the laws that are passed here and the effects they have

on those people and on the economy of Australia. Last year we imported something like \$3 billion worth of forest products into Australia, and I think we need to think about that.

I mentioned that my family was involved on the lower Clarence River as cane growers. I think my father was absolutely disgusted with me when, having gained a Leaving Certificate, I decided that I would go cane cutting. I did not want to be a school teacher—I still don't. In those days, even though I was a very young man, there was the ability to earn very big wages in the cane cutting industry. Those in the Labor Party—including I dare say the honourable member for Hotham (Mr Crean)—would be pleased to know that I was a member of the AWU in those days. I had to be or I could not sign on.

I have a very close affinity with that industry. I served as the president of the cane growers on the Clarence River. I served on the New South Wales Canegrowers Council. I was amongst the people who used to serve the Australian industry on committees representing both Queensland and New South Wales. Yesterday, I heard the honourable member for Dawson (Mrs De-Anne Kelly) mention Sir Albert Abbott from Mackay. I knew him very well when I was an executive in the cane growing industry, which is a very valuable industry.

In 1993, the previous federal government promised a package to the sugar industry. It was in return for a reduction in tariff protection. In New South Wales, where the previous member promised \$2 million at one stage, the industry has not received one cent. Undoubtedly, the promise was angled to gain votes along that sugar belt on the east coast of Australia and was pretty successful. But people are very disappointed that the promise was never honoured, for whatever reason.

Infrastructure at the port of Yamba, which was going to serve the sugar industry on the Clarence River, is very necessary. The Clarence River is the oldest sugar producing district in Australia. CSR started the first central sugar mill at Chatsworth Island—not Harwood Island—some 115 years ago and the sugar industry then moved north from that

point. I urge the present government—I see the Deputy Prime Minister (Mr Tim Fischer), my leader, in the chamber—to honour that promise. It is so important now, with the extreme competition taking place in the Australian domestic market, that the Manildra Harwood refinery, which was built by Manildra and the cane growers of the Clarence, Richmond and Tweed rivers, be able to compete on the world market, but it cannot compete while it does not have access to a deepwater port. It is very vital to that area.

The previous speaker, the member for Greenway (Mr Mossfield), spoke about nursing homes. I would like to take up that point. As I said, the coastal areas in my electorate are very attractive areas for people to retire to. We have many people, as I have mentioned, from the Melbourne area and from the western suburbs of Sydney. People come to retire along that beautiful sunshine coast—and quite rightly so. But that means that our aged population is probably higher than in some other areas of the nation and the need for nursing homes is greater.

At the present time there is an extreme need in that area for nursing home accommodation. While I was the state member we managed to negotiate with the hospital in Grafton some land to extend Livingstone House. It is vital that that work be done because we have probably more than a dozen people in our hospitals who should be in nursing homes. That has a twofold effect: they are not getting the care they should be getting and it is a burden on the state budget. What should rightly be shouldered by the federal government is being paid for by the state health budget. Even though I am now a federal member I recognise that and I think it is unfair. It is something we need to look closely at.

Those coastal areas with their great potential for tourism are very dependent on the type of industrial relations policy this government can set. There has been no doubt in my mind about this in the times I have discussed it, not just with the people who run resorts or tourist facilities but with those people who are seeking employment—and there are many of them. In my electorate, even though the

previous government tried to hide the figures, the fact is that the unemployment levels are very close to 30 per cent. Youth unemployment is closer to 50 per cent. In Australia, where we pride ourselves on being a responsible country, that is a disgrace.

It certainly is not the opportunity I was offered when I was a young person. That is one of the reasons I am in this chamber. I believe our youth deserve better and we have to try to change things around to give them those opportunities. That industrial relations change would mean that these people could gain some employment in the hospitality industry. I do not know how many times I was told during the election campaign that the unfair dismissal laws have to go because people were absolutely terrified of employing anyone. That was a huge inhibiting factor in the level of employment that could have been available in my electorate.

I could mention many other subjects and, undoubtedly, I will in the time I spend in this parliament but I would like to now go back and thank some of the people who did support me. As I said, I joined the New South Wales parliament on 24 March 1984 with the honourable member for Macarthur and the honourable member for Lowe (Mr Zammit), amongst 20-odd others. It was a large intake. It seems that has followed us because the intake here this year is very large as well.

I had marvellous support at that time from members of my party and the support of the Hon. Ian Robinson, who has been my campaign manager for five elections—and we have won them all. I would like to pay tribute to him and to Florence. I pay tribute for the help in latter times of Margaret Duff, my electorate chairman. I pay special tribute to a very strong supporter of the National Party, formerly the Country Party, Mrs Joan Tillett of Casino. Joan Tillett was a magnificent supporter of our party. She was very ill during the last election campaign and, unfortunately, died on the morning of the election. But, true to form, Joan must have had some divine insight, because she had voted the day before. I can tell you, I know which way she voted. I would like to pay tremendous tribute

to her as such a strong supporter of our party and of me.

I pay tribute to my wife who, in many instances, has been the de facto member, as Paul Zammit said. Particularly when I was a minister in the state government for seven years she looked after the electorate. She and my father and mother probably gained more votes for me than I did. I pay very high tribute to them.

I thank my parents for the upbringing that I had. I was taught to work—and I do not think there is any harm in that. We had a lovely childhood with very doting parents who gave us every opportunity. My father was disgusted when I gave up higher education because, as he said, 'I never had the opportunity; you have got it.' Nevertheless, if I had my time over I would not change it. That is something I am very pleased to be able to say.

I thank my electorate staff. For over 12 years I have had tremendous support from Noela Powell and Bernadette Alvos—my first and second secretaries—and, recently, Debbie Apps. As everyone knows, good staff make the member because the member is not in the office and staff have to do a lot of work for you. I pay particular tribute to them. I believe I will enjoy my stay in this parliament. Thank you for the opportunity to speak on the address-in-reply. I look forward to contributing at a future date.

Mr DEPUTY SPEAKER (Mr Andrew)—Before I call the honourable member for Wills, I remind the House that this is the honourable member's first speech. I ask the House to extend to him the usual courtesies.

Mr KELVIN THOMSON (Wills) (12.37 p.m.)—I guess that most of us, as members of parliament, are very avid readers of our local newspapers. One week in July last year there was an article in the *Moreland Courier*, an article to which I was a substantial contributor. It made reference to Commonwealth spending in labour market programs in the northern suburbs having increased over the past three financial years and the contribution Working Nation programs had made towards reducing unemployment in the electorate of

Wills by over one-third since the height of the recession.

It was a very good article indeed. The only problem was that very few people were likely to read it, given the nature and prominence of the article immediately above it which referred to Miss Nude World, Coburg's Chrissie Lane, who had apparently earned that title in an exotic dancing competition in Houston, Texas. Ms Lane was quoted as saying:

. . . I get more nervous if I have to make a speech in front of people. I'd rather take my clothes off.

Honourable members will be reassured to learn that with me it is the other way around.

I join with other members of the House in congratulating the Speaker and those who have been appointed to carry out that important role during the life of this parliament. I look forward to personally working with them during the life of this parliament.

First, I would like to thank the people of the electorate of Wills for the confidence that they have shown in me by electing me. In Wills, Labor increased its primary vote by some seven per cent and its two-candidate preferred vote by around eight per cent, which I think was the best result Labor secured in the nation. It completes a remarkable turnaround in Labor's fortunes since the dark days of the Wills by-election in 1992, when our primary vote dipped to below 30 per cent. It is now back at 50 per cent. Even in these days of increasing electoral volatility, that represents a spectacular recovery.

The people of Wills have had the opportunity to see me in action as a member of the state parliament for the past seven years and before that as a Coburg councillor. Many have told me that they voted for me because they liked my attention to local work and to ordinary constituent problems, no matter how trivial they may seem. That places on me a responsibility to continue that work, and I place on record here my intention to continue doing just that.

I was born in Pascoe Vale in the heart of the Wills electorate in 1955—my birthday was yesterday, as a matter of fact. While I have lived in that electorate during that entire period, I am the first member for Wills to be

living in the electorate at the time of representation.

Secondly, I would like to thank my campaign committee and my family for the fantastic support that they have provided to me over many years. My wife, Marsha, has not only been a supportive wife and mother; she is a first-class political campaigner and operator in her own right, and I am very glad she is on my side. My children, Ben and Naomi, aged 12 and 10 respectively, have had to put up with a lot in terms of an absent father over the past few years. I guess knowing what is in store for them does not make it much easier. My parents, Allan and Dorothy, have been a source of immense inspiration and support to me for many years. I am delighted that they can be here in the gallery this afternoon to share what is, for me at any event, a momentous occasion.

And my campaign committee—a real A-team. Not only did they triumph in the Wills election but a fortnight later in the City of Moreland elections they were responsible for Labor securing some eight out of 10 wards. A fortnight later again at the state election the best results for Labor in the metropolitan areas of Melbourne were secured in the Wills based state electorates of Coburg, Pascoe Vale and Essendon.

Thirdly, I want to say something about why we are all here—not in this parliament but in this continent. Although Australia is an old continent it is in fact a very young nation. I think the reasons why we are all here tell us something about what our public policy objectives ought to be. So why are we here on this island? We came here because we, our parents or a previous generation came to escape features of our former societies which were intolerable and came here in search of new opportunity.

People came here in search of work, from countries where opportunities for work had simply dried up. So, first, we owe to ourselves the never ending quest, the never ending objective, of full employment, of work for all who want it. Second, people came here in search of a clean and healthy environment from countries where the air was not fit to breathe, the water was not fit to drink and the

beaches were too dirty or just too far away. So we owe to ourselves the protection of our urban and natural environment. One of the many great things about Australia is that we still have a lot of our original environment left and that the quality of life in our cities is high. We are not overpopulated, and we need to safeguard that. Australia can and should be an environmental showcase.

Some of us have come in search of social equality, from countries with stifling class systems, countries in which power, wealth and opportunity were concentrated in the hands of a few. So we owe to ourselves a spirit of generosity and compassion towards those who are less well off and a spirit of cooperation between employer and employee. We do not need the dog-eat-dog mentality of America, or Britain's underclass.

Some of us have come in search of democracy and freedom of expression, fleeing totalitarian regimes, military dictatorships and countries in which rigid conformism was the order of the day. So we owe to ourselves freedom of expression, freedom of association and the right to join trade unions, and we also owe to ourselves respect for differing points of view.

Some of us have come in search of racial and religious tolerance, escaping ethnic conflict and brutal tribal repression. So, finally, and perhaps in the present age of atrocities in Yugoslavia and other parts of Europe, Asia and Africa most importantly, we owe to ourselves the creation of a community based on mutual tolerance, respect and understanding.

Another of the many great things about Australia is that we have had no civil wars. We do not feel the passion or enmity which comes from having fathers murdered or mothers raped in the struggle for political power. It is Australia which represents the last great hope on earth for a society where all peoples live together in mutual dignity and cooperation. This imposes on us obligations—first, towards the Aboriginal and Islander people, who cared for this nation for 40,000 years. With the Mabo decision, we have made progress but we are still well short of fully discharging those obligations.

It also imposes obligations of restraint on those who feel most strongly about events in Bosnia, Croatia, Kraina and other parts of Europe. The best thing which Australia can do for peace and justice in Europe is provide it with an example, a beacon, of a peaceful society made up of people from many different lands united in a distinctive Australian identity—a society in which, as Dr Martin Luther King put it, people are judged not by the colour of their skin but by the content of their character.

Fourthly, I would like to comment on the performance of the Hawke and Keating governments against those important, fundamental yardsticks. People voted for me not only because of the reasons I mentioned earlier but also because, having tried the alternative, they wanted a Labor representative in a Labor government. I share their disappointment that this was not to be. But they had good reason to do that and to want that.

If you look at jobs you will see that we created jobs at a faster rate than the Fraser-Howard years and at a faster rate than other countries. During the past three years we created some 700,000 new jobs, bringing unemployment down to 8.5 per cent and being well on our way to meeting our goal of five per cent by the year 2000. With Working Nation we were tackling that vexed problem of long-term unemployment.

If you look at superannuation you will see that, when we came to office, superannuation was the preserve of a handful, of a wealthy elite. With our superannuation reforms we broadened out superannuation to include all workers, with everyone making a contribution to their retirement, with support from government, with support from employers.

If you look at education—which is absolutely fundamental to our chances in modern society; it is one's chance of getting a decent job or perhaps any job at all—you will see that when Labor came to office only one in three children were completing secondary school. Through our reforms and our support of education this was lifted to better than two in three children completing secondary education.

If you look at health you will see that when we came to office some two million families were without health insurance of any kind. So for them illness, accidents or sickness were not only a source of physical hardship but also a financial catastrophe. With Medicare we introduced a health system that was the envy of other countries, who sent representatives to Australia to study our system and to see how it could be applied in their own communities.

If you look at the environment you will see that when we came to office we set about protecting the Franklin River, the south-west Tasmanian wilderness, the wet tropics, Kakadu and Antarctica. If you look at family allowances you will see that we directed our support to the families in most need. We did not create a society, as in the United Kingdom or in the United States, with beggars on street corners and in doorways. We lifted pensions to 25 per cent of average weekly earnings, and we kept them there.

If you look at our treatment of Aboriginal people you will see our response to that in the Mabo legislation and in the introduction of native title legislation. If there is one group of people who have been left behind and who suffered most deeply following European settlement it was the Aboriginal people. Paul Keating's steps towards reconciliation represented one of our proudest achievements and one of this nation's most pressing tasks. So, for these and many other reasons, the people of Wills had good reason to want to have a Labor representative in a Labor government.

Fifthly, I want to indicate to the House something about my priorities in this place in the years ahead. As I indicated earlier, I am a great believer in the importance of local work. I have developed a community plan for Wills which contains within it suggestions for job creation, economic development, a balanced transport system, upgraded infrastructure, quality community services and an environment that is a joy to live in. In the next few years I intend to work on the implementation of that community plan.

In the parliament I also want to work on the development of new and perhaps better indicators of national performance. For many

years we have depended on gross national product, but its shortcomings are legion. When a young man in Tasmania buys a semi-automatic weapon and the ammunition to murder, that adds to gross national product. When he burns a guesthouse or a car and these things are replaced or rebuilt, that too adds to gross national product. But do these things build our society? Of course not; they destroy it.

So we need indices which take into account the important features of our lives and our society: whether we are healthier or happier, the fairness of our income distribution, our personal and collective security, our environmental standards, the state of our resources. In the United Kingdom there has been developed an Index of Sustainable Economic Welfare. It shows Britain improving from 1950 to 1975, but deteriorating thereafter. I suggest to the House that that squares more with the reality.

I want to work on environment protection. I first got interested in politics through my interest in environment protection. I believe that we can and need to do a lot more about energy conservation, energy efficiency, alternative energy sources, putting an end to ocean outfalls through land based sewage disposal systems, tackling algal blooms, protecting old growth forests and so on.

I also want to address the issue of corporate conduct. Australia has unsatisfactorily low standards of corporate conduct. Corporate cowboys like Christopher Skase and others—whom I cannot mention because, I dare say, they will be coming up for trial in due course—have been able to get away with far too much through insolvency planning, bankruptcy laws and so on. There are deficiencies in our system which we need to address.

I also strongly support the inclusion of a social clause in the General Agreement on Tariffs and Trade. If you look at the way the modern world economy is structured you will see that we will need to either lower our standards or raise everybody else's. I do not know what the coalition's position is, but my position is that we need to raise everybody else's. Therefore I strongly support the inclu-

sion of a social clause in the GATT which will incorporate the relevant ILO conventions.

In the area of consumer affairs, we need to do more to prevent people from being ripped off by shonks and charlatans. I was going to say this anyway but, following the tragedy in Port Arthur this week, it scarcely needs to be said: our society is simply too violent. We need to address the causes of this—inadequate firearm controls and too ready access to guns, violent videos, violence on TV. Whatever these causes may be, we have to have the courage to confront them. I know this is not nice, but it needs to be said. Those people in the gun lobby and elsewhere who continue to oppose the changes which are needed to make this a safer society will end up with blood on their hands, if it is not there already. And if we as legislators fail to tackle these issues and put them in the too-hard basket, we too will end up with blood on our hands. I totally support the national leadership given by the Prime Minister (Mr Howard) and the Leader of the Opposition (Mr Beazley) this week on this issue. Anything which they can do to protect innocent men, women and children from such senseless acts of random violence has my unqualified support.

I conclude on what is, for this side of the House anyway, a lighter note. During the election there was a dispute between the local Liberal Party in Wills and the central Victorian Liberal machine concerning the allocation of preferences in Wills. The local Liberals made the assessment that I would be a better member for Wills than my predecessor; that I was more conscientious; and that, if they could not have their own member for Wills, they would prefer to have somebody who could and would look after the neighbourhood. They recommended that Liberal preferences go to me. They were overruled, however, by the central Victorian Liberal hierarchy, whose assessment was that as a state MP I had taken much too much interest in the financial affairs of the Victorian Liberal hierarchy—their Tricontinental loans, the Premier's own advertising company, KNF, the casino tender process and other matters. They preferred a lesser level of scrutiny and a lower standard of probity than that which I

would apply. On this small dispute between the Victorian Liberals and the central Liberal hierarchy, over the decade and more to come I intend to prove that they were both right. I thank the House for its courtesy.

Mr DEPUTY SPEAKER (Mr Andrew)—Order! Before I call the honourable member for Griffith, I remind the House that this is the honourable member's first speech. I ask the House to extend to him the usual courtesies.

Mr McDOUGALL (Griffith) (12.55 p.m.)—I begin by congratulating you, Mr Deputy Speaker Andrew, on being appointed to the Speaker's Panel and those other Speakers who have been elected to high office. I have always managed when speaking in a chamber to get rid of members of the Labor Party. I have been doing it for about nine years. I wish them well. I stand this morning representing the electors of Griffith, who for the first time in 18 years have a Liberal representative.

This seat was considered a 'given' by the Labor Party to the chosen candidate, who worked as an adviser to the now defrocked Queensland Premier, Wayne Goss. He also had the full might of the Premier's Department behind him. While we did not win this seat with ease, the fact that I am here is a dramatic reflection of the mood of the people of Griffith. It is also due to the support I received from my wife Alayne, who is with me today, my family, along with my campaign director, Robin Fardoulys, my long-serving secretary, Jill, and all those party workers who have given unstintingly of their time and energy.

I am also extremely grateful to the people of Griffith who have shown their trust in voting for me and I assure them of my determination to earn their continued respect. To those who did not vote for this government, my mandate is to represent all residents of Griffith and I have pledged to do just that. Anyone who writes, telephones or visits my office is not asked or expected to declare their personal political convictions.

As this election has most convincingly shown us, there were many residents of Griffith not satisfied with Labor's rhetoric,

particularly in regard to the issues which affect daily life, such as jobs for the young, the financial dilemma faced by so many independent retirees, the cost of trying to keep a small business afloat and, most alarming, the breakdown of the family unit. The Labor Party, blinkered by the power of office, stopped listening to people, a situation which was blindingly obvious to anyone in the community.

After eight years as a Brisbane City Councillor in the Chandler electorate, which encompasses much of the same area as the federal electorate of Griffith, I am acutely aware of the litany of Labor's broken promises. It is my intention to address all these issues and more, to enable the people of Griffith to start going about their lives with a feeling of security. One of the first issues to be addressed is aircraft noise, particularly that which affects the people who live under the southern flight path of the Brisbane airport. While the situation has not yet reached the status of the Sydney airport, it is well on the way. Too many of my constituents report that they can count the rivets on the wings of an aircraft as it flies over their backyard. It is easy to understand their concern and share their disquiet for the future.

Brisbane is justly proud of its gleaming new international terminal which is only a short distance from the relatively new and extremely efficient domestic terminals. While the Federal Airports Corporation proudly boasts that Brisbane airport is three times the size of Sydney and ready for decades of continual growth, not all my constituents wish to share in the glory. It all gets back to lifestyle. While that has become a trendy phrase, a living standard light on stress and heavy on peace and tranquillity is what most of us seek. Compared with most other countries in the world, Australia is still the lucky country, but even so we are witnessing a severe and dramatic increase in the rate of erosion, pollution and suburban crime.

There is also deep seated concern at the erosion of our moral standards. These factors, along with the dramatic expansion of rail lines and transport corridors, with associated noise and pollution, have put severe strains on

the lifestyle of many of the constituents of Griffith. Therefore, I believe the federal government has an important role to play in the long-term planning of major infrastructure, whether the ultimate construction responsibility lies with federal, state or local government.

By 'major infrastructure', I refer to transport corridors, airports, dams, ports and sewerage systems—those large items which take up a great deal of space and generally make a large amount of noise. They also make a dramatic impact on a region, both physically and socially. Only with firm plans and objectives in place will citizens have the potential to plan for a stable and calm lifestyle.

We cannot have failed to notice the community is not happy with this lack of forward planning. As it now stands, at a local government level a zoning can be altered literally overnight to allow for high density development where once single dwellings stood. The impact of multi-storeyed units in low density areas can be devastating to a community. To be told water charges are to be increased because the area has outgrown its water supply is becoming another too commonplace incident and one which upsets residents.

At a state government level, we have seen the bitter reaction when the previous Queensland Labor government advised a group of citizens that the houses they had saved and cared for and planned as a haven for their retirement were to be acquired to make way for a toll road. Last year, some citizens of my electorate joined forces and marched to let the then state government know that they would vote against any member who continued to insist the tollway go ahead.

But we should not have to take to the streets to protect our living standards. While local and state governments play a huge role in the planning, siting and running of major infrastructure, it is this government which has to fund these projects. Therefore, it is this government which, in the long run, is responsible for the overall strategic planning for this nation's future growth. This also entails more than a politically expedient nod at matters of the environment.

Australian citizens expect their elected members to include the protection of our vital natural resources as part of their mandate. The chances of protecting vital and necessary natural areas—particularly lakes, rivers, small waterways and the wetland regions of our coastline—can only be achieved by long-term urban and national planning and not left to individual councils to plan on an ad hoc basis. As a nation, we are still young and should take heed and learn from the mistakes of other countries. Yet we do not and already we are seeing the early signs of the sick city and sick country syndrome—a situation endemic in so many other countries, in particular nearby Asia, where cities of over five million people are the norm.

One questions the value of the many taxpayer funded overseas jaunts which are explained away as fact finding missions. Surely some of these have been legitimate studies of the woes that beset countries with larger populations than ours. So why haven't we resolved so many simple issues such as: disposing effectively of sewage, roadways choked with vehicles pouring out deadly pollutants, waterways being converted into chemical streams, or how to get through to the Department of Social Security office without being placed on hold for a serious length of time?

The younger members of our community have not been around long enough to realise the speed at which we are losing the two basics for survival—fresh air and fresh water. Anyone of 40 years of age or more, and particularly those who have travelled, can mark the decade when 'don't drink the water' became a golden rule.

Planning must also include the area of new growth corridors leading from our existing cities, as it is only with long-term national planning that we can prevent our cities from becoming too large and losing their community identity. In doing all this, the federal government has to be actively involved in matters of the environment. Although some environmental matters have become political quicksand, we must not forget the need to protect what is left of the natural environment which our forefathers took for granted. This

goes well beyond planting a tree—although that in itself is probably one of the most effective actions, as trees are natural air cleaners.

Recently the boffins defined just how many trees make a positive environmental equation and, for clean air in our urban areas, I am told that seven trees should be planted for every car on the road, to take care of deadly exhaust emissions. Therefore, the environmental considerations when planning our suburbs and our cities are not just a matter of urban renewal but also a matter of lifestyle and survival. We must take far more severe action than is currently the case with industries and individuals who use the nation's rivers and waterways as toxic removal drains and rubbish dumps.

In Queensland, our wide open spaces and the relatively uncrowded city of Brisbane tend to encourage developers with a 'drop in the bucket' attitude to cut into bushland for a small development here and to pave a few mangrove swamps there. But these so-called unobtrusive developments quickly add to the severe loss of the very living organisms that supply us with fresh air and drinking water.

Within the electorate of Griffith we are blessed with many spaces of natural environment, including the Bulimba-Lota Creek and Tingalpa Creek corridors. These, coupled with the Leslie Harrison Dam of some 1,200 hectares and its catchment, plus the 500 hectares of Mount Petrie and the 100 hectares of Whites Hill, Pine Mountain and Sankey Mountain, are of great value and are an asset which the community recognises and has formed its own organisation to protect.

As the local Brisbane City councillor, I have spent the past eight years ensuring the viability of these sensitive regions, and management plans are being put in place to protect their future, I hope. My work within the federal sphere will be to ensure that these environmentally important areas remain for future generations. As part of this program, I am keeping a close watch on the current Bulimba district local area plan. If this project is successful, I will encourage local government to extend the plan to all suburbs in the federal electorate of Griffith.

Another area in which I have a major interest is sport. If you were growing up in country New South Wales during the 1950s and 1960s, your sporting opportunities were limited and, unless you had the funds to travel to a major city, you had little chance of gaining serious training or coaching. Had these facilities been available in my home town, that is not to say I would have been a great sportsman; but I use the example to point out that I believe it is necessary to ensure that federal government funding to sporting federations continues and that their programs are tailored for everyone, not just for those who live in the city or near major sporting facilities.

Mindful of the vital need to watch the budget, I believe the spreading of the sporting dollar could be better achieved if we were to avoid duplication between federal and state governments. In recent years we have seen our sportsmen and women achieve excellence in Olympic sports. Many dollars have been spent and promised to maximise our opportunities for both Atlanta and Sydney, but I fear we could be focusing on the Olympics to the detriment of future athletes. I believe we must think beyond the year 2000.

Another sporting point which I believe should be addressed is the matter of selling our sporting skills, methods of training and know-how to all and sundry. This is being done in the name of export dollars, and I question its value. Australians are noted the world over as great and fair sports people. Our athletes are also noted for their unique ability to maintain a naturalness in what has become an extremely competitive and at times vicious arena. But I do not believe we should share or sell our coaching and development programs to other nations, as most—or all, at some stage—become our competitors. The mostly volunteer members of our sporting federations have worked long and hard to develop these programs. For us to sell them off, I believe, is unfair and false economy, particularly when the sporting federation does not receive a financial return out of the deal.

There are over four million people who play competitive sport or participate in active recreation programs in this country. There

need to be more, and we must create programs and facilities for people of all ages and from all walks of life. A fit and healthy population has a positive effect on the nation. For this reason, I believe we should consider the funding of some recreational programs from the health budget. As we have seen from the resurgence of interest in gymnasiums and the number of people who now walk daily, the public at large wants to be healthy.

It is disturbing that physical education classes are no longer compulsory in most schools. Even regular sporting events have been removed from the curriculum. Academia has bulldozed over these subjects. But not everyone is going to be a university graduate. If we do not encourage and teach children from the word go to be active in sport and recreation, we will continue on the path we have already taken to become a nation growing slower and fatter with each generation. The 'Life. Be In It' character, Norm, the couch potato, has been replaced by a younger Norm, the joystick flicker.

Ultimately, our health system has to pick up the slack at the end of the road. I believe the federal government in cooperation with state and local governments, along with the private sector, should ensure adequate sporting and training facilities for everyone in Australia. But I stress: no more whiteboards.

While the physical health of our nation is an integral part of its wellbeing, so is its soul. A government which averts its eyes to corruption is immoral. This creates a sad and sick nation. The country's leaders must not only play it straight but must avoid even the appearance of evil. At all times they must be fair.

I would like to quote a few words of someone I consider to be a great statesman, Abraham Lincoln, because I believe they apply today:

You cannot bring prosperity by discouraging thrift. You cannot strengthen the weak by weakening the strong. You cannot help the wage earner by pulling down the wage payer. You cannot further the brotherhood of man by encouraging class hatreds. You cannot help the poor by discouraging the rich. You cannot establish sound security on borrowed money. You cannot keep out of trouble by spending more than you earn. You cannot build character and

courage by taking away man's initiative and independence. You cannot help men permanently by doing for them what they could and should do for themselves.

Finally, I believe democracy and freedom come at a price. We all know it is unrealistic to expect even the most draconian legislation to thwart the dangerous, dishonest and morally distorted members of our community on their path of destruction.

In fact, there is evidence to show that legislation aimed at curtailing the activities of the immoral manages to curtail only the freedoms of the honourable and honest citizens of our community. We tend to take our freedom for granted and do not realise just how radical our system of democracy and liberty is in terms of the rest of the world. Ours is not a lifestyle enjoyed by the bulk of the world's population. Therefore, we must at all times stand for the community in matters of liberty, freedom and personal rights and ensure that every citizen is given a fair hearing. I thank this House for its indulgence.

Mr DEPUTY SPEAKER (Mr Vaile)—Before I call the honourable member for Hunter, I remind the House that this is the honourable member's first speech and I ask that the House extend to him the usual courtesies.

Mr FITZGIBBON (Hunter) (1.15 p.m.)—It is not surprising that those who achieve the honour of serving in this place rank their first speech as a tremendously proud moment in their lives. This is a particularly proud day for me as I immediately follow my father as the member for Hunter in this place.

I am confident that those present who served with Eric Fitzgibbon would describe him as a good bloke who made a substantial contribution to the legislative processes of the national parliament. I know that they would also nominate him as one of the real characters of this place; someone who could always be relied upon to ensure that members did not take themselves too seriously.

My father's real achievements were in his electorate, where he enjoyed a great relationship with its people and was always available to assist those in need. The result of my father's hard work and dedication to his

electorate was reflected in the ballot box. Between 1984 and 1993, my father increased his margin from 2.3 per cent to 13.9 per cent, giving me the buffer I needed to survive the huge swing against the former Labor government in March of this year. For me this may be his greatest achievement. For this I give him thanks. For all that my father has done for me, I give thanks.

I also thank my mother, Anne, who played a significant role in the building of that goodwill in the electorate and also in my election to the parliament. No candidate for public office can meet with success without the total support of his or her family, and certainly I have been lucky to enjoy the total support of my wife Dianne, and my three children: Caitlin, who is six; Jack, aged five; and Grace, who is almost four.

Indeed, I have enjoyed the strong support of my whole family, including my grandparents Jack and Madeline Halpin who, at the ages of 87 and 85 respectively, are an inspiration to me. They live on the north coast, and I hope that they are having some success in their endeavours to tune into this broadcast.

My thanks would be far from complete without mentioning the army of branch members, Labor Party supporters and personal friends who made up my campaign team. Many of those people worked full time for five weeks solid. There could be no better campaign team in the nation. I would also like to take this opportunity to thank my branch members for their support during the preselection process.

Mr Deputy Speaker, I take this opportunity to congratulate you on your election to your position. I have already congratulated the member for Casey (Mr Halverson) on his election to the high office of Speaker. I ask that you extend my congratulations to other members of the Speaker's Panel.

There has been a lot said in recent days, and indeed before then, about the standard of debate and behaviour in this place. I agree that there is room for improvement, and I wish the Speaker's Panel well. Certainly, it should be of some assistance to you that 35 per cent of members in this place are new. A

lot of talk has emanated from the Prime Minister (Mr Howard) and his ministers about making this chamber more relevant. If there is a sustainable criticism of the former Labor government, it is that the role of this chamber has diminished. I will applaud any government initiative which restores this chamber's authority.

Having read a number of first speeches, I note that it is traditional for a new member to make some reference to the history and geography of his electorate, its main industries and areas of employment and, of course, its main attributes. I do not want to spend too much time on this, because I think we should all spend a little less time talking about our individual electorates and more time talking about the regions of which they form a part.

However, for the benefit of new members of the House, I offer the information that the electorate of Hunter covers more than 20,000 square kilometres and stretches from the Minmi, Hexham, Beresfield, Woodbury, Tarro and Thornton areas in the south to Quirindi in the north and to Merriwa in the west. It encompasses the local government areas of Cessnock, Singleton, Muswellbrook, Scone, Murrurundi, Quirindi and parts of Maitland and Newcastle. The Hunter electorate's economic base is very diverse and is a mix of rural, industrial and mining pursuits. Its major sectors of employment include coalmining, manufacturing, wholesale and retail trade, agriculture and the provision of community services. The seat, of course, is named after the second governor of New South Wales, John Hunter, and boasts among its members the nation's first Prime Minister, Sir Edmund Barton. Of course, my friend the honourable member for Charlton (Mr Robert Brown) is included in the list of former members, and he represented the area with distinction between 1980 and 1984.

The Hunter electorate boasts many attributes, not least being its friendly people, who possess a great sense of community spirit. It has within its boundaries vineyards which produce some of the world's finest wines, and no doubt some honourable members have sampled those. In Scone we have the horse capital of the nation. The electorate is one of

the state's major tourist destinations. Hunter coalmines produce the lion's share of the export coal which earns for New South Wales \$2.8 billion in export earnings each year. The Bayswater and Liddell power stations, both situated in my electorate, supply much of the state's energy needs.

Unfortunately, although the Hunter is the engine room of the nation, the Hunter region is not without its problems. Unemployment in the Hunter remains unacceptably high, despite the achievements of the former government's Working Nation program. The decline in the area's manufacturing base and the reduction in employment in the rural sector have ensured that inroads into the problem have been, at best, minimal. One of the major employers in the Hunter, the coalmining industry, is now under threat, owing to foreshadowed and rumoured policies of this new government.

Spurred on by recent coal price increases and the surging Asian demand for thermal coal, Hunter Valley coal producers are cranking up for an investment boom which could see billions of dollars pumped into new and existing mines in my electorate. But there are just three areas of proposed government policy which put at risk the new jobs that would be created by such a boom.

The first is the industrial relations legislation proposed by the member for Flinders (Mr Reith), the model for which has caused havoc in mines operated by CRA. A feature of coalmining in recent years has been productivity gains flowing from the willingness of the trade union movement to accept change. The big stick has not been necessary. Coal companies planning to invest in the Hunter have based their planning decisions on the wonderful harmony that existed in the industry under the previous Labor government. The industrial conflict which will inevitably flow from the new government's ideologically driven IR policy agenda will send investors running.

The second proposed policy which will have disastrous results for the coalmining industry is the abolition of export controls, effectively removing the Commonwealth's only ability to influence the price we gain for our export coal and to engage overseas

buyers—who, as we all know, collude in order to drive our prices down. The third area of concern is the speculation that the government will abolish the current diesel fuel rebate scheme as it applies to a number of industries, including the coalmining industry. I noted the fairly weak response from the Minister for Primary Industries and Energy (Mr Anderson) on this issue yesterday at question time.

The diesel fuel rebate scheme is not a subsidy: it is a legitimate recognition that mining and agricultural industries operate in remote areas off-road. The abolition of the rebate, along with the threatened removal of the five per cent tariff concession on business inputs, would represent a new tax on the mining industry of some \$850 million per annum—hardly the sort of assistance we need in the Hunter to ensure that we gain the maximum benefit from the opportunities before us.

I want to express my concern about a number of other issues which impact or threaten to impact upon employment growth in my electorate. The first issue is one that I have already made some reference to—industrial relations. A significant reduction in the Hunter's rate of unemployment will require a sustainable rate of national economic growth of at least four per cent. Such growth rates were sustainable in recent years thanks to the accord between the previous government and the trade union movement. The new government's rejection of the accord effectively abolishes wages policy as a tool of macro-economic management and that, along with the government's approach to fiscal policy, leaves in doubt our ability to sustain the growth rates necessary to get on top of our unemployment problem.

Competent management of the Australian economy is the most basic prerequisite for jobs growth in Australia. However, in rural and regional Australia we need much more. We need strong, effective and properly funded regional development policies. The record of the federal parliamentary Liberal Party in this area leaves me greatly concerned.

In the 1940s, wartime Labor Prime Minister John Curtin convened a number of conferences in Canberra with a view to formulating

policies for regional postwar reconstruction. Curtin supported the concept of regional planning and saw an important role for the Commonwealth. But in the 1950s and 1960s the Menzies government largely withdrew from the field, reflecting its desire to allow the states to make their own running on regional development. The Liberal Party was and remains a state rights party.

It took the election of the Whitlam Labor government in 1972 to once again kick-start the Commonwealth's involvement in this crucial area of policy. While I believe discriminatory artificial assistance, such as payroll tax concessions and the establishment of economic zones, is no longer appropriate in this new internationalised economy, Gough Whitlam's initiatives were visionary and reflected the Labor Party's commitment to regional Australia.

The true essence of regional development cannot be imposed from above or from outside the region. Federal, state and local government can work together to assist people in their regions, but the impetus to prosper—the direction, priorities and vision—must be set by the people who are part of change. The previous Labor government's regional development program under the stewardship of the former member for Batman, the Hon. Brian Howe, established a new direction for regional development. I would like to place on record my congratulations to Brian Howe for his work and also extend my congratulations to the honourable member for Hotham (Mr Crean), who, as Minister for Employment, Education and Training, also played a crucial role in the development and implementation of the program.

Regional policy in the 1990s and beyond must be about improving the competitiveness of our regions and establishing quality partnerships and networks. Regional policy must be about ensuring that the strengths of our regions are fully exploited, and that our regions do the things they do best as well as or better than their competitors, whether they be just around the corner or halfway across the globe.

In 1994 the Hunter Regional Development Organisation was formed. Through extensive

consultation HURDO, as it is known, has developed a vision for my region. In my own electorate this vision is being fostered by HURDO and is manifesting itself through projects such as the Hunter Valley Equine Research Centre, a world-class facility being developed in Scone incorporating a TAFE college, research centre, museum, race track—which is great—and horse stables. This project places the Hunter at the forefront of international equine research and training. Also, six local government areas in my electorate are working together on a plant sharing operation, which is a great innovation and an example of how regional development can work successfully.

I would also like to extend my congratulations and thanks to the member for Shortland (Mr Peter Morris) who was the chairman of HURDO and who has always displayed a strong commitment to regional development.

The former Labor government has created a climate for regional growth, and real and innovative change. It has not been a top-down process but one of nurturing and facilitation. I implore the Prime Minister and his government to continue this process as it is one that will provide real and long-term benefit for our nation and for my region and electorate.

In addition, I ask the government to recognise that rural and regional Australia cannot survive without the necessary levels of publicly funded infrastructure. Many rural communities in Australia, and in my electorate, have begun to experience what is known as 'dynamic decline'. Dynamic decline stems from reduced economic activity, population loss and the withdrawal of government infrastructure. The impetus for this decline in economic activity can be: drought, depressed commodity prices, tariff reform, the withdrawal or failure of a large company operating in the local area, the closure or the downsizing of a government employer in the area, or, of course, all of the above.

For example, at the moment in my own town of Cessnock, the community is locked in battle with the New South Wales government. Aided and abetted by the former and present Commonwealth governments, the New South Wales government is transferring by

stealth nursing home beds from Allandale Nursing Home to other facilities, many of which are outside my electorate. The implications for employment in Cessnock are horrendous.

As a result of this dynamic decline, family incomes also decline. Consequently, household expenditure is reduced, businesses close, people lose their jobs and school leavers are forced to migrate to seek work or further education. Financially constrained governments declare that the town no longer has the critical mass to support particular services such as post offices, hospitals and libraries, and they close them down. The profit driven banks turn their backs on their customers, many of whom have been loyal to them for years, because the profit margins for them are no longer high enough. Those who have a choice to leave the area do so. But the aged and the unemployed remain. Also trapped are those unable to sell their devalued homes or properties. Eventually, the mortgagees move in because repayments cannot be met.

When these people go to fill up their cars with petrol, they pay 10c more per litre than do their city counterparts. If the current Australian Competition and Consumer Commission inquiry into rural petrol prices fails to address adequately the issue of petrol pricing in rural Australia, it will be the 47th inquiry to do so.

Later today, we will see the introduction of legislation designed to bastardise Telstra, legislation which, if accepted by the Senate, will certainly lead to higher telephone charges for the people of my electorate. A strong commitment by all levels of government to regional Australia is crucial to the survival of rural and regional Australia. What will not assist rural and regional Australia and what will, indeed, compound the problems is the Howard government's slashing of public sector jobs. What will not assist rural Australia is the \$80 million worth of cuts to the budget of the Department of Primary Industries and Energy that the Treasurer (Mr Costello) foreshadowed during the recent federal election campaign. The programs which the Treasurer earmarked for attention

were those designed to provide community and farm family support.

The government may wish to explain, despite all of its protestations during the election campaign about giving small business a kick-start, why it plans to cut the business advice to rural business scheme which has been responsible for the creation of 872 new jobs and 474 new businesses in the past year.

The National Party might like to explain why they are not protesting against this and cuts to the rural adjustment scheme, the rural communities access program, and services such as Countrylink. National Party members should be standing up to their senior coalition partners and defending the constituency they purport to represent.

My time has expired. I will quickly close by thanking all those who supported my election to this place. I will never give them cause to regret their support.

Mr DEPUTY SPEAKER (Mr Nehl)—

Before I call the honourable member for McPherson, I remind all members of this House of the provisions of standing order 57 which states:

No Member may pass between the Chair and any Member who is speaking.

I request that all honourable members observe that standing order when moving in and out of this chamber.

Mr BRADFORD (McPherson) (1.35 p.m.)—I am delighted to see so many members of the Labor Party in the chamber while I am speaking. That has never happened to me before, and I am sure they would like to stay and hear what I have to say.

I congratulate you, Mr Deputy Speaker, on your appointment as National Party deputy whip and ask you to pass on my congratulations to your colleagues, the Speaker and the first and second deputy speakers.

I have been delighted to hear the maiden speeches that have been made so far on both sides, particularly by those on our side. I have been encouraged by the quality of the speakers and by the sentiments expressed by many of my colleagues. The fact that I found myself substantially in agreement with what they said might be a worry to some of them,

but at least I am happy to be identified with the remarks that they have made.

I congratulate the previous speaker, the member for Hunter (Mr Fitzgibbon), on his maiden speech. I served here with his father. I missed the honourable member's opening remarks, but no doubt he alluded to his father's service. I do not think that Eric, by most estimations, set the world on fire here, but he was a good man. I count him amongst my friends on the other side. They are not unanimously my friends, but Eric was. The fact that he was re-elected on a number of occasions and the fact that his son has been sent to this place obviously says something about his service in this place and in his electorate.

I would also like to thank my constituents in McPherson for returning me to parliament for the third time. I remember my maiden speech, as I suppose must of us do as we hear maiden speeches. For all of us, it is an awesome occasion. For me, it was more than six years ago. But it is a great privilege to be elected to this place in the first instance. In many respects, it is an even greater privilege to be returned, as I have now been for the third time. I want to thank my constituents in McPherson, which is the southern half of the Gold Coast—so I have got plenty of claim to having, in many respects, the most delightful electorate in Australia. I thank them for returning me with a substantially enhanced majority.

I cannot claim to be Robinson Crusoe in that respect because in Queensland all of us had substantially increased majorities. Since mine went from eight to about 18 per cent, I guess I might be able to claim just an inkling of personal credit for it. Of course, all of our Queensland representatives did exceptionally well, and that is attested to by the fact that all except two of the Queensland members of the House of Representatives now are members of the coalition, members of the Liberal or National Party. In fact, of the two Labor members that were returned, the now shadow minister for defence only just scraped back, by about two votes. We went within an ace of wiping them all out so it was a great result for us on this side.

It was very exciting to listen to His Excellency's speech in the Senate chamber the other day.

Mr Miles—Hear, hear!

Mr BRADFORD—The parliamentary secretary agrees. It really was music to our ears. It was almost unreal to hear him speaking about the government's plans for Australia, because on previous occasions when we have been subjected to that terminology in the Senate at the beginning of each parliament it related to a government with which our side, in opposition at the time, did not have much agreement. But, as His Excellency spoke, I found that I was able to agree with probably everything he said. There might have been something with which I did not agree but it was, as I said—

Mr Kerr—Most people thought it was platitudes. Most people could agree with it.

Mr BRADFORD—I am glad the member for Denison says that most people could agree with it. In fact, I hope that will reflect in your support for the legislation.

Mr Kerr—Most people thought it was platitudes. That's what I said.

Mr BRADFORD—It was not platitudes. On the contrary, the legislation that His Excellency the Governor-General foreshadowed in his speech—

Mr Latham—Name some.

Mr BRADFORD—I am going to. Just wait, and you will get some in a moment. It is legislation that I hope the opposition will feel free to support. It includes workplace reform. Obviously, that is something that you will not be able to resist supporting. Another piece of legislation is for the partial sale of Telstra. I am sure the opposition will be overjoyed to vote for that legislation when we put it forward. So it was far more than platitudes. What His Excellency said in his speech was a program of comprehensive reform which will restore us—

Mr Latham—Two bills!

Mr BRADFORD—No, I will go on from there. What the Governor-General set out in his speech was a comprehensive program for the reform of the Australian economy. That

was something that the former government of this country failed to deliver. We know why it failed miserably to deliver that. It was because its hands were tied at every turn. If they were not tied by the trade union movement, then they were tied by the environmental movement, or by some other minority group that seemed to beat a path to its door and have the red carpet laid out for it.

Mr Kelty used to arrive like that at this place, as did Mr Ferguson, who is now a member. Mr Ferguson must be rather dismayed. When he comes here now he walks in the House of Representatives entrance like the rest of us.

Mr Miles—Not in the ministry now.

Mr BRADFORD—No, he is not. But, when he used to come here as the President of the ACTU, he would come to the ministerial entrance, and the red carpet would be laid out for him.

His Excellency's speech set out a new direction for this country. It is a direction that the people of Australia clearly wanted and substantially voted for on 2 March. The huge mandate we have attests to the fact that the Australian people decided—very wisely, I might add—that there was a need for substantial change in the direction that this country is going.

The only thing that concerns me about that is that Senator Kernot has a particular responsibility in the Senate. I have observed that, since the election, she seems to have suffered from delusions of grandeur and to regard herself to some extent as a de facto Prime Minister. She is not. The coalition has the mandate to govern this country. I hope and expect that we will not brook from her or her party or the other minority parties any interference in that process or any diminution of the huge mandate that we have for change. We intend to implement our program. We intend to deliver on our promises. I am sure that we will not be deterred from doing so.

Might I observe that even Senator Kernot's suggestion that she should keep the 'b's—and I will not use that word—honest, besides being a severe reflection on the parentage of everyone in this place, was, nevertheless,

most offensive to the many Australians who found it quite inappropriate as an election slogan, particularly when it was uttered by a woman. I think that it probably did not serve the Democrats' purpose well at all.

As others have observed, the opening events of this week, when many of us have had our families here to enjoy the celebration of our return or election to this place, have been subdued by the tragedy in Tasmania. I would like to add to the many words that have been spoken here my condolences to those who have been bereaved by that terrible event. I wish a speedy recovery to those who are suffering as a result of it. I am humbled to be able to count myself amongst those who pass on those sentiments.

However, I make the observation that tragedy has a strange way of uniting us in Australia. We have seen that in the world wars. We have seen it in other instances. In a unique and unfortunate way, we have seen the capacity of the tragedy in Tasmania to unite Australians. In a very small way and, certainly for those who have been affected directly, in a way which they would not have wanted, the Australian community have been brought together by that tragedy as we have prayed for those people.

From my point of view, the bringing together of the community has been one of the most significant outcomes of the tragedy. We have seen Australia joined in prayer for the victims. We have seen this country's Prime Minister (Mr Howard) and its Leader of the Opposition (Mr Beazley) praying for those people. I must say that, for me, that has been poignant and significant, and by those of us who think we are important and powerful here there has been a recognition that there is beyond us someone who is far more powerful and influential than we can ever hope to be.

Various media outlets have responded once again by provoking, to some extent, the debate on tighter gun control. I suppose some of that was unavoidable. One page I saw in the *Telegraph Mirror* today was probably going a little too far, but I might observe that the Prime Minister has committed himself to uniform national gun laws. I do not think there can be any doubt about the need for

such laws. In fact, in many respects our state system causes us problems. There are some aspects of it which obviously need to be attended to, but clearly there is a need for uniform national gun laws. It seems ridiculous to me, for instance, as one who lives in a border town and in a border area, that the laws on one side of the border on this particular issue could differ from the laws on the other side. Of course, there are plenty of other examples where our laws let us down in that respect.

I do not think there can be any doubt about the desirability of strict control of the ownership of automatic and semi-automatic weapons in particular, nor can there be any doubt about the need to control the sale of ammunition to licensed gun owners. However, as others have observed in the debate so far, this tragedy is a symptom of a much more underlying problem in our society, and tighter gun control laws alone may not prevent a repeat of this tragedy.

As the Leader of the Opposition mentioned in his speech on the opening day of parliament, if we are to decrease the number and scale of further such tragedies we need to look more closely at the culture of violence which pervades our community. The Leader of the Opposition referred at the time to statistics which I had heard before but which really make the point very well, and I will repeat them. They are actually United States statistics but I believe they apply here. I am sure that any of us with children would agree that they apply here.

The statistics recognise that in the United States the average child watches 21 hours of TV per week and consults their father in privacy for five minutes per week and their mother for 20 minutes a week. The important point to make is that, by the time such children are 18—and let us assume the same applies to Australian children—they will have witnessed 18,000 violent deaths. One does not have to be an expert in psychology to understand and expect that that is going to have some effect on our kids. From having tried just to monitor, let alone control, what my own children watch on free to air television, it comes to me as no surprise that it affects

our children's behaviour and that ultimately, for those relatively few who are disturbed in some way, it is going to impact on their behaviour outside the home.

I believe that our society needs stricter control of the availability of many types of videos, as well as a more effective rating system for television. Clearly, when we get down to debating censorship, I do not agree with the libertarian ideal that adults ought to be able to choose to do or watch whatever they want. A small percentage of people need the protection of stronger controls on what adults can view, what they are exposed to and what they can get from the local video store, just as a small percentage of people need to be protected from owning guns. Obviously, to achieve that objective, there have to be much wider gun control laws.

While gun control is now on the federal agenda, I am also hopeful we will see a strong commitment from this government to introduce stricter guidelines for the control and distribution of X-rated videos and sexually explicit and violent magazines, movies and video games. I have noted that in many cases mass murderers and rapists who have committed horrific crimes had reportedly watched violent or sexually explicit videos prior to the offence. And I might remark that apparently—and I say 'apparently'—police have found violent videos in the home of the perpetrator of that dreadful crime in Tasmania.

The Governor-General in his speech spoke about this government's commitment to family. He said:

Reducing the economic pressure on families, especially those with dependent children, is one of the government's most important and pressing tasks. The government believes that strong family life offers the best support and welfare system yet devised.

This government is strongly committed to families. In fact, our commitment to families in many respects underwrote our election platform, and I was very pleased that the Prime Minister is committed to that cause. He is not a recent convert to the cause; he has long been committed to the cause of families. I remember him coming to me a few years ago and indicating how strongly he wanted to

support the work that a number of us in this parliament were doing in promoting the cause of families.

I was delighted by that particular commitment, and particularly the reference to the fact that families offer the best support and welfare system yet devised. We sometimes forget that the family was the original welfare system, and it worked very well. It is only in recent years that it has ceased to work well because it has been interfered with and perverted and for one reason or another the system has failed. I believe this government and this Prime Minister we now have are firmly committed to restoring family values and helping families to actually work again.

I believe there is an urgent need to wind back the welfare state that we seem to have been lumbered with now. Welfare, in my view, is for many people not the answer—it is the problem. The advanced welfare state ends up in a web of arbitrary cruelty and irrationality. We could take hundreds of examples, but let us briefly take the promise of this great universal free health care system we have, run up against the reality of scarcity. We have people facing that every day. Most of us in this place have calls every day from constituents complaining that they cannot get a hospital bed for a relatively important operation. It might be classed quaintly as 'elective surgery' but, if people are in pain for the need of a hip or knee replacement, they are not actually choosing that, but they are forced nevertheless to wait. In some instances we are even presented with cases where people in a life or death situation cannot get access to the public system.

So the reality of that so-called great free system that we have is that it just does not work. Bureaucratic rationing becomes the solution and clearly it doesn't work either. Why doesn't it work? Because it has never worked. It has never worked in this country and it has never worked in any other country. So we can see why it will fail here as well. There are hundreds of anomalies created by the system which has been imposed—

Mr Latham—You haven't told us why it hasn't worked.

Mr BRADFORD—Members of the former government may want to defend the system that they have left us with. They were in government for 13 years and they have left us with a legacy of failure; they have left us with a string of disasters. Members of the former government should not be interjecting with banal comments; they should be apologising to the Australian people for the mess. We have not heard from them in two days in this place any contrition—not a whisper of contrition or apology—for the 13 years of mess that they have now left us to clear up. But do not let them misunderstand or underestimate our commitment to the task which we will go about to fix up those problems.

The rational welfare state can only succeed when its citizens behave in an irrational way, and that is by restraining their claims upon it. A Swedish economist—here is the former government's model—wrote about 30 years ago that a Swede, given a choice between hospital care and a holiday in the Mediterranean, would choose both. In the last 10 years, Sweden has gone from being the third richest developed country down to the 24th. If you want a model for failure, that is a pretty good one. But we do not have to look as far as Sweden, do we? Exactly the same situation applies in Australia. From being one of the wealthier countries, in the last 13 years we have gone the same way as Sweden. (*Extension of time granted*)

Mr Deputy Speaker, that has not happened to me in the past six years. I suspect that most of the time that people on the other side have been listening to me they could not wait for me to shut up. I have never had an extension of time before. So, while I have got it, I might as well get on with the job.

The legacy that you have left us to clean up is one that will take us a little time but I reassure you of our commitment to that particular task. I might observe, perhaps a little cynically, but it is an observation that many Australians have made in recent times, that the welfare state reaches full crisis when the ranks of voters whose interests lay primarily in benefit growth outnumber the voters whose interests lie in private creation of wealth. It is a fact that Australia came very

close indeed, thanks to the former government's efforts over the past 13 years, to that equation going over the line. It would have done so but for the good sense of the Australian people who on 2 March pulled Australia back from the brink of being forced further down the track towards insolvency that you were taking us down over those 13 years—an insolvency that actually and ironically would have made us even less capable of achieving the sorts of objectives that you would actually set for us.

I congratulate the Australian people for the decision they made on 2 March. They did not make it lightly at all; in fact, they made it in buckets. But, contrary to the expectations of members of the former government, they thought about it very carefully for a long time. When election day came they could not wait to get to the polling booths. In my electorate we had people lining up at 5 o'clock in the morning. They could not wait to get in to vote. They voted for a change for the better on 2 March—and a change to the better they are going to get.

Australians on 2 March realised that a system designed to transfer income from rich to poor inevitably ends up transferring income and wealth from the poor to the rich. The members of the former government might well reflect on that. Despite all of their best intentions and endeavours, despite all of their talk about the social wage, during their period in government the rich got richer and the poor got poorer. Let that sink in. Despite all of the efforts that you made to destroy this country, despite all of your socialist objectives, what we ended up with in Australia was not greater equality, but greater inequality.

I congratulate the Australian people for the decision that they made on 2 March that led to a change of government in this country. They clearly made the right decision. We will not let them down. We intend to deliver on every one of our promises. We look forward to the support that was foreshadowed at the table earlier for our legislated changes. We expect that, as a result of those changes, Australia will be better off.

The fact is that, contrary to what members of the former government believed, poverty

can be alleviated, but it will not be abolished, at least not by any system that has been yet devised. As members of parliament, we have a responsibility to take care of the poor and disadvantaged. But the point needs to be made that they need a safety net and not the hammock that you provided for them on so many occasions. I look forward to being part of a government that will deliver on every one of its promises and part of a government that restores this country to the great country that it was in the past and will be in the future.

Mr DEPUTY SPEAKER—Order! It being approximately 2 p.m., the debate is interrupted in accordance with standing orders 101A. The debate may be resumed at a later hour.

QUESTIONS WITHOUT NOTICE

Transfer of Commonwealth Programs

Mr BEAZLEY—My question is directed to the Prime Minister. I refer to reports today that the government intends to shift responsibility for some \$18 billion in Commonwealth programs covering health, aged care, child care and housing to the states. Can the Prime Minister guarantee that such a transfer of responsibilities would be accompanied by a transfer of sufficient funds to ensure continued access to the programs by all eligible citizens?

Mr Tuckey—Mr Speaker, on a point of order: the Leader of the Opposition is asking the government to announce policy, which is contrary to the standing orders.

Mr SPEAKER—There is no point of order.

Mr BEAZLEY—I sympathise with your problem, Mr Speaker. He is a difficult man. The National Party was a bit hard on him in the last election campaign. It is understandable that he is a bit morose. I continue my question: can the Prime Minister guarantee that such a transfer of responsibilities would be accompanied by a transfer of sufficient funds to ensure continued access to the programs by all eligible citizens and that the states will not be forced by a lack of Commonwealth funding to cut these programs or impose additional taxes and charges?

Mr HOWARD—I remind the Leader of the Opposition that when he was in government, which was only a few weeks ago, remember, he and his colleagues initiated through the COAG process a number of proposals to bring about a rationalisation of the roles and responsibilities of the Commonwealth and the states in the areas he mentioned. The purpose of that was commendable. I think it is an area of policy in regard to which, to the extent it is possible, if there can be a common approach between the two sides of politics, that will be in the national interest.

Let me make it very clear to the Leader of the Opposition and to the parliament that the purpose of this exercise is not other than to enhance the delivery of services to the Australian people. That is the *sine qua non* of how we are going to behave. It is not about dismantling services, particularly in the area of health. What we have in mind is not a Trojan horse for in any way undermining the Medicare system. But it is common knowledge amongst those people who understand on the ground the operation of many of these programs that there is massive duplication between the Commonwealth and the states in many of these areas.

Yesterday I referred to the issue of youth homelessness. The leader of one of the welfare agencies I met a few weeks after being sworn in, when talking about youth homelessness, said to me, 'I don't ask you for a dollar more of resources, but I do plead with you to do something about the ridiculous duplication between federal departments and also between state departments.' You know as well as I do that providing services to people who need them is a veritable bureaucratic obstacle course, a steeplechase, for many people who do not understand the terminology. They are bemused by the fact there is one source of taxpayers' funds, yet there are often five, six or seven government departments competing with each other to provide the service. That is the kind of thing we want to tackle. It has got nothing to do with reducing the quality of service delivery to the Australian people.

Small Business

Mr ANDREW—I address my question to the Prime Minister. The Prime Minister will

be aware of the optimistic mood and the new signs of confidence emerging in the small business community since the change of government in March. Are you aware, sir, of concerns that a failure to address the previous administration's \$8 billion black hole will dampen this new mood of confidence? Can the Prime Minister tell the parliament and the business community what action he is taking to fulfil his commitment to reduce the paper burden which is stifling the productivity of the job creators?

Mr HOWARD—I thank the honourable member for that question. He continues his longstanding interest in small business matters. I am very proud of the fact—

Mr McMullan—How to turn big ones into small ones.

Mr HOWARD—Have 13 years of Labor government. That is how you do it.

Opposition members interjecting—

Mr HOWARD—Oh, yeah—got me on the hook! I am very proud of the fact that one of the principal features of the coalition's campaign was our commitment to small business and to the role of small business both in providing jobs and in increasing activity in the Australian economy. I did commit myself that we would establish a small business deregulation task force to address the level and complexity of red tape affecting small business. I said that that task force would report directly to me within six months of its establishment and it would have as its remit a reduction of 50 per cent over a three-year period in the amount of red tape and regulation generally to which small business was subjected.

I am very happy to announce today the membership of that task force. The task force will be chaired by Mr Charlie Bell, the Managing Director of McDonald's. Mr Bell, aged 35, is regarded as one of the most dynamic of the younger generation of small business operators. The other members of the task force will be Miss Clare Grose, a partner in Freehill Hollingdale and Page in Sydney; Mr Simon Hegarty, an accountant with KPMG in Launceston—

Mr Warwick Smith—In Tasmania.

Mr HOWARD—In Tasmania, who has a very large clientele in small business; Mr Mark Kuperholz, who is the owner/managing director of Everco Wiring Systems in Melbourne, who has won the award as small businessman of the year on a number of occasions; and, finally, Mr Roger Du Blet, who is the principal of a very successful small to medium sized enterprise in Brisbane, Reduct Pty Ltd.

That represents a very blended group of people. The membership of the committee will also include the Secretary of the Department of Industry, Science and Tourism, Mr Greg Taylor. You could not get a wider range of people who understand the needs, the requirements and the difficulties of small business in Australia.

The other thing I want to say—to underline the determination of the government to act in this area and that we are simply not just assigning the problem to a committee and that it will somehow or another disappear in the sand and not be heard of again—is that I can announce today that, as down payment on the work of the task force, the Australian Bureau of Statistics has guaranteed to the government—and this is effective immediately—to reduce the cost to small business of completing statistical returns by 20 per cent and, in doing so, to minimise the number of occasions that small businesses are involved in more than one ABS collection. I can say that, effective from now, the number of forms that small business will have to fill out will fall by 20 per cent.

That is a down payment on the work of the committee. It is an earnest of the determination of this government to do something tangible to reduce the regulatory burden on small business. We are not waiting on the committee to tell us what to do; we are delivering a down payment of reducing by 20 per cent the burden of statistical returns on small business. If you talk to any man or woman in Australia who is operating a small business and ask them what their major complaints are, the first complaint—

Mrs Crosio—There is no woman on the committee.

Mr HOWARD—There is no woman! Clare—Miss Clare—Grose, a partner in Freehill Hollingdale and Page. You should listen.

As I was saying, if you go around Australia and talk to any man or woman who is running a small business, the two things they complain about most are, number one, the unfair dismissal law; and the second thing they complain about most is the burden of red tape. The Senate willing, we will do something about the unfair dismissal law, and we have done something right now about the burden of red tape. The Bell committee—which will give us, I think, the best researched examination of small business regulatory burdens we have seen for years in this country—I am sure, with the sort of men and women who are on it, also will have an excellent opportunity to tell us precisely how we can further reduce the burden.

I simply repeat: this government is absolutely committed to the cause of small business in Australia. We believe in it; we believe it will be a great job provider; and we believe it will be a great part of the engine of economic growth and economic recovery in this country. At every level of government activity we are going to do things to give small business incentive and to lift the shackles of paperwork and the shackles of overregulation.

Gross National Savings

Mr GARETH EVANS—My question is addressed to the Treasurer. What is Australia's gross national saving rate at the moment and by how many percentage points do you expect it to improve during the three-year life of this government?

Mr COSTELLO—I thank the deputy leader for his question; I am prepared to take my place here on the ALP pick-a-box question time. Let me say that, as a proportion of GDP, our savings ratios are too low. They are below 20 per cent, and it is our intention to lift them above. In relation to household disposable savings ratios, they are the lowest they have been outside the Great Depression and outside the two world wars.

You would be aware that, during the course of the election campaign, we made it clear

that we would be encouraging household savings ratios. You would also be aware that we made it clear that we would be encouraging savings generally. Of course, the best way of developing savings in Australia is to bring the Commonwealth budget back into balance. Whilst the Commonwealth is still a net dissaver and, under your policy, would have run down savings by \$8 billion, the Commonwealth is making no contribution whatsoever.

Mr Gareth Evans—Mr Speaker, I raise a point of order. On the point of relevance, I asked not for waffle but for numbers. I have not had any numbers, and that is what I asked for; that is what the question was about.

Mr SPEAKER—Order! There is no point of order.

Mr COSTELLO—I was asked what the government proposes to do, and I am telling you how the government will lift savings ratios. The best thing that you can do to contribute to the lifting of that savings ratio to the level that is required, in the light of your failures in foreign debt and your failures in relation to the balance of payments, would be to support the government in its aim to bring the budget back into balance.

This is the great test for this opposition: do you believe in balancing the budget within two years time; will you contribute to raising savings ratios; or will you be wanton, as you have been in the past? Join the government, support its economic program and make a contribution to the national effort.

Sale of Telstra

Mr ZAMMIT—My question is directed to the Prime Minister. I ask the Prime Minister: can he explain to the House the benefits to the Australian community of the sale of one-third of Telstra? What is the Prime Minister's reaction to reports that some people are still not prepared to accept the verdict of the Australian electorate, which clearly supported such a move?

Mr HOWARD—As everybody knows, one of the major policy planks of the coalition at the last election was its commitment to sell one-third—and I repeat one-third—of Telstra during its first term of office. We made no bones about the fact that we would use \$1

billion out of the proceeds of the sale of one-third of Telstra to pay into a natural heritage trust of Australia which was going to be used exclusively to defray the costs of additional environmental programs that are absolutely essential to Australia's environmental future.

So, we have a very clear crystallisation of difference in the Australian community. We are in favour of the partial privatisation of Telstra for good and proper reasons in the interests of the Australian consumer. Telstra is now, on fair measures, up to 50 per cent less efficient than its overseas competitors, and those who oppose any privatisation of Telstra are therefore opposed to making our telecommunications system more competitive and more effective in terms of its overseas competition.

For example, Telecom New Zealand's total factored productivity has doubled that of Telstra in the period between 1988 and 1994. I ask again: why are people ideologically opposed to a plan that is likely to remove that disability? Consumers all over the world are deriving large benefits by way of lower prices and better access to new telecommunications services through a combination of competition and the injection of private sector capital into their telecommunications companies. I have to ask again: why do so many people on the other side have such a blind ideological objection?

If the objection of those opposite was based upon a broad commitment to public ownership I could understand it. I could understand you being opposed to the privatisation of Telstra if you were still opposed to the privatisation of the Commonwealth Bank. I could understand that. At least there would be some semblance of decency and consistency in your policy. But you know, as well as everybody on this side of the House knows, that there is no logic in your position and there is no logic at all in an attitude that is going to—if you persist with it and if others in the Senate—

Mr Crean—On a point of order: I draw your attention, Mr Speaker, to standing order 82 under which no member may anticipate discussion of a subject appearing on the *Notice Paper*. Given that on the *Notice Paper*

today we do have the sale of Telstra, I ask if this question is in order.

Mr SPEAKER—Whilst the matter is on the *Notice Paper*, the bill itself has not yet been brought into the parliament. The question is in order.

Mr HOWARD—I think it is worth noting the fact that one of the elements of the government's Telstra policy is that we are going to give a preferential direct stake to the employees of Telstra in the float which will be associated with the sale of one-third of our interest in Telstra. So, those who oppose the one-third privatisation of Telstra are opposing the preferential treatment that we are going to offer to the tens of thousands of Telstra employees.

Another question I would ask of those opposite: why are they opposed to using \$7 billion out of the \$8 billion proceeds from the sale of one-third of Telstra to retire some of the accumulated debt for which they were so demonstrably responsible over the last 13 years? Can I say to the parliament, and can I say to the Australian people through the parliament, that we will be hearing quite a lot about this issue over the next few months. Our position is very simple. Our position is very straightforward.

We made very plain to the Australian people what we were going to do. Before the 1993 election the former member for Blaxland put his hand on his heart and said, 'I will never sell the Commonwealth Bank.' I said before the last election that the only difference between the Labor Party and the Liberal Party on Telstra was that I was honest enough to say to the Australian public that if we won the election we would sell one-third of it. The Labor Party, given its track record on the Commonwealth Bank, was pretending that it would not do the same.

The fact is that we have credibility on this issue. We told the Australian people that we would do it. You opposed it. You criticised it. You lost the argument. The Australian people said no. If you vote against this legislation, the Labor Party will go down in history—along with the Australian Democrats—as the people in the Australian parliament who blocked the most imaginative, long-term

capital investment in the improvement of Australia's environment that we have seen over the last 50 years.

Let there be no argument. This is going to be a test of who really cares about long-term commitment to the Australian environment. If you want something done about soil degradation, who do you look to? The Liberal and National parties. If you want something done about salinity you look to the Liberal and National parties. If you want something done about our coastline you look to the Liberal and National parties. If you vote against this legislation you will go down as the anti-environmental dinosaurs of the Australian political scene.

Death Duties

Ms MACKLIN—My question is directed to the Minister for Family Services. I refer the minister to her comments on the *Four Corners* program on 29 April 1996 concerning the aged care budget in which she indicated that she was considering death duties amongst additional revenue raising measures. Will the minister reconfirm that she is still considering that option?

Mrs MOYLAN—I thank the new shadow minister for family services for the question. I did indeed have the opportunity to discuss this issue on the *Four Corners* program. I find it interesting, however, that the shadow minister should ask this question today because, quite frankly, your party members should hang their heads in shame at the appalling condition—

Mr Crean—What are you going to do?

Mrs MOYLAN—A lot more than you have ever managed to do; do not worry about that. You ought to hang your heads in shame at the absolutely disgraceful mess in which you have left the whole aged care sector in this country.

I listened this morning with great interest as the new shadow minister, the member for Jagajaga, gave her first speech to the parliament. It was a commendable speech outlining her ambitions for the future, but I would suggest that it would be a very good idea if the shadow minister gave her colleagues a lesson on how to take the policy development

process through to implementation. You have had reports on the shelves for umpteen years. For example, you had the Gregory report for three years and you did absolutely nothing with it. It would be good if the shadow minister could teach her colleagues that lesson because, in seven or eight years, you never managed to make any decisions about aged care in this country or move the agenda forward.

Mr SPEAKER—Order! The minister will address her remarks through the chair. I have been making none of these assertions that have been attributed to me. I remind all members of the parliament that you should address your remarks through the chair. I will be very circumspect in those things that I do say.

Mrs MOYLAN—Thank you, Mr Speaker; you are very fair and even-handed in these matters. The shadow minister even contributed to one of the many, many reports on aged care in this country. In fact, I believe in that report she even flagged the idea of co-payments.

Mr Crean—Mr Speaker, I raise a point of order on the issue of relevance. The minister was clearly asked whether she stood by comments that she made on television in relation to the introduction of death duties. There has not been one mention of this in the more than three minutes that she has been on her feet.

Mr SPEAKER—I am sure the minister is addressing the question. There is no point of order. I call the minister, and I would encourage her to make her reply brief.

Mrs MOYLAN—Thank you again, Mr Speaker. I take your point. I have to tell you that I was not flagging death taxes. You were the people who were flagging death taxes before we went to the election. Quite clearly, you were the ones who were flagging death taxes last year. There has been considerable speculation in the media recently—

Mr Tanner—So it wasn't you on the TV?

Mrs MOYLAN—It certainly was me. But I was asked a question and I said, 'Many suggestions have been made and we have an obligation as a government to look at all of

the suggestions that are put forward.' That is all I said and it is no different to what you did before the election. We will be looking at the whole thing.

There are several points I would like to make. Firstly, there is always pre-budget speculation, and that is unavoidable. Much of the speculation is not new. Options like the so-called death taxes have been around for quite a while and, as I said, you should remember that you flagged them before the last election. It is the left wing Labor government that has always been—

Opposition members—Ha, ha!

Mrs MOYLAN—You have always been the ones to flag more taxes.

Mr SPEAKER—Order! Members on my left, there is too much mirth for a very seriously based question.

Mrs MOYLAN—I would like to add to my comments and say that there are some acute pressures on the aged care program, and your years of neglect have not helped that process. We are going to bring about real improvements—and I am talking about real improvements, not just rhetoric.

Mr Speaker, one of our own members this morning said in his first speech that his father was a worker in this country but he always wondered why his father did not join the Labor Party. His father said that the reason was that the Labor Party had as its philosophy 'Do as I say; not as I do.'

If we are going to bring about real improvement to the care of older Australians, we will have to look at a range of options, not all of which need necessarily involve a further call on taxpayers' dollars. Many people argue that part of the solution would be to ask that people make fair and reasonable contributions towards the cost of aged care services. I hear those arguments and I am here to listen to those arguments. Obviously, it is something which we as a government have to weigh up as part of the budget process, especially given the problems that we have inherited.

I can assure you of this, and the Prime Minister has also made this very clear: we have a commitment to take care of the most vulnerable in our community and to look after

those who are poor. That is far more than you ever managed to do in 13 years in office.

Election Promises: Costings

Mr TONY SMITH—My question without notice is addressed to the Treasurer. Has the Treasurer seen reports that half of the \$8 billion black hole in the Commonwealth budget may be the result of coalition election commitments? Can such a claim be justified?

Mr COSTELLO—I thank the honourable member for his question. Mr Speaker, you would have been as astounded as I was to see a report in today's *Sydney Morning Herald* by Paul Cleary, saying that the federal government's big spending pledges had haunted it and suggesting that the Leader of the Opposition had:

... opened Question Time with the claim that up to \$4 billion of the Budget blow-out was the result of a funding shortfall ...

That was a gross misrepresentation of the Leader of the Opposition. Not even he claimed that. I do not know if Mr Cleary gets paid to write these sorts of columns, but there was no suggestion whatsoever. Let me make it entirely clear that when the Treasury estimates were released—the estimates that were given to the incoming government on the Monday after the election—they showed that, rather than a \$3.4 billion surplus, as this government had in its budget papers and stood by during the campaign, in headline terms it was a \$4.9 billion deficit, a difference of over \$8 billion.

If you looked at it in underlying terms, that is, taking out the way in which the Labor government used to take asset sales and put it on the bottom line of its recurrent accounts, it had a \$7.6 billion underlying deficit. That was the situation on no policy change. That was the situation as the book stood on Labor policy right up to and including election day, as was announced by us when we came clean with the Australian people afterwards.

The coalition promises that it had put forward during the campaign bear no relationship to that whatsoever. They were put forward and costed. It was in relation to those costings—because we showed a \$2 billion contribution over three years to savings—that

the Leader of the Opposition was asking his questions yesterday. The point he was making was not in relation to where the account stood on a no policy change basis, that is, an underlying \$7.6 billion deficit. The point he was making was about entirely separate commitments that the coalition had made and had fully funded during the campaign. The full funding was explained in the press release of 29 February 1996 replying to the Department of Finance, which only contested \$1 billion and said in relation to the balance that it would like further information—information which the government denied us the opportunity to give to it.

Yesterday the government was asking me whether I would table press releases. I am quite happy to table that press release of 29 February 1996. The Leader of the Opposition yesterday was essentially trying to reargue the argument about election costings which was conclusively demonstrated in my press release of 29 February. It is an argument that we won. It was an election that we won. In relation to the election your side came second. We won the costing argument. There is no point revisiting it. The Treasury estimates, which are totally unrelated, show that, rather than the headline surplus, the situation was \$8 billion worse and in relation to the underlying deficit was about \$8 billion. They were the Treasury estimates. They were released by us after the election. They were available to the incumbent government right throughout the election campaign, and that is the hole which the Labor administration would not come clean about and which this government now has to fill.

Election Promises: Costings

Mr BEAZLEY—Having given a personal misrepresentation explanation on my behalf, could you please now just table the \$4 billion worth of costings that Finance has done on your policies and you won't release? But anyway, the question is to the Prime Minister. I refer to the reported comments—

Mr Howard—He has asked his question.

Mr COSTELLO—I am—

Mr Beazley—No, it was not a question to you. You say you have got the costings there; table them.

Mr COSTELLO—Mr Speaker, I am quite happy to answer that question. The costings of the coalition promises in relation to the Finance material that you tried to put together were comprehensively answered in a media release of 29 February 1996, and I table it as my answer.

Mr SPEAKER—Order! The member for Dawson.

Apprenticeships

Mrs DE-ANNE KELLY—Thank you, Mr Speaker. My question—

Mr Beazley—Mr Speaker—

Mr SPEAKER—The question has been answered.

Mr Beazley—I take a point of order, Mr Speaker. You called me—

Mr SPEAKER—And you asked your question.

Mr Beazley—I asked for him to table his documents. He tabled his documents and now I want to ask my question.

Mr Reith—On the point of order, Mr Speaker: it is only one question at a time. On that basis he has had his question. We answered his question. What more can you ask of us?

Mr SPEAKER—I have recognised all of the points of order and I have called the honourable member for Dawson.

Mr Crean—Further point of order, Mr Speaker: if your view is that a question was asked—

Mr SPEAKER—The question has been asked and answered and I have gone on to the honourable member for Dawson. Resume your seat.

Mr Crean—I have a second point of order, Mr Speaker, and that is that if you are calling the next questioner—

Mr SPEAKER—The next questioner has been called.

Mr Crean—Yes, but your responsibility is to call the person on their feet. At the time, the Leader of the Opposition was on his feet. The member that you have just called was not.

Mr SPEAKER—There is no point of order. Resume your seat. The honourable member for Dawson.

Mr Beazley—I take a point of order. I, of course, have my back turned to the member for Dawson so I did not know whether the member for Dawson was on her feet before I was on mine, but if it is the case, as the Manager of Opposition Business said, that I was standing here at the dispatch box to ask a question and there was no other person on their feet, then clearly the call should come to me irrespective of whether or not it is this side of the House that is rising.

Mr SPEAKER—I am well aware of the point of the Leader of the Opposition. Being a person of considerable bulk myself, I did discern fleeting movement behind your back. I have called the honourable member for Dawson.

Mrs Crosio—She had to be lifted off her chair.

Mr SPEAKER—The member for Prospect will curb her anger. The honourable member for Dawson is having the longest introduction to her first question that I have seen in the 12 years I have been here. The honourable member for Dawson.

Mrs DE-ANNE KELLY—Thank you, Mr Speaker. My question is addressed to the Minister for Schools, Vocational Education and Training. Is it a fact that apprenticeship numbers are no greater than they were in 1984? Further, what is the government proposing to do to revive apprenticeship opportunities and, further, to what extent has the \$8 billion deficit black hole contributed to the problem of youth unemployment?

Dr KEMP—I thank the honourable member for Dawson for her first question in this chamber. Apprenticeship commencements are indeed now running at the level they were 12 years ago—that is, 50,000 a year. Undoubtedly, the great decline in apprenticeships and other training opportunities in the workplace was one of the factors behind the unacceptable levels of youth unemployment which the former Labor government bequeathed to Australia. This is a disgraceful legacy of that government.

For the benefit of the honourable member for Dawson, I point out that apprenticeships reached a peak in 1988-89 of 62,000. It is quite true that the decline in apprenticeship numbers is in part a consequence of the former Labor government's high interest rates, which discouraged business enterprises and destroyed tens, if not thousands, of small businesses that would otherwise have taken on apprentices.

That reflects the failure of that government's overall economic policies to encourage national savings. Instead, that government budgeted over three or four years some \$40 billion of deficit spending. That deficit spending has damaged business opportunities in this country. The \$8 billion hole that we are now facing has been a key factor in the unwillingness of small, medium and large businesses to take on apprentices from that group of young people who leave school after year 10. That is the group that your government deliberately overlooked and neglected during its 13 years of government.

This fall in the number of apprenticeships is also a consequence of the fact that the former Labor government deliberately neglected the apprenticeship system. They put it on the backburner and said, 'It's all old fashion now. We won't worry about apprenticeships any more. We will invent a new set of one-year traineeships.' I must say that they were not entirely careful with the quality of a lot of those traineeships. They said, 'We'll offer you, instead of the apprenticeship system, a system based on one-year traineeships.'

Because the former government was so closely linked with its mates in the ACTU, unfortunately every time small and medium sized business enterprises in this country saw the word 'traineeship' they saw the words 'union supervision'. As we know, most of these workplaces are not unionised. When they saw the involvement of you and your mates with the traineeship system the last thing many of them wanted to do was take on a trainee.

As a result, we not only had a fall in the number of apprenticeships but also had a fall in the number of traineeships and overall training opportunities. The fact is that in 1995

the number of young people in apprenticeships and traineeships as a proportion of the work force was the lowest for three decades.

Mr Beazley—Rubbish!

Dr KEMP—The Leader of the Opposition should check that. It has obviously come as a complete surprise to him. You have been listening to the bloke who is going to challenge you when he can get the numbers together for far too long. He did not tell the Australian people the truth and he did not tell you the truth about what was going on.

Our goal is to revive, modernise and expand the apprenticeship and traineeship system so that there are many more opportunities for these young people coming out of school after year 10 and beyond to obtain the kind of quality training in the workplace that leads on to employment. We are going to get them off the merry-go-round that the former Labor government set up which took them around and around in these job training schemes but did not in the end offer them the employment they wanted.

We are going to expand apprenticeships in the more traditional trades, such as boiler-making, automotive electrics, binding and finishing, and welding, where there is a skill shortage which is due to your government. We will develop apprenticeships and traineeships in new industries, such as in the information, multimedia and service industries.

We believe there is great potential out there amongst employers in small and medium sized businesses, as well as in larger businesses, to offer opportunities if the training system can be simplified, if bureaucratic costs, which have mounted over the last 12 years, can be reduced and if they can see that training is about training and that it is not entangled with the industrial relations system in the way it was under the former government. Accordingly, we will be moving to set in place a modern Australian apprenticeship and traineeship system which is geared to the needs of business enterprises and breaks away from the rigidities and industrial relations burdens which held workplace based training back over the last 12 or 13 years.

In establishing this new system we will be expanding the role of group training companies, we will be encouraging new opportunities for young people to complete part apprenticeships at the senior secondary level and we will be developing opportunities for new kinds of apprenticeships and traineeships through the new flexible training agreements that we will be proposing between employers and trainees. This new system will provide opportunities for unemployed people across all age groups, but we will have particularly in mind that 20 per cent or so of young people who are not completing year 12 and who were appallingly neglected by the former government.

Unemployment

Mr SPEAKER—I call the Leader of the Opposition.

Mr BEAZLEY—I say to the Minister for Schools, Vocational Education and Training that it basically doubled—the number of traineeships and apprenticeships doubled—90,000 to 50,000.

Mr Tim Fischer—What is your question?

Mr BEAZLEY—My question is directed to the Prime Minister. I refer to the reported comments by Mr Chris Richardson from Access Economics in March this year that planned federal budget cuts will reduce economic growth and force unemployment up to nine per cent by Christmas. Do you accept that analysis? We have heard your target on small business paperwork. What is your target for reducing unemployment?

Mr HOWARD—The most recent authoritative comment I have heard on the impact of fiscal consolidation on economic growth came from Mr Ian Macfarlane, the Deputy Governor of the Reserve Bank—somebody respected on both sides of politics in Australia. He drew very heavily on some recent analysis by the IMF on this subject and said the proposition that fiscal consolidation automatically represented lower economic growth had been misproved in the 1980s. He went through whole pieces of evidence indicating that and there was an IMF examination of that. So that is my response to the proposition that you are talking about, and I think what Ian

Macfarlane has had to say makes a great deal of sense.

The Leader of the Opposition has asked me a question that I was asked during the course of the election campaign and I am perfectly happy to try to answer it. Unlike the former government, which set a particular target which it had no earthly hope of reaching in relation to unemployment, I am not going to set—

Opposition members interjecting—

Mr HOWARD—You asked the question. I will give you a very direct and explicit answer. At the commencement of this term of government, I am not going to set targets in this area. I refused to do so when I was in opposition and I am not now going to do them in government. Governments should pursue policies which are designed to bring beneficial results, instead of hoodwinking the electorate with targets they know can never be achieved.

Ministerial Consultants

Mr NAIRN—My question is directed to the Minister for Administrative Services. Are there fewer ministerial consultants now than in previous years? If so, what are the cost savings to Australian taxpayers?

Mr JULL—Prior to the last election, the coalition parties gave an undertaking that they would massively cut the costs of running government and already we have moved along the road in doing that. Already we have seen the Prime Minister institute a new size in the ministry; we have reduced the number of ministers; there has been quite a substantial reduction in the number of ministerial staff; and I am pleased to advise the House that we are also taking on a brand new attitude to ministerial consultants.

The previous government had on their books an establishment of some 40 consultants. The latest costs that I can get are for 1994-95, when the cost to the taxpayer of those ministerial consultants was a massive \$3.5 million. Of that figure, \$2.2 million was paid in fees and the travel costs were \$1.3 million. I am pleased to advise the House that under this government we have appointed one

consultant to the Prime Minister—a saving of 39 positions.

Mr Beazley—And aren't you all bleeding all over the place!

Mr SPEAKER—The Leader of the Opposition will move to his question.

Job Creation

Mr BEAZLEY—My question is directed to the Prime Minister and follows his statement that prior to the election he said that he would set no targets as far as unemployment was concerned. I therefore quote from a speech that he made to ACOSS in which he talked about benchmarking his plans for society's most disadvantaged. He said:

The coalition is confident that we will achieve significantly better future job growth than Labor could.

Are you therefore committing to create significantly better than Labor's 730,000 new jobs last term in your term?

Mr HOWARD—I said in answer to the last question that I was not setting a numerical target, and that remains the answer.

International Labour Organisation

Mr VAILE—My question is directed to the Minister for Industrial Relations. Will the government maintain Australia's membership of the ILO?

Mr REITH—I thank the honourable member for his question. The government will, of course, retain its membership of the ILO. Australia has been a member of the ILO for many years. We have played a constructive role in the past; we will play a constructive role in the future. But I must say, against that background, the government is grappling with a significant problem in respect of the budget. It is now well appreciated that the previous government basically left the budget \$8 billion in the red and that will require us to look where we can make some reasonable savings.

The previous government's position has been that they had cut the budget back to the bone, that absolutely not another cent could be saved by doing things more efficiently or otherwise. In fact, that is not right. In the Department of Industrial Relations, in respect

of Australia's membership of the ILO, a number of changes can be made that will effect reasonable savings.

For example, we are going to withdraw the special labour adviser, which was an appointment made in the early 1970s by the Whitlam government. The withdrawal of that one job alone will save taxpayers \$390,000. The cost of that job included: \$100,000 which was funded through DFAT; about \$200,000 in salary and allowances; and on top of that, that one position came with rental accommodation on the Rue de Lausanne on the shores of Lake Geneva—a very nice property which was costing the Australian taxpayer \$90,000 a year in rent.

Mr Anderson—How much?

Mr REITH—Ninety thousand dollars a year in rent. It is a very nice home with the rolling gardens down to the lake, the stone steps and the boathouse. I am not surprised that the former Minister for Industrial Relations has been transferred to foreign affairs.

We are also able to retain Australia's delegations in accordance with our membership, but we will not be sending half a football team to Geneva, which was the case under the previous administration. Last year 16 people went. This year three people are going. That meets our obligations, and furthermore it will save the Australian taxpayer \$215,000 alone in travel costs in one year.

Finally, the former government's absolute obsession with things from the ILO led them before the 1993 election to unilaterally endorse and ratify convention 158 on unfair dismissals. It was that single act which led them to draft the law which has been a burden on Australian businesses in respect of unfair dismissal. In redrafting these provisions, we will of course abide by international standards, and so we should. But we are not going to be treaty driven, as the previous government was. In our view Australian laws ought to be drafted in Australia for Australian conditions, and not be essentially drafted in Geneva. So we will play a constructive role in the ILO, but we are going to fix Australia's problems here at home and not on some trip to Geneva.

Job Creation

Mr CREAN—My question is directed to the Minister for Industry, Science and Tourism. In the light of the Prime Minister's refusal to set a jobs target, I ask the minister: do you still stand by your election commitment to create 200,000 new jobs in the manufacturing industry by the year 2000?

Mr MOORE—I am very pleased that the member raised that question, because as the previous government has clearly left the economy in such a mess—

Mr Beazley—Oh, really!

Mr MOORE—A tremendous mess.

Mr Beazley—A job growth three times yours.

Mr MOORE—I don't think I have to say too much more after listening to that. Quite clearly, the government has been left with a considerable hole to fix up. The forthcoming budget will be directed towards growth and towards restraining government spending. As a consequence of that, we would expect substantial GDP growth and a very big improvement in employment.

Mr Crean—Mr Speaker, on a point of order: the question I asked was whether he was sticking to the target. He did not answer that question.

Mr SPEAKER—Order! There is no point of order.

Australian National Railways Commission

Mr DONDAS—I direct my question to the Minister for Transport and Regional Development. What is the underlying cause of the financial problems of the Australian National Railways Commission?

Mr SHARP—I thank the honourable member for his question. After the election I had a meeting with the Chairman of the Australian National Railways Commission, Mr Jack Smorgan, who had only fairly recently been appointed to that position. He said to me in the course of our conversation that the publicly stated financial position of AN was not a truthful explanation of the financial position of AN. In fact, I am sad to report to the House that Mr Smorgan told me the more

likely financial position that AN would produce for the current financial year was not \$26 million in losses, as was reported, but up to \$106 million. That was the best figure he could come up with, given the lack of adequate financial information. It could even be worse than that.

This is an \$80 million blow-out in the cost of running AN, which further adds to the \$8,000 million budget deficit that this government has been left to correct. So we now have an \$80 million blow-out in the operating costs of AN. I asked Mr Smorgan how long he had been aware of this situation, and he said, 'For some months now.' I asked whether he made the former Labor government aware of the problem. He said, 'Yes, late last year I approached the former Minister for Transport'—who is now the shadow foreign minister—'and made him aware of my concerns about the management of AN. Indeed, I put a course of action to him that I thought would help correct the problem.' I asked, 'What was the response from the then Minister for Transport?' He said, 'The former minister said, "Don't do anything about it now, it's too close to the election".'

If you work it out, each month that you delay correcting the financial problems of AN costs the Australian taxpayer \$9 million, which is further adding to that \$8,000 million deficit. So I have decided that there is only one course of action a responsible government can undertake to correct this particular problem which has now been identified to us. The responsible course of action is to have a full review of AN's financial position, to include in that review the National Rail Corporation—which as we all know is more than 50 per cent owned by the Commonwealth—and to ascertain the truth of the circumstances surrounding AN's management. In order to facilitate that review I have appointed Mr John Brew, who was formerly the Chief Executive Officer of the State Rail Authority of New South Wales and is a man with some 40 years of experience in transport. He will be investigating the truth of the financial circumstances surrounding AN.

We are doing this with two purposes in mind. The first is to protect the taxpayers of

Australia from the further losses that they would experience if we did not correct things at AN. Our second purpose is to try to do the very best we can to protect the jobs of those people who work at AN, because the consequence of the delay of the former Minister for Transport in doing anything about the problems at AN is to put further in jeopardy the viability of AN and the jobs of those people who work there. So to give a very short answer to the question from the member for the Northern Territory on the underlying causes of AN's financial problems, I can say that the underlying causes are the financial mismanagement of the man who brought you the disaster of ANL.

Incentive Schemes

Mr STEPHEN SMITH—My question is directed to the Minister for Industry, Science and Tourism. Has the minister seen recent reports of an analysis of government plans to cut incentives to business through cuts to trade and industry development programs such as the export market development grants scheme? The minister would be aware, if he has seen those reports, that it is suggested that those cuts would lead to a loss of 80,000 jobs by the year 2001. How would such an outcome enable the government to meet its election commitment of creating 200,000 jobs in the manufacturing sector?

Mr MOORE—The comments made by the member are based on a newspaper article that really carries no credibility. You would not expect us in government to be commenting on budget outcomes. For that you wait until 20 August.

Childhood Immunisation Rate

Mr McDOUGALL—My question is addressed to the Minister for Health and Family Services. Can the minister tell the House why Australia's childhood immunisation rate, at 53 per cent, is so low? What steps will the government take to tackle this disgraceful, low rate?

Dr WOOLDRIDGE—I thank the honourable member for his question and his interest. Australia's childhood immunisation rate ranks third lowest in the western world. It is so bad that last year the rate of measles, German

measles and mumps amongst Australian children was 17 times the rate of five years ago.

Mr Beazley—We gave it to the states.

Dr WOOLDRIDGE—It is true, as honourable members opposite say, that this was given to the states in 1987—and you completely washed your hands of it. You took away all care. You took no national leadership and, in handing it over to the states, you have created a condition where 42 kids have died in the last 10 years from measles.

Mr Beazley—Mr Speaker, I take a point of order. We gave it to the states.

Mr SPEAKER—Order! There is no point of order.

Dr WOOLDRIDGE—That is exactly what I am saying. Bob Hawke had an inspiration under the shower. You handed it over to the states. You forgot about it and now we have the third lowest rate in the western world. It is not just childhood immunisation that is a problem; we are seeing a rise in tetanus amongst older people and a complete lack of pneumococcal vaccination amongst people who have had splenectomies.

Let me tell honourable members of a case that was told to me recently by a medical specialist who had heard me talking on radio. One of his patients had had a car accident and had the spleen removed. After you have had your spleen removed, every five years you should have the pneumococcal vaccine. This young man had forgotten to do so and he got a rare fulminating skin condition. In order to save his life he had both legs amputated and both arms amputated. That could have been prevented if he had had a five-yearly vaccination.

I think it is one of our great public health tasks to get childhood immunisation up to a reasonable level, to reinstitute tetanus vaccination for older people who have lost their immunity and, for the substantial body of people who have had their spleens removed, to have pneumococcal vaccinations. What we are going to do is several-fold. First, with the states, we will set annual targets which we will tie financial rewards to. Those targets,

hopefully, will get us to a reasonable, acceptable international standard within three years.

I have already said that the national immunisation register will go from a two-year pilot project to a program that will be ongoing and will have its funding secure. We are having discussions already with the Australian Medical Association about the setting up of a national immunisation day. Recently, at the World Health Organisation regional meeting on polio eradication, I flagged the idea that has been very successful in one United States of America state of having immunisations in shopping centres. We have already had preliminary discussions with a major national shopping centre chain to institute this.

I hope that, collectively, these actions and the leadership of the Commonwealth—while having the states implement it, which is how it should be done—will see us move from having the third-worst rate in the western world to having one of the best rates in the western world, in a term of the parliament.

Tourism: Export Market Development Grants Scheme

Mr MARTIN—My question is to the Minister for Small Business and Consumer Affairs. I refer to the Prime Minister's commitment to small business and to your government's specific election commitment to extend the export market development grants scheme to the tourism industry, particularly for the benefit of single tourist operators who are a cornerstone of small business in this country. Do you still stand by that commitment?

Mr PROSSER—I thank the honourable member for his question. The government set out in the election campaign a significant range of commitments to business, particularly to small business. Today the Prime Minister announced one of the significant components and planks of that commitment in regard to the small business deregulation task force. Our plan is to remove the complexity of and compliance costs on small business. With regard to the initiatives to help small business, as the Prime Minister has said we are mindful of our obligation to keep our election commitments—and we intend to do

just that. I might add that the biggest problem small business will have in the future is the obligation to fill Beazley's black hole that your lot have left them with.

Mr Martin—I raise a point of order, Mr Speaker. Once again in question time today we have seen a minister specifically avoid any aspects of the question that was raised. I ask you to rule under standing order 145 that the minister respond directly to the question.

Mr SPEAKER—There is no point of order.

Asia

Mr HARDGRAVE—My question is addressed to the Minister for Foreign Affairs. It is a question of great interest to people in my electorate. Will the minister inform the House of the results of his recent visit to Asia? In what ways have the interests of Australia been advanced?

Mr DOWNER—I thank the honourable member for Moreton for his question. I appreciate the great interest he has already shown in Australia's relationship with Asia. Honourable members might recall that during the election campaign the former Prime Minister, Mr Keating, claimed that Asian leaders would not deal with a coalition government.

Mr Gareth Evans—Talk.

Mr DOWNER—Or even talk with them; is that right? This claim was very much supported by other members of the Labor Party. What we have been able to establish in 7½ weeks in government, and that is all, is that Asian leaders not only are happy to deal with us but in some cases seem to be a good deal happier to deal with us than they were with our predecessors. Let me give the House a very simple illustration. When the Labor Party was in power it had reduced our relationship with one of our most important neighbours, Malaysia, to a very low level due to the intemperate language—

Mr Gareth Evans—You never raise any hard questions with them.

Mr DOWNER—On this occasion it was not your intemperate language. You kept that for the departmental officers. It was because

of the intemperate language of the former Prime Minister, who I gather did not leave his language for departmental officers but dished it out to leaders within our region, such as the Prime Minister of Malaysia. So we had a bit of a repair job to do when we came to office, and the Prime Minister did it. How long did it take you, Prime Minister? It might have been as much as two weeks. At least we were able to develop a constructive relationship with Dr Mahathir—

Mr Beazley—Mr Speaker, I raise a point of order. I do not think the minister can grace a couple of hours in a transit lounge as a great diplomatic manoeuvre.

Mr SPEAKER—There is no point of order.

Mr DOWNER—Your problem is that Dr Mahathir would not have been prepared to meet the former Prime Minister in any transit lounge. He would not have wanted to have anything to do with him.

Mr Beazley—Point of order: Dr Mahathir spent considerable time with the former Prime Minister in his office.

Mr SPEAKER—There is no point of order. Resume your seat.

Mr DOWNER—That was a little later when the former Prime Minister tried to do a repair job and then proclaimed that he had developed this great relationship when all he had done was pick up off the floor the broken china of the relationship that he had previously destroyed.

Mr Beazley—Mr Speaker, I raise a point of order. Did the honourable member refer to him as a natural friend?

Mr SPEAKER—There is no point of order. Frivolous points of order will not be tolerated.

Mr DOWNER—In the 7½ weeks since the swearing in of the Howard government I have also met with the Prime Minister of Singapore. I spent a very constructive hour with the Prime Minister. Indeed, a great deal was discussed about ways Australia and Singapore can work together in the upcoming APEC summit meeting in the Philippines. I have had a constructive meeting with President Suharto.

I have met the foreign ministers of Indonesia, Singapore and Thailand. I have met something like nine ministers in Indonesia.

At the end of the day, what this has established is two things. First of all, leaders of countries in our region are very happy to deal with the new coalition government and are particularly happy to deal with the polite, decent, constructive Prime Minister that this country now has. It is about time we had a Prime Minister who can deal with these leaders instead of resorting to personal abuse and denigration, which is all we had from the previous administration.

Finally, what we have done is in 7½ weeks laid to rest the great myth of the Labor Party that somehow they discovered Asia. You in the Labor Party may have discovered Asia but the fact is that, when Percy Spender and Richard Casey were running around promoting Australia's interests in our region, you people were fast asleep.

We have built on the Casey tradition, we are building on the relationships now that are so important to us in our region and we have destroyed once and for all the bogus claim that you pushed before the election that Asian leaders would not deal with us. They are delighted to deal with us, and some of them are very happy to see the back of you lot.

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

QUESTIONS TO MR SPEAKER

Question Time

Mr MELHAM—Mr Speaker, my question is directed to you. I believe that a viewing of the videotape of question time today will show that, in 17 of the 18 instances where questions were asked of ministers, ministers did not proceed to the dispatch box to answer questions until they were given the call by you. There was one notable exception, and that was in the instance of the Treasurer, who proceeded to answer a question at the dispatch box without receiving a call from you. So that there is no confusion, I ask you to clarify for the benefit of the House whether ministers are entitled to proceed to the dis-

patch box to answer questions without first receiving the call from you.

Mr SPEAKER—I thank the honourable member for his question. I do not believe it will be necessary for me to examine a videotape of today's proceedings. Let us recognise that this is the first week of a new parliamentary era. I am sure that as things settle down all honourable members will make the positive contribution to this parliament that I expect.

Question Time

Mr O'KEEFE—Mr Speaker, there was a lot of discussion by the Prime Minister about independence in the chair. As you know, you have come to this position with expressions of very strong goodwill from both sides of the House. Today we had an instance where the Leader of the Opposition asked that a paper be tabled. On hundreds of occasions during the years of Labor government the opposition frontbench and the opposition leader asked that same question. Never once was that counted as a question and taken off the Leader of the Opposition as a question opportunity. I just make the point, Mr Speaker, that you have our goodwill and I ask you to reflect on today's occasion and perhaps rule that in future—

Mr Reith—Mr Speaker—

Mr O'KEEFE—Let me finish the question.

Mr SPEAKER—We are not going to debate this issue.

Mr O'KEEFE—I am asking you a question.

Mr SPEAKER—I am aware of the member's point. There was some confusion over whether or not one or two questions were being asked. I saw it as two consecutive questions from the Leader of the Opposition. That is the end of the matter.

Question Time

Mr CREAN—Mr Speaker, I have a question to you. I ask whether you will view the videotape of today's question time to ascertain whether the honourable member for Dawson was on her feet before the Leader of the Opposition was on his feet, as you indicated.

Mr SPEAKER—I thought I had answered that point earlier.

PERSONAL EXPLANATIONS

Mr BRERETON (Kingsford-Smith) (3.18 p.m.)—Mr Speaker, I wish to make a personal explanation.

Mr SPEAKER—Do you feel that you have been maligned?

Mr BRERETON—I most certainly do. During question time the Minister for Transport and Regional Development (Mr Sharp) stated in this House that before Christmas I had been told by the chairman of the board of AN that the company faced \$106 million in potential losses and that I had told the chairman not to do anything about it because it was too close to an election. That is what the minister stated to this House. This not only misstated the truth but also misled this House and misrepresented me grievously. No such figure has ever been put to me nor indeed could it be put to me, because the figure did not come into existence—I now know—until 15 April this year.

Mr SPEAKER—Order! We are not going to debate the issue.

Mr BRERETON—Mr Speaker, I will not debate the issue. I have here the document which brought it into existence. It is a letter from Mr Smorgan to Mr Sharp, as Minister for Transport and Regional Development, which has this brief rider:

It is important to note that some of these figures are estimates made by management based solely on the information currently available—

as at 16 April. It goes on:

The report has been prepared without the contribution of the Managing Director or the Finance General manager who are on sick leave. The information contained above has not been audited and is prepared from monthly reports which are not considered—

not considered—

to be accurate. We believe, however, that this information provides an important guide to the likely result for the 12-month period ending 30 June 1996.

Mr SPEAKER—Order! You have demonstrated where you have—

Mr BRERETON—I will conclude, Mr Speaker. I am proud of the fact that I appointed Mr Smorgan to tackle AN's financial woes and I will not be misrepresented by this minister telling untruths to the House.

AUDITOR-GENERAL'S REPORTS

Mr SPEAKER—I present the Auditor-General's audit report No. 20 of 1995-96, entitled *Performance Audit—Diesel fuel rebate scheme—Australian Customs Service*

Motion (by **Mr Reith**)—by leave—agreed to:

That:

- (1) this House authorises the publication of the Auditor-General's audit report No. 20 of 1995-96; and
- (2) the report be printed.

COMMITTEES

Reports

Mr DEPUTY SPEAKER (Mr Nehl)—I present the following reports from committees of the 37th Parliament received by Mr Speaker's predecessor after the last sitting of the House in 1995 pursuant to resolutions adopted by the House on 29 November 1995:

Standing Committee on Community Affairs—"A fair go for all—Report on migrant access and equity", together with the minutes of proceedings and evidence received by the committee;

Standing Committee on Employment, Education and Training—"Truancy and exclusion from school", together with the minutes of proceedings;

Joint Standing Committee on Electoral Matters—"Electoral redistributions", together with the evidence received by the committee;

Joint Standing Committee on Foreign Affairs, Defence and Trade—"Bosnia: Australia's response", together with the minutes of proceedings and evidence received by the committee; and

Joint Standing Committee on Migration—"Australia's visa system for visitors", together with the minutes of proceedings and evidence received by the committee.

Ordered that the reports be printed.

PAPERS

Mr REITH (Flinders—Leader of the House)—A paper is tabled as listed in the schedule circulated to honourable members.

Details of the paper will be recorded in the *Votes and Proceedings* and *Hansard*.

The schedule read as follows—

Industry Commission Act—Industry Commission—Report No. 43—Vehicle and recreational marine craft repair and insurance industries, 15 March 1995.

Mr REITH—I move:

That the House take note of the following paper: Industry Commission Act—Industry Commission—Report No. 43—Vehicle and recreational marine craft repair and insurance industries, 15 March 1995.

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

MATTERS OF PUBLIC IMPORTANCE

Budget Cuts

Mr DEPUTY SPEAKER (Mr Nehl)—Mr Speaker has received a letter from the Leader of the Opposition (Mr Beazley) proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The likely impact of proposed Budget cuts on the Australian economy.

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

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

Mr BEAZLEY (Brand—Leader of the Opposition) (3.22 p.m.)—This government came into existence with an economy in a position better than any government coming into office in this country since World War II has experienced. They came into office with an economy in growth about three-quarters of a percentage point across the board higher than anywhere else in the industrialised world—bar one or two countries.

They came into office with an inflation rate such as they were never able to produce in years of government in the 1960s and 1970s. They came into office with sustainable wages growth based on productivity gains twice that of our neighbour across the Tasman and about twice that of the OECD average—wages gains based on productivity. They came into office when our current account deficit was coming down to sustainable levels. They came into

office at a position of unprecedentedly good news for the average borrower of money for business or household purposes—particularly via mortgages—given the point in the business cycle at which we now are. That is the position they inherited.

They also came into office—since they wish to make a point about the change in forward estimates by the Treasury—with a budgetary position better than anyone else in the industrialised world, bar New Zealand. As I will show later, New Zealand taxes like it is going out of style. So the government came into office with a budgetary position better than anywhere else in the industrialised world. Even if you accept these highly conservative Treasury figures, they amount to a budget deficit of less than one percentage point of GDP.

Mr Costello—Do you accept them?

Mr BEAZLEY—Even if you accept them, they have a budget position of less than one per cent of GDP. The figures have already changed by now, as you well know, because you have another set of national accounts figures in with probably greater than anticipated growth. So in all likelihood, that figure has gone down since that point in time, and your starting point deficit will be a deal less than that.

It was a position that we would have killed for when we came into office. It was a position that was, in terms of the experience of Australian governments, the most stable environment they could possibly hope to gain. Indeed, I was impressed by the unctious of the Prime Minister (Mr Howard) yesterday lecturing us on so-called concealed budget figures. This is the man who said, against our proposition, that in a budget—not just in an election campaign, but in a budget—you ought to supply forward estimates. His defence against doing that, when he was Treasurer, was: 'No, because forward estimates are notoriously unreliable.'

This was the man who received the news, a week before polling day in the 1983 election, that he confronted—in today's dollar terms—a \$24½ billion budget deficit. And he chose to conceal that from the Australian people.

Mr Kelvin Thomson—How much?

Mr BEAZLEY—A \$24½ billion budget deficit. The reason we are now in the position that we are, with a budget structure so much more impressive than that of any of those countries that we like to compare ourselves with, is the discipline that we exercised in the 1980s.

Where has that left us? It has left us as the lowest public spenders in the Western world. So if you go about a process here of budget cutting, you are cutting against a position where we already are the lowest public spenders in the Western world. Consonant with that, we are also the lowest taxers in the Western world. This is a fiscal position that any government would enjoy confronting. It is a fiscal position with which they can readily deal.

As for that proposition that there is allegedly an \$8 billion budget hole, let me go into what the actual figure is. Every now and then the Treasurer (Mr Costello) gets honest about it. It is \$4.9 billion, according to those conservative Treasury estimates. Even if he decides to go to the underlying rate, in three years from now—on those forward estimates—it will be a \$3 billion budget deficit. On the headline rate it will be \$4.9 billion. Using the underlying rate they want to use, it will be \$3 billion.

That is why I asked the Prime Minister yesterday whether he would undertake, given his view and the view of the Treasurer that that \$8 billion—or whatever particular adjustment might come through a change in Treasury estimates: \$6 billion, \$7 billion, \$8 billion or \$5 billion—of fiscal tightening would be for that purpose alone and no other and he would not utilise it to pay for \$4 billion worth of unfunded pork-barrelling during the last election campaign. He gave no guarantee. No guarantee was given that that would be the case.

For anybody who wanted to sit down and seriously look through the propositions that are being made by the government, that blew the cover on any notion that they seriously consider what was required was \$8 billion worth of budget tightening. What they have not been prepared to fess up to is their

uncosted election promises. There has to be a budget tightening if they are to be delivered by the time of the next election—within the framework of a three-year term.

Those public servants being fired, those people now contemplating the effective collapse of Medicare, those people—as revealed here by the government about what can happen when you hand authority to a state authority over a particular area—who rely on the Commonwealth for the funding of nursing homes, who rely on the Commonwealth for the funding of other forms of aged care, who rely on the Commonwealth for community services, who rely on the Commonwealth for support for the education of their children, who rely on the Commonwealth for their pensions and to keep those pensions at 25 per cent of average weekly earnings, who rely on the Commonwealth for training support and support for their apprenticeships, and who rely on the Commonwealth for their ability to sustain life when they are unemployed and to have an opportunity to get back to employment, are all relying on the Commonwealth in a situation in which we are among the lowest spenders in the Western world, are being placed in jeopardy for one purpose and one purpose only, that is, to introduce a Fightback-style of cuts and a Fightback-style of pork-barrelling with no undertakings to the electorate.

It is very interesting to look at what the Prime Minister now determines is an election promise, what he regards as his serious personal commitments. He appears to imply, if you read between the lines of the questions that were put down yesterday, ‘Don’t hold me to my election promises. I will merely move away from my election promises gravely. I will do it with a low voice, my eyes averted, without any flamboyance or bombast, without any attempt to conceal, other than those stealthy means. I will not implement my promises, but I promise that when I don’t implement my promises, I will be humble about it. As I get stuck into the pensioners, I will be humble. As I destroy the opportunities for children in schools, I will be humble. As I rip away at aged care in nursing homes and elsewhere, I will be humble. As I take it upon

myself to tear down the social safety net that supports people when they become unemployed and gives them an opportunity to get back into work, I will not boast about it. I will be quiet and grave as I do all these things and I will be cheerful about what really matters to me. And what really matters to me is that pack of irresponsible election promises that I put down as initiatives during the election campaign. I will ensure, given that I was unable to fund them during the election campaign, that I will fund them now.'

Whether it is delivered with bombast or whether it is delivered quietly, this is deceit. It is deceit knowingly participated in. It is deceit which started with a failure to properly cost election promises. It is continued by a failure to table the finance costing of those election promises which now exist. It is no more valid to say, as you apparently want to do, that you ought to regularly update forward estimates, which is your so-called charter of budget honesty. It is no more valid to say, 'Well, if we do that, we reveal statistics in the budget' than it is to say, 'Produce the actual costs of your election promises so we know what your real bottom line is.' If your real bottom line is \$8 billion, you have made it at least \$10 billion; if your real bottom line is \$4.9 billion, you have made it at least \$6.9 billion; if your ultimate bottom line is \$3 billion, you have made it \$5 billion. Which ever way you choose to look at it, you have created for yourselves in this area a massive problem that you will have to deal with.

The problem is, as you deal with it, your actions are not without consequences. You are not in a position where you are simply managing, for the purposes of a political explanation, some part of the economy and the rest does not matter. That has consequences, all of it. A substantial part of that social safety net Australian workers traded wages against. We were able to restore business profitability in this economy after your recession. We were able to lift the profit share, because Australians were prepared to forgo certain wage increases in order to obtain other benefits—and they are there in relation to child care; they are there in relation to changes in taxation arrangements; they are there in relation

to superannuation; they are there most recently in relation to, for want of a better term, the baby bonus. A whole raft of these things were trade-offs by Australians in order to lift the profit share of their employers, in order that business should prosper, jobs should be created and the economy would grow. And they succeeded—the economy grew at twice the rate it did when you were in office. The job growth was at three times the rate it was at when you were last in office.

It is no wonder you will not commit yourself to job targets. The Prime Minister implied we had no hope of achieving the 500,000 job target that we set ourselves. We set ourselves a 600,000 target last time and got 700,000. We set ourselves a 500,000 target this time, with the full intention of creating that level of jobs. He will not commit himself to a job target. He cannot. The reason why he cannot is that his policy is not in train to do it.

In these circumstances where he has no wages policy—and they have none—they place a difficult situation in a situation of even greater difficulty by ripping out from the social safety net, from our social security and other elements of our system, all of those exchanges that will naturally tempt Australians as they confront the wage levels that they need in order to sustain life and rear their children decently in decent conditions. They invite them by that action not only to go for what they think their employers can get them, not only for what productivity entitles them to have; they invite them to chase after and recoup what they lost as a result of a broken done deal.

The combination of no wages policy plus pressure directly from what you are doing in fiscal policy is going to create a situation where you will find yourself with a slowing economy which you are worsening by the proposals that you have, the propositions that you have, which are going to slow growth, anyway.

You were left with a very good wicket to bat on. You have been dissembling about that ever since. You have been dissembling about your wages policy; you have been dissembling about your promises; you have been dissembling about the fact that you once did

have targets in relation to employment, at least prior to the election; you have been dissembling about the impact of things like the current account deficit; you have been dissembling on every major economic statistic that you confront.

The problem is that when you bring down your budget, you will ultimately be held responsible for those consequences. Those consequences are going to restrain growth. Those consequences are going to mean rising unemployment. Those consequences are going to mean, as a result of that, a lifestyle for Australians which they have not had to confront for a very considerable period of time. *(Time expired)*

Mr COSTELLO (Higgins—Treasurer) (3.37 p.m.)—Mr Speaker, the Leader of the Opposition (Mr Beazley) started off on a familiar refrain of how brilliant was the government of which he was a member for 13 years. In fact, if you listen to his proposition, it was a government which was led by a legend, it was a government that had a visionary policy, and it was a government which was presiding over a public which had never had it so good. So it beats me how those opposite lost by 46 seats. A little bit of reality therapy ought to be administered in relation to this opposition.

However, if you want to continue to believe that the Australian public never had it so good and if you want to continue to lecture them about what brilliant successes you were, we will not disabuse you of that notion. Politically, nothing could suit this government more than an opposition which is unable to cope with reality.

The reality which you are unable to cope with—which never really makes it into the recitation of what a success the Labor government was over 13 years—is the reality of 8.4 per cent unemployment; it is the reality of a current account deficit the worst in the OECD; it is the reality of \$185 billion of net foreign debt; it is the reality of a Commonwealth debt which tripled over a period of four years; it is the reality of a budget deficit that, far from being balanced, as you trumpeted, was all along an \$8 billion deficit. So we have a Leader of the Opposition leading an

opposition unable to cope with reality, unable to come to grips with it and, of course, unable to make any sensible analysis of what the current economic situation is.

Let me also go through and document the line which is now put forward by the Leader of the Opposition in relation to his economic argument. Firstly, he says, 'There is no budget deficit.' That is his first proposition. But just in case there is a budget deficit, 'We are against any charter of budget honesty that would mean it would have to be disclosed.' That is our second proposition. Just in case a charter of budget honesty did get through which forced a disclosure of the real state of the Australian accounts, 'There is a hole that needs filling, and we might just have to look at filling it with a GST.' I must say that one of the more fascinating developments over the last couple of days has been whether or not this opposition will embrace a GST.

I notice that Mr George Campbell, who I believe is coming to Canberra as a senator—is that right?—some time this year, told the *Australian Financial Review*, as reported back on Tuesday 30 April 1996, that he had absolute commitment to a progressive tax system. He called for a wide review of the existing system, including examining issues such as the GST and the possibility of wealth and inheritance taxes. Mr Campbell, of course, is one of the leaders of the Left, and he is coming to Canberra to stake his claim to be a leader of the left wing faction. Mr Ferguson, of course, has his own claim; I think Senator Faulkner has his own claim. This is a faction which seems to have more leaders than it does members. But Mr Campbell is coming down apparently to urge on his colleagues the wisdom of a GST.

I must say, there is a lot of economic sense in a GST, and we argued it for three years. But those of us who are in this parliament can remember the merciless way in which the then Prime Minister, Mr Keating, used it to get re-elected in 1993. I cannot, I do not think, think of a less palatable economic program to put forward to the Australian people than GST, wealth and inheritance taxes. But if this is an opposition that is seriously contemplating a policy platform of

GST, wealth and inheritance taxes, then I wish you all the best; I wish you every luck in the world.

Of course, if you can deny that there is any budget deficit, there is no need for any of those things. Of course, that is the way in which the Leader of the Opposition began. He said on 17 April 1996 in a doorstep:

We don't accept the figures that have been put forward. This notion of an \$8 billion hole is largely a fraud—it is a cover, a blind. There are no statistics produced by Treasury that indicated there was that dimension of a hole.

'There are no statistics released by Treasury that indicated there was that dimension of a hole.' Of course, he was completely wrong. Of course, his claim was entirely false. Of course, what was released by the government on 12 March was precisely what the Treasury had released to us—and it had released it to us on the Monday after the election. It could have released it to the government on the Friday before the election. In fact, it could have released it to the government on any week before the election—and yet the government had a policy of 'don't ask, don't tell'.

It is true that a large degree of the turnaround was as a result of parameter changes. It is true that, as a result of parameter changes, the hole began to open up. But the crime of the Leader of the Opposition was not that the parameters changed but that he refused to come clean about it. All through the election campaign he was assuring the Australian people that the forecast that had been put forward in the May budget stood, that the budget was in surplus and that it would operate in surplus for years to come. All the time that was false, entirely false, and all the time he knew it or had the means to discover it. The fact was that he was assuring the Australian people that in headline terms there was a \$3.4 billion surplus, when in headline terms there was a \$4.9 billion deficit. He was assuring the Australian people that, excluding asset sales and debt repayments, the budget was in balance, when in underlying terms there was a \$7.6 billion deficit.

The crime of the now Leader of the Opposition, Australia's worst finance minister ever, was that he refused to disclose to the Austral-

ian people throughout that five-week campaign the basis on which that campaign was being fought. So after he had been caught, after the Treasury itself had released the statistics, after the election, his first phase was denial. But we have already entered into the second phase. The proposition that has been put forward in relation to his matter of public importance today—the second phase—is, if that were the case, it would be unnecessary to fix it.

I said yesterday that the phase of denial reminded me of the president of the flat earth society saying, 'I do not accept that the world is round.' The Leader of the Opposition says, 'Look, I do not accept that there is an \$8 billion hole.' It would be like a medieval pope saying to Galileo, 'I do not accept that the earth goes around the sun. There you go, fix that one. That's over. I don't accept it.' This is objective fact. It is released by the Treasury. That is the basis on which the Treasury would have advised any government at the time of the election.

The crime that was committed by the Leader of the Opposition—probably on political instructions; certainly as part of a political conspiracy—was his failure to disclose that to the Australian people. Now he comes along, the denial phase having ended and the denial phase having been exposed, and he says, 'If that be the case, then there is no need to fix it.'

Let me tell you this: the fact is that if Labor had been re-elected Labor would not have fixed it. The fact is that Labor was addicted to deficit and debt. But there is nothing more urgent in Australian fiscal policy than to reduce that deficit and get the budget back into balance. If we cannot balance a budget at a time when we are in a growth cycle we are setting up an Australian economy which would be fragilely exposed in the next downturn. It is a disgrace that it has come so far and taken so long for that to be done.

Then, of course, the Leader of the Opposition says, 'Oh, but look, think about the political fallout from this.' He says that we have to think about the consequences. Well, I tell you this: the consequences will be much worse if we, as a government, allow that

deficit to run on; if we, as a government, do not play our part to take pressure off interest rates.

Let me make it clear on behalf of this government that we will do our part to reduce interest rates because we will do our part to help small business and because we will do our part to create jobs. It is essentially a job strategy.

The IMF has pointed out in a number of empirical studies over the last 25 years that a strong assault on public spending does not have a debilitating impact on a national economy. The announcement of a credible program of fiscal consolidation can contribute to improved confidence in the economic prospects of an economy and lead to immediately lower interest rates and thereby have an expansionary effect on the economy. That, as shown by respectable economic studies, has been borne out in Australia by practical experience. As a result of the fact that this was a government prepared to come clean with the Australian people and prepared to announce the programs to deal with the problem that it had inherited, we have seen an Australian community buoyed by confidence. That confidence will contribute to economic growth.

Confidence in the Australian economy has increased dramatically since the federal election, according to the 'Boardroom' report, a quarterly survey compiled by the Australian Institute of Company Directors and KPMG. The proportion of directors who expected the Australian economy to improve in the next six months jumped to 32 per cent compared with 14 per cent in the December report.

They knew that having a government in place which would not come clean with the Australian people was not a government conducive to investment. They knew that having a government which was tired and besmirched with scandal over 13 years was not a government that was conducive to investment. They knew that a government that had no program to fix up and clean up the Australian accounts was not a government that would engender confidence.

One of the most rewarding things over the last couple of weeks was to see the confi-

dence that has developed because we had the courage to tell the truth to the Australian people; a courage which those opposite will never understand; and a courage which your leader sought to walk away from by opposing a charter of budget honesty. How could you do it? His position is, 'I am against budget honesty.' What is he for—budget dishonesty? The fact is that he is. That is the sad point.

The Leader of the Opposition comes in here and cries crocodile tears, trying to whip up opposition to a balancing of the budget. Essentially that strikes at the heart of Australian confidence. Those of us on this side of the House should not be under any misapprehension. This opposition has evinced an intention to strike at confidence, regardless of the economic consequences. Of course, it has to do so because, in the end, this is not a parliamentary party that makes its own decisions; this is a parliamentary party that is given orders. This is a parliamentary party that fronts in here as the political wing of the ACTU.

We often see Sinn Fein described in the newspapers as the political wing of the IRA. I often think of the parliamentary Labor Party as the political wing of the ACTU. The only thing I can say about Sinn Fein is that it probably has more independence from the IRA than the parliamentary Labor Party has from the ACTU. When the ACTU think that the parliamentary Labor Party might be getting too far away they send up some of their ACTU presidents just to make sure that they keep an eye—

Mrs Sullivan—Keep the blood lines pure.

Mr COSTELLO—That is right—keep the blood lines pure; just make sure as to what is happening up here. They send up Simon, they send up Martin, and no doubt they will send up Jennie George in due course. She nearly came up as a senator. The anti-ACTU crowd from Sydney will send George Campbell down to make sure that Martin does not get his own way in relation to the ACTU.

Of course, we understand that your decisions are not your own. The best decision that was ever announced by the Leader of the Opposition was the one that was reported as 'Beazley cuts close links with the ACTU'.

How long has it lasted? That was 20 March, and it has not even lasted until 2 May.

The fact is that, after 13 years of failure, if this opposition wanted to make a contribution it would support a courageous government; a government that is determined to get it right; and a government that is determined to take pressure off interest rates to help small business to create jobs, to set the climate for growth, to stabilise debt and to give Australia the kind of future that Australia deserves.

Mr DEPUTY SPEAKER (Mr Nehl)—Before I call the honourable member for Holt, I might remind the Treasurer that the former Prime Minister was not my leader.

Mr GARETH EVANS (Holt—Deputy Leader of the Opposition) (3.53 p.m.)—It took the Treasurer (Mr Costello) more than his usual five seconds to get to it, but inevitably, predictably, inexorably, the centrepiece of his contribution today in his speech, otherwise full of fluff and flatulence, was his attack on the so-called Beazley \$8 billion black hole. Let me tell you, that is not the centrepiece of this debate.

The proper centrepiece of this debate or any debate about budgetary management in the forthcoming months is a debate about the Costello con: the manufacture of a bogus fiscal crisis in order to justify savage budgetary cuts which are simply not necessary as a matter of economic responsibility; which will cause more pain than gain to the whole of the Australian economy; which are not about economic responsibility so much as the pursuit of a draconian Thatcherite, small government, ideological agenda; and which are designed to cover over the government's problems with its own irresponsibly underfunded election promises.

It is some con, the Costello con. It is not a simple little scam. It has quite a number of dimensions to it and each one of them requires to be answered separately; it needs to be picked apart. You cannot just deal with it in a one-liner or two. Let me deal with and explain the elements in the Costello con and show why they constitute such a bogus issue so far as the Australian public is concerned.

The first thing you do when you are setting up a Costello con—and I wish he would stay around to hear it, because he would be interested, I think, in the analysis—is you make it sound like the Labor government overspent. You make it sound like it has been a matter of a family spending too much on a wedding and having to carry forward a debt for a number of years thereafter as a consequence of that overexpenditure. But the truth of the matter is that the so-called \$8 billion hole is simply a guess about what will happen in the future. It is not a calculation or an accounting for what has happened in the past; it is a guess about what will happen in the future, other things being equal, if programs are unchanged so far as the comparison of the flow of likely income and expenditure is concerned.

The second thing you do when you are putting together a Costello con is you use a puffed up, rounded up, exaggerated, worst-case figure. There are actually two guesses floating around at the moment on the figures produced by the Treasurer on 12 March, but neither of them actually involves a figure of \$8 billion; and that is a point that the Leader of the Opposition (Mr Beazley) has been regularly making. The first guess is one based on the overall budget headline figure—the one you read about in the newspapers—because it is the key, the central, figure that emerges each August or May.

That particular figure at the moment is currently being assessed by the boffins at \$4.9 billion, as has been said. A significant proportion of that, incidentally, is attributable to the \$2.5 billion in budget measures that we were seeking and which the coalition blocked. If you take the underlying deficit—which the professional economists tend to prefer—and take out the state debt repayments, the asset sales and so on, you have a figure at the moment of \$7.6 billion but reducing to \$3.3 billion by 1998-99. So the figure in question when we are talking about all this is not the \$8 billion, as is constantly thrown around; it is either \$4.9 billion or—if you want to focus on the underlying deficit—\$7.6 billion, reducing very rapidly to just over \$3 billion.

The third thing you do when you are setting up this little scam is you create the impression that the forecast deficit is a given fact—a matter of truth or falsity—rather than being simply a guess, a forecast or a prediction about which there can be no particular certainty. It has been made clear over and over again, not least by Bernie Fraser in his speech on 28 March, that there is not and cannot be any certainty about the growth figures on which this projection of the deficit is primarily based. They jump around.

Ninety per cent of this projected deficit that the government talks about reflects simply those so-called parameter figures—forecasts about growth, inflation and jobs growth—and those figures are notoriously unreliable. They will change—they have always changed in the past—and already, on the basis of the December quarter figures that have come to hand since the Treasurer put down his particular projections, there are undoubtedly new forecasts which exist within the government and which are not being made publicly available. You create the impression of a fact about something which is inevitably and necessarily not a fact but simply a guess which is necessarily uncertain.

The fourth element in the Costello con is that you create the impression that a starting point deficit of \$4.9 billion or, to take the worst case, \$7.6 billion, is a much more serious economic problem than it actually is. Of course the opposition accepts—as we did in government—that it is very desirable, other things being equal, for there to be a return to underlying fiscal balance as soon as possible. But don't pretend that the increased deficit projected for next year is one of anything like crisis proportions, even if you accept the figure—which will not be the final figure—that is the starting point for the budget.

With an estimated GDP for 1996-97 of around \$500 billion, the \$4.9 billion headline deficit figure is less than one per cent of GDP or, taking the worst case, the \$7.6 billion underlying figure amounts to just 1½ per cent of GDP. Compare that with the \$9.6 billion figure—the estimated deficit that we inherited back in 1983. As a percentage of GDP that amounted to 4.9 per cent and in 1996-97

dollar terms it represents a starting point deficit not of \$8 billion, or anything of that order of magnitude, but \$24.5 billion. That would be a significant savings task. If what we left you was a hole, what you left us was the Grand Canyon.

The fifth element in the particular scam which is set up by an exercise of this kind—and we heard a lot of this today from the Treasurer—is to claim that there was some concealment by the Labor government of the size of the projected deficit, which came as a very nasty surprise to the coalition and gave it, as a result, some moral authority to slash the budget. It was public knowledge late last year that there had been a significant downward revision of growth figures by Treasury and Finance officials. Mr Costello, the then opposition spokesman, was complaining publicly last December about the implications of this for the budget bottom line. In a release of 21 December he said, 'A huge hole is opening up in Commonwealth government finance.' He specifically quoted Access Economics around the same time making a prediction of a \$10 billion budget blow-out for 1996-97.

That is the truth of the matter. There were no better figures available in the early months of this year before the election than had been the subject of public discussion before Christmas. There is no more responsible basis accordingly, until now when the December figures are out, for some new official projection to be made. No doubt an official projection has now been made. We would like to hear it. We would like to see it. We would like to have it tabled. Where is it? Where is the charter of budget honesty? But there was no concealment about the nature of the problem because of the revised growth figures last year.

The sixth thing you did when you were setting up your Costello con—the sixth element in that scam—was to make a lot of noise about \$8 billion to conceal your own budgetary hole, which is some \$4 billion deep. Coalition promises before the election totalled some \$6.8 billion over the next three years with a pretended \$8.9 billion of offsetting savings to more than cover them, but

Finance found \$1.2 billion worth of specific error in those. Another \$1.3 billion involved costs that were unavoidable, like contracts and treaty reasons, if coalition policies were implemented and a further \$1.4 billion worth of shortfall is evident in the \$3.3 billion worth of costing that was simply too vague for Finance to be able to make any calculations about.

They are the elements in this enterprise. The whole thing is a bogus, manufactured fiscal crisis. It has each one of those elements about it. Each one of those elements can be and has been very quickly demonstrated to be utterly lacking in substance.

As to the need to fix the economy at the moment, what the Australian economy needs at the moment is not a great big fat dose of contraction of the kind which the government seems determined to impose upon it, come what may, by pursuing this \$8 billion worth of cuts whatever the growth parameters may prove to be revised to be; what the Australian economy needs is another one per cent of growth to bring us back to the four per cent that we have averaged over the last three years which will enable the assault on the residual unemployment that exists in this country—very substantial unemployment—to be remounted. You cannot do that unless you get growth back up from three to four per cent.

The contractionary impact of this budget slashing exercise will be immense. Westpac estimates it—and this is the general view of economists—at half a per cent this year, another half a per cent next year. That is the absolute opposite of what the economy needs in order to get back to the growth that will make the real assault on unemployment. It is not a matter of a Beazley \$8 billion black hole; the whole thing is a Costello con designed to do no more and no less than to manufacture a crisis to give you the cover for doing something which is not economically responsible, which is not demanded—in fact, the contrary is demanded by the economy—which is designed to conceal the budgetary mess you got yourselves into with your own irresponsible, underfunded promises—(*Time expired*)

Mr ANDREW (Wakefield) (4.03 p.m.)—The shadow Treasurer, the honourable member for Holt (Mr Gareth Evans), has tried to hide behind what he thought was clever alliteration merely to blind us to what this debate is all about. As you are aware, Sir, for 13 years—longer than any other member of the parliamentary Liberal Party in this place—I sat on the other side of this chamber and did not taste government. For 13 years through successive ALP budgets I heard ALP Treasurers stand in this place at that despatch box and declare that they were bringing in a beautiful set of numbers, bringing home the bacon. The reality, not yet refuted by the shadow Treasurer, is that not one of the budgets handed down delivered the goods that were promised. It is hardly surprising that not only the government but the community at large have no doubt that we cannot go on living beyond our means and cannot go on in the style that we have become accustomed to over the last 13 years.

I wondered, Sir, what I should say and I was struck by a remark made by the member for Griffith (Mr McDougall) in his maiden speech. He referred to those well-known words of Abe Lincoln. I do not want to quote it all, but in the maiden speech of the honourable member for Griffith, barely two hours ago, part of what he said from Abe Lincoln's statement 150 years ago was this: 'You cannot establish sound security on borrowed money' and 'You cannot keep out of trouble by spending more than you earn.' On that note I could sit down because the member for Griffith has effectively made the case that needs to be made for the government.

Australians know that this nation has been spending more than it has been earning. That has been self-evident from our balance of payments figures, but worse than that: Australians have feared that their government within that nation has also been spending more than it has been earning. Lo and behold, when we came into government we discovered they were right.

The speaker for the opposition suggested there had been confected figures about all of this. The member for Holt at least had the decency to stand up and say: 'If you look at

these figures, there could be a debt of \$7.6 billion,' reining back in some fearless way from the \$8 billion projected. Are we expected to be grateful for that? It is like saying: 'I am glad you are whipping me because now at least you are not breaking my legs.' The reality is that we have a deficit that cannot currently be serviced and something has to be done about it.

All that we have been about since coming to government has been to find a way of servicing the deficit that we have inherited. So what have we said? We have said that one of the things we can do in order not to excessively burden the taxpayers of Australia is to sell some existing assets. We thought about that, then we discovered that a whole lot had already been sold. We thought, for example, about selling Qantas, but that is gone. The Commonwealth Bank is gone. The shadow Treasurer tells us that all has been well and that these are a beautiful set of figures inherited over 13 years of ALP governments, when the reality is that all they have done has been to live beyond their means and mask it through asset sales in order to sustain their lifestyle. So we have been forced reluctantly to contemplate the one-third sale of a further Australian asset, Telstra, in order to get the budget to the point at which it can reasonably be serviced.

Mr shadow Treasurer, if the figures were so good and if your performance was so magnificent, why was it that running into this election you refused to disclose these very figures? This is no 'bogus fiscal crisis', to quote you a few minutes ago. The reality is that, unless we do something about the present debt, Australia will not be the secure nation we want it to be in financial terms. Your argument reminds me—

Mr DEPUTY SPEAKER (Mr Nehl)—Order! It is not my argument at all. Please address your remarks through the chair.

Mr ANDREW—The shadow Treasurer's argument reminds me of Melbourne Cup runners saying, 'We could win if we could go round another lap.' He reminds me, as a South Australian, of the Crows, who are currently enjoying a relatively good season, saying: 'Last season we would have won

more matches if they had let us play for another quarter'—or fifth, as the case may be.

Your suggestion was that, for some strange reason, all would be well if we had left you there longer. The reality is, as the figures have indicated, that the budget has simply blown out. You have said that you do not want any contraction. I am afraid, if you will pardon this rather mixed analogy, that what we have discovered is that it is going to be very difficult to give birth to a better economy unless we are prepared to go through some minor contraction.

We find ourselves contemplating the reluctant sale of one-third of Telstra in order to better position Australia to service what is not the national debt but the government's debt. No-one on this side of the House would suggest for one moment that you can have a nation without debt or even a government without debt.

We have all been in small business. Certainly a great many more of us on this side of the House have been involved in small business either as employers or employees than have those on the other side of the House. Those of us who have been in small business know that small business contracts unless you do have and sustain some debt. It is my experience that the secret to success in small business and the secret to success in government is to ensure that you can service your debt.

What has the previous government done? In order to be popular it ran up a debt. It lived off the Bankcard. Finally the time has come where we have to recognise that we simply cannot go on living off the Bankcard because one day it has to be paid. So the Treasurer (Mr Costello) finds himself having to curtail Bankcard expenditure not because he wants to but because he has to.

There seems to be some impression opposite that we enjoy cutting government expenditure. The reality is that we find ourselves forced into this in order to balance the government books and to make it possible for future generations of Australians to enjoy a lifestyle without the sort of excessive taxation that will cripple them. The reality, as much as we wish it were not the case—and this was

out of the shadow Treasurer's mouth—is that we have inherited a debt nearing \$8 billion and that that is unsustainable unless we do some cutting.

There is a strange presumption that we on this side of the House do not have children, grandparents or aged parents and that we do not have any need for government facilities or any need to create jobs so we do not mind what we are doing. The reality is that the gap between us is one of philosophy but not lifestyle. We want to maintain effective aged care centres. We want to maintain effective child-care facilities. We want adequate health and immunisation procedures, as outlined by the Minister for Health and Family Services (Dr Wooldridge) at the dispatch box in question time.

We are committed to a better Australia in which to live. We are committed to a social wage. We proceed down this course not because we want to but because we are forced to because of the lifestyle that was adopted by the former government. We are saying to Australians, 'The obligation you will face is to live within your means.'

Mr Deputy Speaker, in an electorate like mine, and I suspect in an electorate like yours, I regularly meet farmers who say to me, 'Neil, we do not really understand all this budgetary business. We do not understand how the nation can be \$185 billion in debt and the government be \$8 billion in debt and how it is all separated.' I will use a very simple analogy because I am not an economist; I suspect sometimes that the nation would run better with somewhat fewer of them anyway. I say to those people that the debt we have is precisely like the debt that you generate on the farm when you are getting more in the front gate than is going out. We are simply committed to getting more out of the front gate and to achieving a more productive Australia so that we can sustain the sort of lifestyle that we not only would want to sustain but also would want our children to enjoy. We are here to trim the budget in order to ensure that we have balanced the books so that the household accounts indicate that we can go on living as

we have lived and not run up a debt that will not be able to be serviced.

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

TELSTRA (DILUTION OF PUBLIC OWNERSHIP) BILL 1996

First Reading

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

Second Reading

Mr WARWICK SMITH (Bass—Minister for Sport, Territories and Local Government) (4.13 p.m.)—I move:

That the bill be now read a second time.

This bill is about the government delivering on its promises. In marked contrast to the approach taken by the former government in the cases of the Commonwealth Bank, the Federal Airports Corporation and Qantas we have sufficient regard for the electorate to be up-front about our intentions. We made crystal clear in our election policy that if elected we would introduce into parliament at the earliest opportunity legislation to sell one-third of the Commonwealth's equity in Telstra by way of a share float.

This proposal is not about marrying an ideological attachment to private ownership with the necessity to balance the books. Partial privatisation of Telstra is one element of a broader telecommunications policy aimed at giving Australians a world-class telecommunications industry in terms of not only technology but also pricing and quality of service. The other key elements of our policy are the introduction of legislative and institutional arrangements which will promote competition in the provision of services and preserve and enhance universal service.

We are committed to having legislation in place by the end of the year to establish clearly the framework for a more competitive telecommunications market from mid-1997. That legislation will continue the universal service obligation in an enhanced form, but we are taking the opportunity in this bill to

reaffirm the current requirements placed on Telstra and the other carriers.

Partial privatisation will both benefit Telstra as a company—by making it even more responsive to market signals and better able to compete domestically and internationally—and benefit the Australian public through increased investment opportunities, a more efficient communications sector and reduction in public debt via the sale proceeds—indeed, some of the points that the member for Wakefield (Mr Andrew) made in his contribution.

To these benefits the government has also added the benefits of a billion dollar trust for the natural environment. The important companion to the Telstra bill is the Natural Heritage Trust of Australia Bill which will establish a trust for the protection and rehabilitation of Australia's precious natural heritage with the first billion dollars of the proceeds of the sale of one-third of the Commonwealth's equity in Telstra. The government undertook that the proceeds of the sale of equity in Telstra would be used to retire debt rather than fund recurrent expenditure. The expenditure on the environment planned for this program would be an investment in Australia's capital for the future. Failure to enact the Telstra bill would, therefore, entail forgoing a unique opportunity to invest in the maintenance and enhancement of Australia's natural capital.

The bill contains a single provision which enables the sale of one-third of the Commonwealth's equity in Telstra. Reflecting the government's undertaking that it would not sell more than one-third without obtaining another clear mandate at a later election, the bill does not allow the Commonwealth's equity to fall below two-thirds.

The bulk of the bill comprises provisions aimed at safeguarding the national interest in world-class infrastructure and services being spread as widely as possible, a smooth transition from full public ownership to part private ownership and proper monitoring of the continuing public investment through the Commonwealth shareholding.

Consumer Safeguards

In 'Better Communications' the government undertook to ensure that a world-class consumer framework was in place before any partial privatisation of Telstra was initiated. The government gave this undertaking not because it considers the partial privatisation of Telstra will jeopardise current levels of service. Far from it. The government expects the partial privatisation to improve customer service in the industry.

As I have already indicated, the bill reaffirms the government's commitment to the key consumer safeguard—the provision of universal service. All Australians will continue to have reasonable access, on an equitable basis, to the standard telephone service and payphone services. The universal service obligation will continue to be funded by the carriers.

The proposed consumer framework also tackles two other problems. First, it tackles perceived existing problems with carrier performance by establishing appropriate operational requirements and enabling Austel, the government regulator, to report on the carriers' performance. Second, by establishing those requirements, it removes grounds for any community concerns that the partial privatisation will affect current levels of service.

Telecommunications is a vital element of our social and economic infrastructure and consumers—quite rightly—want to be confident that the system will serve them. It is to assure consumers, both business and residential, that the system will continue to serve them well that the government has undertaken to implement a number of consumer safeguards prior to the partial privatisation. Although these safeguards are being introduced before 1997, they will be continued after that date. These safeguards go far beyond anything offered by the previous Labor government.

The proposed amendments to the Telecommunications Act included in the bill, together with existing provisions of that act and the Telstra Corporation Act, provide a world-class consumer framework.

I will discuss the consumer safeguards in more detail later, but first I would like to address sale-specific matters and outline other safeguards in the bill which protect the continuing national interest, while facilitating the introduction of limited private equity.

Keeping Telstra Australian

Telstra has a vital continuing strategic role in the national economy. Australia's long-term national interest therefore demands that it not simply be sold off to the highest bidder but that it remains an Australian owned and Australian controlled corporation.

Accordingly the bill amends the Telstra Corporation Act 1991 to:

- . restrict aggregate foreign ownership to an 11.6667 per cent ownership stake in Telstra, that is, 35 per cent of the one third of Telstra equity that can be held by persons other than the Commonwealth;
- . restrict individual foreign ownership to a 1.6667 per cent ownership stake in Telstra, that is, five per cent of the non-Commonwealth equity in Telstra;
- . impose related offence, anti-avoidance and enforcement provisions;
- . ensure that the Telstra's head office, base of operations and incorporation remains in Australia and that its chairman and the majority of its directors are Australian citizens; and
- . enable remedial action to be taken where there has been a contravention of the ownership limits and other requirements, including applications by Telstra or the minister for Federal Court injunctions and special provisions for prosecution of offences.

These provisions mean that even if foreign interests take up all the shares which are available to them Telstra will remain over 88 per cent Australian-owned and no individual foreign shareholder or associated group of shareholders can hold more than 1.7 per cent of the company. The government will not permit Telstra to be owned or controlled by foreigners. With the requirements for incorporation, head office and base of operations to be in Australia and for the chairman and the majority of directors to be Australian, there

can be no doubt that Telstra will remain another 'Big Australian'.

In addition individual Australians will be able to have a direct stake in the company, to share in its growth and through their expectations which will be reflected in share prices spur Telstra to continue to improve its performance. The sale processes will provide for special incentives for individual Australians and Telstra employees to invest in their company.

Shareholder Oversight

Another important safeguard is accountability. The performance of Telstra, its board and management will be subjected to the scrutiny of its private shareholders, whose assessments will be reflected in share prices. In addition, as the major shareholder, the Commonwealth will retain the means to monitor its continuing investment on behalf of all Australians.

The bill amends the Telstra Corporation Act 1991 to ensure that the Commonwealth continues to have access to information which is required for oversight of Telstra. The following reporting mechanisms are provided in the bill:

- . a power to require Telstra to give the minister financial statements;
- . notification by Telstra of significant events (forming companies, joint ventures, acquisitions, et cetera);
- . obliging the Telstra board to keep the minister informed of the ongoing operations of Telstra (with specific powers for the Minister for Communications and the Arts and the Minister for Finance to request specific reports, documents and information); and
- . a requirement to prepare, update and provide corporate plans to the minister.

The existing provision in the Telstra Act for annual financial statements required by section 316 of the Corporations Law to be provided to the minister and tabled in the parliament will be retained. The Auditor-General will continue to have audit responsibility for Telstra.

The reporting obligations in the bill have been modelled on those in the Commonwealth

Authorities and Companies Bill and are consistent with the guidelines for 'Accountability and Ministerial Oversight Arrangements for Government Business Enterprises' established by the former government. The oversight provisions in the bill are expressed to apply despite the operation of the Corporations Law, to remove any possible argument that the provision of information to the Commonwealth as majority shareholder may be in conflict with that law.

Placing reporting obligations in legislation is the most transparent means of retaining access to information on a basis comparable to the current arrangements. Since 1991 Telstra has been a Corporations Law company with an independent board of directors, bound by that law to act in the best interests of the company. This will continue to be the case and Telstra's business activities will operate at arm's length from government. The government does not intend to intrude in the day-to-day running of the company and the access to information is to assist in obtaining a broad strategic overview, monitor the performance of the board and management, and protect taxpayers' continuing investment.

The Commonwealth's statutory power to obtain information from Telstra will be supplemented by the inclusion of appropriate provisions in Telstra's memorandum and articles for the purposes of shareholder oversight. These provisions can only be changed by special resolution of the company with the support of 75 per cent of those who vote.

The government will also entrench a provision in Telstra's constitution to enable the Commonwealth to appoint directors in proportion to its shareholding. The government will take particular care to ensure the directors it appoints possess the necessary mix of business, financial, legal and industrial relations skills to contribute effectively to setting the direction for the company and will actively monitor their performance through the reporting obligations placed on Telstra.

The bill repeals the power contained in section 9 of the Telstra Corporation Act 1991 for the minister to give directions to Telstra in the national interest, from the date of sale of the first shares. Retention of the power

post part sale would be overly intrusive and incongruous with moving Telstra into a more commercial framework.

Sale Provisions

The final major category of safeguards relates to the processes for sale of one-third of Telstra. The bill provides for amendments to the Telstra Corporation Act 1991 to facilitate the process of selling equity interests in Telstra including:

- . exemptions from stamp duty;
- . appropriation from consolidated revenue for costs incurred in the sale process;
- . capacity for the Commonwealth to take over certain obligations—that is, guaranteed borrowings—of Telstra or Telstra subsidiaries;
- . requiring Telstra to assist in the sale process;
- . enabling the Commonwealth to use information obtained from Telstra for the purposes of the sale;
- . enabling the offer document for the sale of equity in Telstra to be registered under the Corporations Law; and
- . facilitating alterations to Telstra's constitution and restructuring of its capital to assist the sale process.

In a joint press release the Minister for Finance (Mr Fahey) and the Minister for Communications and the Arts (Senator Alston) announced the government's intention to commission an extensive scoping study to enable it to determine the detailed arrangements for the sale including the planning, organisation, management and structure of the sale process.

The bill before the House is drafted so as to provide the flexibility necessary to facilitate whatever detailed arrangements for the sale process are decided by the government after its consideration of the report of the scoping study.

The government is determined to finalise the legislation as soon as possible. To await the report of the scoping study before drafting the legislation would jeopardise our timetable for completion of the sale by mid-1997, and jeopardise the availability of the sale proceeds

to fund the government's important environmental initiatives through the Natural Heritage Trust of Australia. The government is confident that, by building flexibility into the legislation, whatever sale process is decided on will be able to be implemented.

The bill provides the necessary flexibility in sale arrangements by defining the mechanism through which the Commonwealth's equity in Telstra can be transferred to investors—'Telstra Sale Scheme'—very broadly, so as to include not only conventional single tranche sales, but sales effected through a number of tranches, or through single tranche sales with instalment purchase arrangements.

Instalment purchase arrangements may be necessary if the scoping study finds that the domestic equity markets would find it difficult to cope with equity raising of the order of magnitude envisaged—which we are advised is likely to be at least \$8 billion—in a single tranche sale.

The bill allows for a number of different models of instalment purchase arrangements. These arrangements would include models where partly paid shares are initially purchased by investors, with subsequent calls for additional funding being used to obtain the remainder of the proceeds. Other models would involve a so-called 'sale scheme trustee' acting as an intermediary to hold the legal interest in Telstra shares for investors following the first instalment of the sale. Investors would pay later instalments to the trustee until the shares were fully paid for, at which time they would be transferred to investors. The bill would also facilitate the sale being effected through a number of tranches of less than one third.

The bill includes measures to ensure Telstra, and its directors, will, and can, cooperate with the sale process. This will remove any legal risk that the Telstra board could be in conflict with the Corporations Law by cooperating in the sale of the Commonwealth's equity in Telstra. Moreover, the legislation ensures that Telstra will receive fair reimbursement for any assistance provided. It is also intended that these statutory provisions be further supported by cooperation agreements between the Commonwealth

and Telstra and the Commonwealth and individual directors, a confidentiality agreement and an undertaking that the Commonwealth will trade shares only on the basis of a prospectus.

To facilitate the sale process, the provisions in the bill relating to the provision of sale information to the Commonwealth and enabling a replacement of share capital to be implemented and changes made to Telstra's memorandum and articles of association are expressed to apply despite the operation of the Corporations Law. This is intended to ensure that the sale of Telstra shares is not frustrated or delayed by requirements under the Corporations Law, in circumstances where the rights of shareholders or creditors of Telstra are not materially affected. In all other respects the sale will be conducted by the Commonwealth in accordance with Corporations Law.

The bill also includes a provision to ensure that the Commonwealth is able to 'opt in' to chapter 7 of the Corporations Law and thereby allow a prospectus to be registered by the Australian Securities Commission. This would mean that the Commonwealth would be subjecting the sale of its equity in Telstra to the same rigorous scrutiny as private sector entities face when they seek to raise or sell equity.

When this bill is enacted there will be no possibility of further sell-downs of the Commonwealth's equity without further reference to the parliament via amending legislation. The government reiterates its commitment not to seek the sale beyond one-third without an express mandate at a further election—this bill gives the parliament the means to hold the government to its word.

Consumer Safeguards

I would like to return to the detailed arrangements for ensuring the interests of consumers are protected.

Continuing safeguards

The new consumer safeguards being introduced by the government will be in addition to the continuation of several important mechanisms, namely:

- . The universal service obligation, reaffirmed in the bill, which will continue to require a standard telephone service be offered to all Australians;
- . The untimed local call obligation, already guaranteed by legislation, will be retained for residential consumers;
- . Price capping, which requires the prices for a basket of Telstra's main services to reduce by on average 7.5 per cent annually and the prices for individual services to residential customers to decline by one per cent per annum in real terms, will continue to apply to Telstra until 31 December 1998—with a review scheduled for 1997-98—and
- . General prices surveillance will apply to other industry players.

By amendments to the Telecommunications Act 1991 this bill adds three new consumer safeguards arising from our Better Communications policy:

- . Extension to business of the statutory obligation to provide the option of untimed local calls;
- . The customer service guarantee; and
- . Extension of Austel's power to make indicative performance standards.

Untimed local calls for business

Residential customers have long had, and will continue to have, guaranteed access to the option of untimed local calls. In contrast, while businesses have generally had access to untimed local calls in the past, they have not had this as a right by law. The government has recognised that this creates uncertainty for business, especially small business; uncertainty about one of business's most important telecommunications costs.

To provide business with predictability about its basic telecommunications costs, the bill amends the Telecommunications Act to require all general carriers providing local call services to offer all customers—business, residential, charity and welfare bodies and any others—with the option of untimed local calls. This will be achieved by omitting the current definition of 'eligible customer' and extending

the right to untimed local calls on fixed networks to all customers.

The obligation on carriers will not prevent businesses choosing a timed local call option if that better meets their business needs. The government is looking to maximise choice, not limit it. The legislation simply means that carriers will need to ensure that if they provide timed local calls they will also need to provide the option of untimed local calls. This policy will be continued after 1997 and be incorporated in the post-1997 telecommunications legislation.

Customer service guarantee

The second government initiative implemented by these amendments is the customer service guarantee. The coalition has long been concerned about declines in many aspects of service, particularly where there is a lack of competition such as in areas of rural and remote Australia. When in opposition, the coalition played a major role in highlighting the poor service being provided to Australians outside the major metropolitan areas. To address this the government has decided to legislate for a customer service guarantee.

Telstra already has a similar voluntary connection and repair guarantee. The bill, however, makes three very important changes to these voluntary arrangements:

- . The guarantee will be a legislated requirement and thus a mandatory requirement, not a voluntary undertaking;
- . The guarantee will apply to all carriers operating in applicable markets, not just those who volunteer a guarantee; and
- . The guarantee will be backed up by stiffer penalties.

The customer service guarantee scheme set out in these amendments has nine key elements.

- . The minister will direct Austel, by disallowable instrument, to determine performance standards about connecting customers, rectifying faults and keeping appointments.
- . Austel will determine performance standards, including appropriate exemptions and qualifications.

- . Austel will also determine commensurate damages, subject to a statutory cap.
- . Carriers will be required to comply with the standards as a statutory requirement.
- . Where a carrier fails to meet the standard, the carrier will be liable for damages which may be discharged by crediting the customer's account or in a manner otherwise agreed with the customer.
- . Where a carrier fails to pay damages voluntarily, the customer will be able to seek damages in the courts.
- . If the council and board of the telecommunications industry ombudsman scheme agrees to the role, the Ombudsman—or otherwise Austel—will be able to give an evidentiary certificate which will constitute prima facie evidence of a breach of the standard in any court action.
- . To enhance consumer choice, a customer will be able to waive the guarantee in a manner determined by Austel.
- . Austel will be required to review and annually report on the appropriateness and adequacy of approaches by carriers in carrying out their obligations and discharging their liabilities under the customer service guarantee scheme.

It is expected that carriers will regulate their own behaviour in the first instance. That is, should they fail to meet the performance requirements they will be expected to credit the customers account with the amount of damages. Austel will be required to report annually on the adequacy of approaches taken by carriers to discharge their liabilities. The ability of customers to seek damages in the courts should provide a further incentive for carriers to comply with the requirements.

To maximise consumer freedom, the bill also allows Austel to enable customers to waive their guaranteed rights if they wish—for example, in exchange for a rebate. Upon commencement of the legislation, the Minister for Communications and the Arts proposes to direct Austel to determine standards in relation to the standard telephone service and enhanced voice services, for example, call waiting, call barring and call forwarding, available in conjunction with that service.

This reflects the fundamental role of the voice service in contemporary life and the role of the customer service guarantee in ensuring it is readily available and reliable.

Austel will be directed to specify performance standards and penalties which reflect the government's policy announced in 'Better Communications'.

Wider scope for indicative standards

The third element of the consumer framework provided for in the bill is a widening of Austel's existing power under section 38 of the Telecommunications Act 1991 to develop indicative performance standards. The amendments will enable Austel to develop indicative standards relating to matters associated with, or incidental to, the supply of the standard telephone service, goods and services supplied in connection with the standard telephone service, and the supply of other telecommunications services which Austel thinks appropriate. These matters will include, but not be limited to, the timeliness and comprehensiveness of bills, procedures to generate standard billing reports and any other billing matter.

The government intends Austel to use these widened powers to deliver certain government pre-election commitments in relation to the vexing issue of billing.

Ancillary Legislation

An examination has been made of legislation affecting Telstra to determine whether amendments are necessary or desirable prior to the part-privatisation. I am advised, as is the minister, that there is no additional legislation which must be amended to enable the sale to proceed. All current legislation which refers to Telstra continues to apply while Telstra remains majority Commonwealth owned, other than particular provisions requiring liaison by wholly owned Commonwealth companies under the Australian Security and Intelligence Organisation Act 1979 and the Inspector-General of Intelligence and Security Act 1986. It would not be appropriate for these provisions to continue to apply to Telstra as a partially privatised entity. The existing rights of Telstra employees are not affected by the introduction of minority private ownership.

Summary

This bill is a clear indicator of the government's intent to do all in its power to deliver on its election promises. It would enable the implementation of a policy that was clearly enunciated and debated in the election campaign. It would provide substantial benefits to all Australians as taxpayers, investors and those who care for our environment.

The opposition can hardly claim that there is some national interest to be protected by retaining the company in full public ownership—no less a person than the former Prime Minister, who made clear in June 1994 on national television that there was no essential significance in the ownership of Telstra so long as it was subject to the competitive disciplines of the market. Enactment of this bill would continue the process of subjecting Telstra to those disciplines while providing all the safeguards necessary to protect national and consumer interests.

So what we have is a bill which performs three vital functions for all Australians. On the environmental side the government is committed to establishing a \$1 billion Natural Heritage Trust which will be devoted to protecting and rehabilitating Australia's environment. This is an historic and comprehensive natural heritage conservation program which can be made possible only by the use of the proceeds from the partial privatisation of Telstra.

The money invested in the Natural Heritage Trust will be devoted to capital projects designed to replenish Australia's environmental infrastructure. Specific initiatives to be funded over a five-year period will include:

- . \$318 million for a major national vegetation initiative to tackle the problems of land and water degradation in Australia;
- . \$163 million to implement the Murray-Darling 2001 project to rehabilitate the vital Murray-Darling Basin;
- . \$32 million for a national land and water resources audit to provide the first ever national appraisal of the extent of land and water degradation in Australia and its environment and economic costs to the nation;

- . \$80 million for the implementation of a comprehensive national reserve system to preserve Australia's biodiversity; and
- . \$100 million for a coast and clean seas initiative to tackle the environment problems facing our coasts and oceans.

In addition, all interest earned from the trust will be devoted to expenditure on environmental projects and the further development of sustainable agriculture, including landcare activities. At the end of the five-year program over \$300 million will remain in the trust in perpetuity, held on behalf of all Australians to enhance the quality of the environment in which we live.

One of the most critical justifications for the injection of private equity into our major telecommunications carrier is the need to achieve a more efficient industry and a more efficient Telstra. Virtually every other country in the developed world and many in the developing world, particularly in our own region, are increasingly recognising that true shareholder accountability combined with maximum competition is the best guarantee of lower prices and higher quality of service. Indeed, Telstra is now the only carrier in the top 20 telecommunications companies by revenue in the world which is not already privatised or scheduled to be in the near future. The onus is on those who have so far been content to hide behind outdated ideological defences of the public sector to demonstrate that business as usual is going to be anything other than a recipe for declining competitiveness for our major carrier and inferior consumer outcomes for all Australians.

Finally, the bill is a very positive step towards rectifying our chronic savings problem—an issue which has been the subject of much comment by economic commentators and most graphically illustrated by the Fitzgerald report into national savings. The estimated \$7 billion which will be devoted towards reduction of government debt and the resulting public debt interest savings will demonstrate the Howard government's determination to achieving a balanced budget and send a powerful signal to both the Australian people and the financial markets that this

process has at last begun in earnest. I have pleasure in presenting the explanatory memorandum and commending this historic bill to the House.

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

MINISTERS OF STATE AMENDMENT BILL 1996

First Reading

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

Second Reading

Mr JULL (Fadden—Minister for Administrative Services) (4.43 p.m.)—I move:

That the bill be now read a second time.

Section 66 of the constitution prescribes the maximum annual sum for the payment of salaries to ministers, unless the parliament provides otherwise. Amendments to the Ministers of State Act 1952, which sets the sum, are therefore required from time to time to cover changes in the level of ministerial salaries or the number of ministers. The sum appropriated is to meet the expected costs of salaries and no more.

The act's current limit on the sum appropriated is \$1,615,000. This sum needs to be increased to \$1,640,000 in the current financial year to meet increases in salaries for ministers under the previous government. In subsequent years because this government has reduced the number of ministers and reduced the salaries payable to ministers not in cabinet the sum required will be \$1,600,000. Under the arrangements in place under the previous government a sum of \$1,780,000 would have been required in subsequent years. I commend the bill to the House and present the explanatory memorandum to the bill.

Debate (on motion by **Mr Laurie Ferguson**) adjourned.

GOVERNOR-GENERAL'S SPEECH

Address-in-Reply

Debate resumed.

Madam DEPUTY SPEAKER (Mrs Sullivan)—Order! Before I call the honourable member for Batman, I remind the House that this is the honourable member's first

speech and I ask the House to extend to him the usual courtesies.

Mr MARTIN FERGUSON (Batman) (4.45 p.m.)—I speak this afternoon as the representative of a traditional Labor electorate—the federal seat of Batman. Steeped as I am in the history and traditions of the great Australian Labor movement, I understand what an honour, privilege and duty it is to represent this constituency. I stand here as the 10th member for the federal seat of Batman since it was proclaimed in 1906. In those 90 years my constituents have only twice returned a non-Labor MP to stand in this House. My predecessor was Brian Howe.

The people of Batman have remained loyal to Labor because they understand the essential values of our party to stand up for the have-nots, to redress the balance and to build a more egalitarian society. They back Labor because they know it is the only political force which not only keeps up the struggle for a fair share of the cake but also will deliver those fair shares.

While my constituents maintain their faith in Labor, it is obvious, looking around this chamber, that a large number of our fellow Australians unfortunately do not have the same commitment. This means that a considerable rethinking and redefining of the Labor role is needed by all sections of the Labor movement. As a new member of the Labor caucus, I want to become an active part of that redefining, that rethinking of our policy—rethinking what it means to be Labor in the 21st century.

But before I come to that, I would like to talk about my first commitment in my first term as a Labor member of parliament. That commitment will be to the people of Batman, an inner metropolitan Melbourne electorate which has for many years relied on a manufacturing industry base that is now disappearing. The suburbs in the electorate include Alphington, Bundoora, Coburg North, Croxton, Fairfield, Northcote, Preston, Regent, Reservoir, Thornbury and Westgarth.

The people of the electorate are working people whose priorities for their families are better job opportunities, better housing opportunities, better educational opportunities,

better health opportunities and support for the aged. A comparatively high number of people in my constituency are unemployed due to industry restructuring. Those in jobs tend to be in unskilled, low-skilled or traditional blue-collar trades. Nearly half of my constituents speak a language other than English at home and one in 10 are not fluent in English.

At the launch of my campaign in Batman I promised my constituents that I would commit myself to one major objective in my first term: to create new jobs, more jobs and better jobs for our community. Not only do I want to keep companies such as Kodak, Diana Ferrari, CSIRO, Howe Leather and Flair suits viable in my electorate, I want to help these and other companies in the Batman electorate expand to create extra jobs for my constituents.

I also appreciate the importance of small business for my electorate, with almost 70 per cent of all jobs created under Labor being in the small business sector. Importantly, I believe that the local community, business, unions and higher education institutions—such as RMIT and La Trobe University—can together attract new employers and develop new job opportunities for Melbourne's north in high tech, education, health care and tourism. It is also very important that we now have in place the newly democratically elected Darebin City Council. The councillors, the local state MPs and I are already cooperating with other organisations and individuals in what is the most important role that we all have as representatives of our constituency—creating jobs.

As President of the ACTU I enjoyed and was proud of the fact that I could work cooperatively with a variety of major corporations—such as Toyota, Sheraton, Heinz and Amcor—to deliver jobs for Australians. I would like to replicate at the local level what I was able to do at the national level.

As the member for Batman I am aware that this electorate has the largest Victorian urban constituency of indigenous Australians. I will work with my Aboriginal constituents to deliver to them the recognition that theirs was the original culture of this great land mass and as such deserves a special respect and

recognition. Moreover, I will work with my Aboriginal constituents to deliver to them what I believe all my constituents want—equal rights to jobs, education, housing and health. That is what reconciliation is really all about.

The first duty I undertook as the member for Batman was to visit the graduates of a groundbreaking Aboriginal job training program in my electorate. The ceremony for the Aboriginal job training program was held at the Northcote Town Hall in my constituency where 17 Aborigines graduated through a program run by a private indigenous company—Yuruga Enterprises. Fifteen of the 17 graduates are now in permanent jobs.

It is my view, and it is a Labor view, that governments have a responsibility to intervene in the marketplace to give opportunities to all Australians to fully participate—and to participate equally—in our society. Working Nation was a marvellous example of a government program intervening to ensure that the benefits of economic growth in this country of ours are shared by all sections of the Australian community.

The people who now sit on the government benches have, despite their election rhetoric, in just a few short weeks shown that they have no real commitment to the have-nots. In fact the new Minister for Employment, Education, Training and Youth Affairs (Senator Vanstone) is ditching the very practical initiatives of Working Nation, and often for base ideological reasons. Just look at the way she abolished Nettforce, a primary example of a successful initiative which matched the needs of business to training programs.

The people who now sit on the government benches, in their election rhetoric, told the voters how they were a changed party, how they were now modern, soft and cuddly. They even boasted that their policies were now very similar to Labor's policies.

Have they really changed? In the last eight weeks we have seen radio and TV news broadcasts and newspaper headlines which take us back 15 or 20 years. They are stories straight out of the early 1980s and the late 1970s. Go and compare the headlines. The news headlines talk about withdrawing rights

to unemployment benefits. The 'dole bludger' tag is back as part of the rhetoric of government MPs. If you have any doubt about that, just go to the headlines of the *Melbourne Age* of September 1979. It says: 'How Howard's axe fell on jobless.'

The morning news greets us with yet another public service bashing story—job cuts from the public sector, the slashing of government expenditure or the ripping away of more money from social welfare or job creation. Yes, you should hang your heads in shame. It is done without any real consideration of the impact on families and on regional Australia. It is all about scapegoats for their own excesses.

Those election promises can be paid for only through their budget cutting processes. They are not really worried about reducing debt. They are worried about how they are going to pay for their own excesses. The truth is that, now that the coalition thinks they are ensconced on the government benches, they have stopped the pretences which helped them win the election and they have started to revert to type.

Government ministers have taken out of their back pocket their real policies—Fightback. Yes, Fightback—that ugly set of policies which were rejected by the people back in 1993. It is a tragedy that at the end of the 20th century, when we should be going forward, we have a government which has put us into reverse and is trying to take us back to the late 1970s, the early 1980s or even the 1950s. It just cannot be done.

Australia has changed dramatically since those days. It is not the same inward looking country that we had in the late 1970s or early 1980s, when the conservatives last sat on the government benches. Just look at some of the basic indicators of those changes, and I am exceptionally proud of these indicators. Under the Fraser Liberal-National Party governments, the number of working days lost per 1,000 employees due to industrial disputes was 591 days. Under the Hawke-Keating ALP governments, this had dropped to 194 days. In the early 1980s, our retention rates to year 12 were abysmal—just over 35 per cent of the students stayed through to year 12. Today that

figure is well over 70 per cent staying to year 12, and we should be trying to improve on that figure. But, unfortunately, the current government is not prepared to set targets.

If Australia is to take part in the Asia-Pacific economic revolution and the technological revolution, we must continue to expand on the educational opportunities available to our citizens. The most dramatic change in our work force which the new government must take into account is the increased rate of participation of women in the work force. On this note, can I say that the change in the sitting hours for this House hardly makes it a user-friendly workplace for people with families. Over the same period we have improved the social wage in this country to give our citizens not just services but quality services in the areas of education, health, social security, housing and community services.

When the tories were last in government, only 13 per cent of GDP was spent on the social wage. Today we are past the 16 per cent mark, with specifically targeted and means tested benefits. We have improved the rate at which the age pension is paid as a proportion of average weekly earnings from 22 per cent to over 25 per cent. Most importantly, we have dramatically improved the family payments for children, which are now also regularly indexed, as is the case with the pension, for increases in prices. Children's payments, as a proportion of the pension, with respect to those under 12, have gone from 11.8 per cent under the tories to 16.6 per cent. For children between 13 and 15 years, they have increased from 11.8 per cent to 21.6 per cent.

I do not believe the coalition can successfully turn all these advances back to replicate the late 1970s and early 1980s. The more they try, the quicker our side will be returned to the government benches, because these advances are based on the essentially egalitarian political culture we have developed in Australia. Yes, there are hiccups on the way. Nothing is perfect. But at the end of the 20th century, as we move into the next century, Australia can boast a political culture based

on a sense of fair-mindedness, decency and equality.

Despite Labor's losses at the March election, I believe we still have basically a democratic-socialist political culture in this country. It is firmly based in the long struggles of the labour movement and will never successfully be completely rolled back by the conservatives. The more they try to roll it back, the more it will be at their own political cost.

None of this means, I dare say, that we on this side of the chamber can just sit and wait to be returned to the government benches. The message from the Australian voters was clear: 'If you want us to continue to vote Labor, you had better rethink some of your key policy planks.' In an election in which the conservative wolves paraded as sheep, pretending their policies were similar to Labor's, we as a political force did not do enough to differentiate ourselves.

I am proud of the last 13 years of Labor government, but I do not think that Labor did enough in the last election to show Australians that we understood. We had the policies in place to provide the stability and security voters demanded, to meet the challenges and the widespread concerns about the pace of change in this great country.

When my friends and I started out in the work force in the early 1970s, there was a widespread expectation that, if I wanted, I could get a job and expect to stay with that employer, expect to stay in that same type of job, for the rest of my life, slowly progressing through the ranks. When my children, Ben and Clare, start in the work force early in the next century, they will have completely different expectations. They will probably stay with one employer for one or two years, maybe five years. They could be working from home and they will probably have several completely different careers, going back to educational institutions for retraining several times throughout their working lives.

It is these massive changes which are causing insecurity in our society. And it is not just in Australia. It is a phenomenon across the West—that while the economies have started to boom, while there is real economic growth, it is not translating into jobs, not

translating into opportunities for all sections of the community.

I am not going to pretend to give the prescription for this insecurity in my first speech to parliament. I do not think anybody within the leadership groups of the labour movement should attempt any quick prescriptions. It is too early. We need to involve and consult with our grassroots supporters in the party and the wider community. But I do believe we have to face up to the insecurity about the pace of change which played an important role in our defeat at the March election.

This should be the central issue of discussion and debate within the party over the next weeks and several months. How do we rebuild that sense of security? What is the role of government? Government, I believe, has an important role in providing the glue that sticks a society together. But the question is how governments should effectively intervene. How do they create that sense of security in an era in which real economic power has shifted from the nation state to the multinational corporation?

If you feel secure about your job and the future of your workplace, it changes your outlook on the world. If you feel secure, you can start to feel secure about your relationships, your family, your neighbourhood and your community. If your job is secure, you feel less anxious about the future of your children's education. If your job is secure, you feel less anxious about your ability to find good housing. If your job is secure, you feel less anxious about your ability to get good health care. If your job is secure, you feel less anxious about how you will provide for your retirement.

In this debate about the creation of secure jobs, we need to find a way which is neither the European prescription nor the American prescription. The Europeans have delivered good full-time jobs for a few—but at the same time they seem to have accepted high levels of unemployment for many. The American model has substituted full-time, high-wage, high skills, high benefit jobs with new part-time, low-wage, low skills, poor conditions jobs.

We should not think we have new and viable policies to attract back the voters of Australia until we have gone out and visited the people in the cities and the regions. Only after a long and involved process of consultation will we start to come up with new and creative solutions to which we can get the broad commitment of the Australian people.

I have spent the largest part of my working life in the union movement, most of it working for that great organisation the Miscellaneous Workers Union, and more recently as President of the ACTU. It has been a great honour. To my mentor, who got me started at the union, Ray Gietzelt, the former General Secretary of the MWU, I say thank you for the opportunities you gave me.

My father, Jack, was an activist in the old BWIU. My brother Laurie, whom I am delighted to sit with now in this House, was an officer of the miscos. My younger brother, Andrew, today is a leader in the CFMEU, the 1990s evolution of my dad's union. My sisters, Deborah and Jennifer, have also been teachers union delegates.

I will always have a deep and abiding loyalty to the principles of unionism. They are sound, moral and just principles. But I will now concentrate my energies on working for my electorate and work to extend the party's roots in the local community. Already the local party has some good people in it to help in this growth—people like those on my campaign committee, who played significant roles in my first election campaign for Batman. I thank them all.

Nearly 50 years ago, Labor suffered a major electoral defeat federally. After that defeat we were out of government for far too long. I do not expect, under Kim Beazley's leadership, that will happen this time.

In respect of my family, as some members of this House know, my father, Jack, and mother, Mary, gave my two brothers, two sisters and me wonderful opportunities in life—love, encouragement and education. For that I am eternally grateful. The sacrifices they made for their five children were second to none.

To my wife, Tricia, and my children, Ben and Clare, who I am pleased are in attendance today, can I say that life with me has never been easy due to the demands of the work I perform, long hours and lengthy periods away from home. Unfortunately, I cannot promise that as the member for Batman that family life will change. I just want to thank Tricia, Ben and Clare for all their encouragement and support.

If I walk away from parliament in the future with the same respect that my father achieved when he retired as Deputy Premier of New South Wales, having been a bricklayer who left school at the age of 13, I will be proud of my achievements as the member for Batman.

Madam DEPUTY SPEAKER (Mrs Sullivan)—Before I call the honourable member for Isaacs, I remind the House that this is the honourable member's first speech and I ask the House to extend to him the usual courtesies.

Mr WILTON (Isaacs) (5.06 p.m.)—I congratulate my colleague the member for Batman (Mr Martin Ferguson) on a fine first speech.

There is no greater institution for improving the lives of Australians than the Commonwealth parliament. There is no greater forum for debating national issues than the Commonwealth parliament. Nevertheless, I am mindful that the House of Representatives is the house where governments are both made and unmade. If this House is to be more than simply a house of debate and a forum for debate, the Australian Labor Party must once again assume the mantle of government. I dedicate my entire efforts in this parliament to achieving that goal.

I am proud to rise in this place today as the new member for Isaacs. I take the opportunity to thank the people of Isaacs for their support and, indeed, trust. You welcomed me into your homes and shared with me a part of your lives. That experience certainly shapes my own internal directions and the aspirations that I hold as the member for Isaacs. To you, the people of Isaacs, I make this commitment: I will work hard for you, listen to your opinions and actively represent your views in this place.

My family and friends well know how moved I am to realise my longstanding goal to represent the people of Isaacs and, of course, how proud I am to represent the great Australian Labor Party in this place. I was born and went to school in Isaacs. It is where my family has lived for almost 50 years and where we choose to live today.

In particular, I appreciate the sacrifices that my wife, Maria, has endured over the last four years. I am particularly fortunate to have her as my best mate. Without her, I simply would not be standing here today. I thank both Maria and my parents for their enduring support. They have shared the journey with me and provided guidance and wise counsel along the way. I am honoured to have both Maria and my young one-year-old son, Lachlan, in the gallery today.

Neither my mother, Joy, nor my father, Alan, ever took the view that society or the community at large owed them a living. In this, they led by example. My parents instilled in my sister—now a world renowned medical research scientist and doctor—and me the values of hard work and thinking for ourselves and the principle that every person has the right to a fair go. My parents and many of their generation often struggled to achieve the fair go that many of my generation seem now to take for granted.

I am also here as a result of the hard work of many dedicated people. In particular, I extend my thanks to Keith Withers and Jenny Lindell, who drove the Isaacs campaign, and to all those branch members and supporters for whom no task was too onerous.

Covering approximately 180 square kilometres, Isaacs is basically an outer Melbourne metropolitan seat. It covers an area on the eastern side of Port Phillip Bay, extending from Cheltenham in the north, south around the bay and inland to the rapidly growing areas of Carrum Downs and Cranbourne.

As Isaacs fundamentally is a microcosm of the Australian electorate, its people confront a range of social problems similar to those encountered by the Australian community at large. I have just alluded to the southern end of Isaacs where lie the growth centres of Carrum Downs and Cranbourne. Cranbourne

is the largest centre in the municipality of Casey, the most rapidly growing municipality in Australia today.

In addressing the problems of servicing these growth centres, it is appropriate to reflect on the efforts of the Chifley government's crucial work in the postwar reconstruction of Australia. Through the application of both effective planning and urban strategies, the governments of Chifley and Whitlam facilitated the provision of infrastructure designed to ensure that people in outlying growth areas would be able to access and enjoy the same rights and facilities available to those who live in older and more settled areas.

This approach was continued by the Keating government in its most recent term of office. The federal Labor government fostered the development of a sense of community: through its better cities program in areas such as Cranbourne; its funding of the electrification of the Dandenong to Cranbourne rail link; and its building, in its last term, of DEET, CES and DSS offices. A campus of the Casey College of TAFE was recently opened in the city of Cranbourne, and a campus of the Monash University sits nearby in the suburb of Berwick.

Despite these initiatives, however, feelings of isolation remain in places like Cranbourne. With the intention of locating our electoral office in this area, I am determined to do all I can to ensure that resources are allocated to such areas as Cranbourne and Carrum Downs, in particular, so that the residents may enjoy a better quality of life.

Port Phillip Bay is perhaps the region's greatest physical asset. The bay, which has been my backyard for almost all of my life, has always been the most popular source of leisure activities in the area. Much needs to be done to protect the bay and the waters which filter into it through the magnificent Edithvale-Seaford wetlands. Indeed, overuse of the bay and the polluted waters of the Mordialloc Creek which continue to flow into it threaten that area's fragile ecosystem.

The government's new-found commitment to the environment appears to be short-lived. The Environment Protection Authority was set

up by a Labor government in 1991 as the organisation charged with responsibility pivotal to the development and maintenance of environmental standards and to undertake, among other things, environmental impact statements on behalf of the government. Considering the government's ill-fated environment policy and its intent to abolish the EPA, the future of both Port Phillip Bay and the Australian environment at large hangs in the balance.

In the established areas of the electorate where the number of people aged 55 years and over significantly exceeds that of the Melbourne metropolitan area at large, one of the greatest issues of concern is maintenance of the age pension. As alluded to by my colleague the member for Batman in his first speech a moment ago, the age pension under the Keating government was increased to 25 per cent of average weekly earnings through an ongoing six-monthly series of indexation increases. One can only hark back to the fact that, when last in government and as the then Treasurer, the current Prime Minister (Mr Howard) decided on a progressive decline in the level of pensions—which, of course, were not indexed.

The working men and women of Isaacs look to the government to place before them an industrial relations system based on nothing more than justice and equity—a system which will protect their rights to safe, secure and rewarding employment. The need for the federal government to deliver this has never been more critical, now that state governments of a particularly conservative hue—notably in the states of Victoria and Western Australia—have laid waste to the decent and fair industrial relations system that operated in their states under previous Labor governments.

It has become increasingly clear since the election, and particularly since the release in March of the government's industrial relations implementation discussion paper, that the government intends to change our industrial relations system in ways which represent a significant departure from its pre-election policy. The government does not, in my view, have a mandate to implement these radical

post-election departures which represent a significant breach of faith with the Australian electorate.

Current awards which provide a safety net of secure, relevant and consistent wages and conditions will be dramatically curtailed by the scrapping of conditions covering such fundamental matters as meal breaks, rest periods, breaks between shifts, protective clothing and so on. Similarly, the government also intends to reduce the jurisdiction of the independent umpire—the Australian Industrial Relations Commission—by preventing it from settling disputes other than in a limited area. For workers who have grievances that extend beyond the commission's restricted powers the law of the jungle will prevail.

The government proposes to remove the commission's jurisdiction to both scrutinise Australian workplace agreements and remedy discrimination through orders providing for equal pay for work of equal value. That is fundamentally at odds with every notion of fairness and equity within our great Australian society.

The federal government, irrespective of which particular flavour it might be, does not possess the power to determine wage outcomes. As the accord years have demonstrated, this is most productively achieved by engaging in dialogue with those who represent workers. The abolition of the accord and the cessation of this dialogue removes control over a fundamental and most effective arm of economic management—that being wages policy.

The fact that the current government has supported a meagre two out of some 13 national wage case based increases since the introduction of the prices and incomes accord in 1983 offers a brutal insight into this government's lack of empathy for the Australian worker. This is not a system under which no Australian will be worse off, as was so frequently claimed by the present Prime Minister during the election campaign.

May I say that I am honoured to have as my electorate the seat of Isaacs, which took its name from Sir Isaac Isaacs. Sir Isaac Isaacs was, as many will be aware, a great Australian. He was elected to the Legislative

Assembly in Victoria in 1892. He was the Victorian delegate to the constitutional convention in 1897. He became a member of the first federal parliament as the member for Indi in 1901. He was Attorney-General in 1905 and was appointed to the High Court the following year. In 1930 Sir Isaac Isaacs was appointed Chief Justice of the High Court. In 1931, amidst great controversy, at the age of 76 he was appointed Governor-General of Australia. He became the first Australian-born Governor-General.

He was an authority on constitutional matters and had a great bearing on the history of Australia. Although Sir Isaac Isaacs was not a member of the Labor Party, he remains part of an important body of thought which is fundamental to the development of our nation. It is a body of thought to which the Australian Labor Party is inexorably linked. Since Federation we have been a party of national expansion; a party with an ambitious vision of what the Commonwealth can achieve through national action. It is a vision shared with Sir Isaac Isaacs: a vision of government intervention and government action—not, as the conservatives would argue, to fetter people's lives and interfere in daily activities but, rather, to expand opportunity and to redress injustice.

As representatives of political parties—as most of us here on this late afternoon are—it is easy to see the great Australian struggle as a struggle between Labor and the conservatives. However, just as the struggle of the 20th century has been the battle between the advocates of individualism versus the supporters of collective action, so too has the struggle in Australian history been the battle between the nation builders and the rent seekers.

Sir Isaac Isaacs was a fierce advocate of nation building. Like all of the great nation builders of Australian history, he possessed a fierce vision that matched his ambitions for Australia. Sir Isaacs's vision was based upon a growing role for the Commonwealth government. He was unwilling to allow narrow legal interpretations about the nature of Australian federalism to restrict the development of Commonwealth power.

Some argued that, despite the language of the Australian constitution, the power of the Commonwealth could be restricted by reference to unstated implied powers reserved for the states. Sir Isaac Isaacs rejected this view. In the famous legal case of *Amalgamated Society of Engineers against the Adelaide Steamship Co. Ltd.*, Sir Isaac said in his majority ruling:

We have striven to fulfil the duty the Constitution places upon this court of loyally permitting that great instrument of government to speak with its own voice clear of any qualifications which the people of the Commonwealth or, at their request, the imperial parliament have not thought fit to express, and clear of any questions of expediency which this court is neither intended to consider nor equipped with the means of determining.

This case, commonly referred to as the engineers' case, constituted the great legal step forward in the growth of the Commonwealth's legal capacity to involve itself in great national questions affecting the lives of millions of Australians.

In 1942 the uniform tax case provided the Commonwealth with the financial capacity to provide services and opportunities for all Australians regardless of geography or personal circumstances. Taken together, the uniform income tax case and the engineers' case set the foundations for our modern federal government. At the time, conservatives argued bitterly against the constitutional underpinnings of these doctrines, believing that they would forever destroy the federal balance. What they were really arguing for was a narrow interpretation of the role of the Commonwealth government and a narrow, pessimistic vision of what a national government could achieve for the Australian people.

It is ironic to note—having read of the government's plans released yesterday to hand back some \$18 billion of spending in the areas of health, housing, child care and aged services in the form of broadband grants to the states—that, on the conservative side of politics, their thinking on this issue has not moved beyond the outdated mind-set of the early part of this century.

Listening to the inaugural addresses of some coalition members who are quick to invoke the Menzies legacy, I am reminded

that Menzies, at least by conservative standards, was a great centralist. Like Labor prime ministers before him, he expanded the Commonwealth's involvement in a range of areas. Prime Minister Menzies presided over a long, long, long postwar boom. Commonwealth revenue expanded annually as the economy grew. In turn, much of this revenue was passed directly to the states.

However, Menzies missed the fundamental opportunity to utilise the financial strength of the Commonwealth to demand of the states programs, investments and policies in keeping with the philosophy of government acting as a primary catalyst in meeting the social and economic needs of a developing nation. This deficiency was identified by Gough Whitlam, who enunciated his great charter for Commonwealth involvement in a host of areas that had traditionally been the preserve of the states. Gough said:

In our obsession with section 92 which is held up as the bulwark of private enterprise, we forget section 96 which is the charter of public enterprise.

As members would be aware, section 96 of the Australian constitution provides the Commonwealth with the capacity to provide conditional financial assistance to the states.

Whitlam was derided, particularly in country areas, as a rampant centralist. What is often not remembered is the squalor that existed in many of those regional centres and in the growing suburbs of Melbourne and Sydney. Indeed, Whitlam was the first Prime Minister in Australian history to represent the sprawling outer suburbs that characterise much of Australia, suburbs like those in my beloved electorate of Isaacs.

For Whitlam, Commonwealth involvement was a precondition of economic and social progress, as only the national government had the financial resources to meet the growing needs of these Australians. Whitlam recognised that, in a modern community, greater equity was not a product of shifting income scales. Neither did he believe that equality could be advanced by the imposition of restrictions; instead, he believed that greater equity and greater opportunities could only be achieved by the provision of better infrastructure—resources that improved the wealth of

all in the community and, indeed, the capacity of that community to do business.

In 1975 Gough Whitlam articulated his notion of the federal government's activist role in ensuring equality in the following terms:

The concept of equality—what I call positive equality—does not have as its goal equality of personal income.

The approach is based on this concept: increasingly a citizen's real standard of living, the health of himself and his family, his children's opportunities for education and self-improvement, his access to employment opportunities, his ability to enjoy the nation's resources for recreation and cultural activity, his ability to participate in the decisions and actions of the community, are determined not so much by his income but by the availability and accessibility of the services which the community alone can provide.

(Time expired)

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

ADJOURNMENT

Motion (by **Mr Andrew Thomson**) proposed:

That the House do now adjourn.

Rieusset, Mr Robin

Mr TANNER (Melbourne) (5.26 p.m.)—Mr Speaker, I congratulate you on your election to high office. I am sure you will do great honour to the office. I rise this evening to pay tribute to a dedicated trade unionist, colleague and friend of mine, Robin Rieusset, who tragically died several days ago and who will be greatly missed by the organisation which I had the privilege to represent for about six years.

Robin Rieusset joined the Victorian branch of the Federated Clerks Union when I was the state secretary of the branch in April 1989. There were nine people on the interview short list. Of those nine, eight were known to the leadership of the organisation. Robin Rieusset was the ninth. It was an indication of his extraordinary talent, capacity and dedication that he was able to secure the selection for the position in spite of the fact that he was the only candidate not known by the leadership of the union.

He came well recommended as a very strong, very compassionate and very considered person by the many people whom we were privileged to deal with. Very quickly within the union, Robin made an enormous contribution. He was a great adviser, a great source of strength and a great source of knowledge and commitment and, very quickly, he became one of those informal leaders in the organisation that others turn to—not only fellow organisers, officials, shop stewards and members but also me. As the state secretary and leader of the organisation, I had many occasions to turn to Robin for advice and suggestions as to how a very difficult situation should be dealt with.

This was a time of great stress in our union. We were a new leadership. We had taken over after a very difficult election battle. There were many court cases, many difficulties and many industrial disputes, and Robin's influence was enormous. He was a thoughtful, compassionate and very idealistic person. He was not a member of the Labor Party, except for a very short time in the early 1980s. He was probably too left wing and too principled to be a member of our great party; nonetheless, that did not stop me from relying on him for advice, assistance and a sense of direction.

He became a good friend of mine, of my wife Nicky and of other people in the union and he continued until his death to be a great friend. During 1990-91 he worked in the eastern suburbs of Melbourne as an organiser for the union and in areas like Composite Buyers, VHA Trading Ltd, NEC and Cadbury there will be many members this week who will regret the passing of Robin Rieusset—good unionists, people whose whole lives have been influenced by his work in turning what previously had often been fairly quiet, fairly uninterested places into strong, effective and worthwhile workplaces. Robin Rieusset will also be missed by members of our union at the TAB telephone betting. He made an enormous contribution to organising effectively the workers at that workplace.

In recent years, in spite of one or two ups and downs of life, Robin had continued to make a substantial contribution to the union, now the Australian Services Union (MEU

Private Sector Branch) as part of the many union amalgamations that we have seen, and was continuing to work for the welfare of union members and the welfare of the union as an organisation at large.

He was dedicated. He worked hard, long hours, often to his own detriment. He made a tremendous contribution to the trade union movement. His level of dedication, compassion, selflessness and far-sighted vision for the trade union movement has rarely been seen in the Victorian trade union movement. His loss is enormous. On behalf of my wife and I, I would like to record my deep sadness at Robin's passing. Mate, I think you made a fantastic contribution and will miss you enormously.

Nomad Aircraft

Mr TAYLOR (Groom) (5.31 p.m.)—I rise for the first time in this, the 38th Parliament. Before I speak, I would like to congratulate you, Mr Speaker, on your ascendancy to high office and ask you to pass on to the Deputy Speaker and to the Second Deputy Speaker my congratulations and best wishes as well. You and I have been close friends for 30 years and parliamentary colleagues for eight. I know that you will carry out your high office with the discipline and the dedication that you exhibited both in the Royal Australian Air Force and in this parliament. I wish you well.

I raise for the benefit of the House this evening a report that was tabled in the other place yesterday by the Senate Foreign Affairs, Defence and Trade References Committee and that relates to the crash of a Nomad aircraft in March 1990. Those people who have been in this parliament for some time will understand that I raised that issue six years ago, just after it happened, continued to do so and do so again this evening. For the benefit of the record, that aircraft crashed in March 1990 just outside Edinburgh. It resulted in the death of one RAAF flight lieutenant, Flight Lieutenant Donovan, whose widow lived in my electorate and who had, until joining the RAAF, been a member of the Australian Army Aviation Corps, stationed in the Oakey Aviation Centre, which is within my electorate.

The report that has been tabled by the Senate and the Senate committee has, up to a point, satisfied a lot of the misgivings that have been represented both by me and others over the last six years. Its recommendation of extending a statute of limitations under the Defence Discipline Act for people who might or might not be charged from three to five years is a step in the right direction. However, the report is a little disappointing to me, having appeared before that Senate committee in September last year and having tabled some very significant documentation on that aircraft type, not specifically on the Donovan crash, but on the aircraft type—the Nomad. Again, for the benefit of those members who have only recently joined this House, I have spoken on the subject of the aircraft generally over the last seven or eight years since I have been here, to the point where it has now been grounded; it has been removed from the Australian Defence Force inventory, and so it should.

But what continues to concern me is the fact that the documentation that I tabled before the Senate committee has seemingly not been carried through by that committee. Maybe the committee saw it as outside its terms of reference. However, I make the point in this place this evening that that documentation reveals to my mind and to the minds of a lot of other people that that aircraft is unsafe. It concerns me that a number of the aircraft, about 20 or 25, are still registered on the civil register in Australia. There are 50 or 60 of them registered overseas. It may be a commercial embarrassment to Australia to find that and to have this sort of criticism voiced both in this parliament and publicly; nevertheless, I do so once again. These aircraft have inherent stability problems. I hope that somebody will take it on board. I hope that the new Minister for Transport and Regional Development (Mr Sharp) will look more closely at the situation of the Nomad on the civil register. I hope that, as a result of the Donovan crash and the unfortunate death of Flight Lieutenant Donovan, something will be done about it.

Burns, Ms Netta

Mr BARRY JONES (Lalor) (5.36 p.m.)—Mr Speaker, as member for Lalor I congratu-

late you on your election as Speaker. I am sure you will hold the position with distinction. I rise to pay a brief tribute to Ms Netta Burns, a very beloved and important figure in the Australian Labor Party, who died in Canberra this week at the age of 72. My colleague the honourable member for Canberra (Mr McMullan) made a brief reference to this subject in the adjournment debate last night until he ran out of time.

Netta Burns was not a name that was at all well known publicly, yet she had an immense influence. She was one of those rare blithe spirits who helped shape and confirm the greatest values of human life—compassion, energy, fortitude, enthusiasm, integrity and devotion. She touched and shaped hundreds of lives and, indirectly, millions. She was full of ideas, full of determination but a great listener, one of life's encouragers. She was shrewd, tough and analytical as well and the consummate, quintessential networker. In two Labor governments she inspired, encouraged and goaded Bill Hayden, as he then was, and Don Grimes to provide the best social security system the economy was capable of delivering. She retained her loving but critical enthusiasm for the Labor Party until the end. During the Canberra by-election and ACT elections she worked for the party with her customary dedication and efficiency.

She was extraordinarily unselfish—one of those unknown and unrecognised heroines on whom civil society depends. I saw her last on 19 March. She talked animatedly and uncomplainingly about the election results and about the composition and capacity of the shadow ministry which had been elected that morning. But then we passed to more serious matters—the BBC production of *Pride and Prejudice*. She objected to the exaggerated rendering of Mrs Bennett and the failure to use a tall actress for Lydia, whose height is a feature in the novel. She was irritated by the music and the slow pace and expressed some concern that she might not be able to hold on until the end of the series. She gave grudging approval to Mr Bennett.

When I left I felt much better, which was always the case when I saw her, and I hoped she did too. Her enthusiasm never left her.

We all loved her. We will all miss her. Her death reminds us that we must never give up the struggle to create the Australia that she dreamt of. She was both moral force and touchstone. It was a potential sanction against acting opportunistically in our political lives to reflect, 'What would Netta say?'

Her family were devoted to her and attended her lovingly. I hope that all members of the House would want to pass on their sympathy to them in their loss. They were the immediate family, but we were all—and I would even include people on the other side—part of the extended family and we all have the right to grieve too.

Sporting Facilities

Mr BROUGH (Longman) (5.39 p.m.)—I rise to speak about the great work and vision of the Burpengary Baptist Community Church and its proposal to build a multipurpose recreation centre. If completed, this project could well become a benchmark for community complexes in Australia. The Caboolture shire is basically within the Longman electorate.

Mr Slipper—And Fisher.

Mr BROUGH—The honourable member for Fisher reminds me that it is partially in the electorate of Fisher. He has about two per cent of it. Over 100,000 people live in the community. There are no worthwhile indoor sporting facilities in that area for those 100,000 people. This particular organisation has undertaken to build a multipurpose community recreation facility housing two basketball courts, with line markings for netball, volleyball and badminton. This would be a venue for recreation and charity organisations. Complementing the project will be the adjoining developments of child care, aged care and additional education and sporting facilities.

The youth of Burpengary, Narangba and Morayfield will be the major beneficiaries of the centre. As I have pointed out, there are no other major facilities in this area. At this point the Burpengary community has already put over \$600,000 into this project. They have also committed a further \$550,000 in voluntary labour. The total project is worth \$2.4 million.

The Labor government in Queensland made a commitment to this organisation to assist with funding to complete this project. Unfortunately, these were verbal commitments. They were made by the Clem Jones advisory council, which was set up by the Goss government to recommend projects for funding. In an interview on 18 April between ABC radio personality Anna Reynolds and Mick Veivers, the Queensland Minister for Emergency Services and Minister for Sport, Mick Veivers said in response to a question:

Now Mr. Jones did a fine job, but he left me with a bit of a headache because I know Tom Burns and Keith DeLacey were nodding and winking and sending letters to all sorts of people and promising the earth because Mundingburra was coming. Now, I understand politics, I accept that that's a great way to go, but they've left me with one hell of a headache to pore through and I've been doing it.

The problem is that right now all that Burpengary has for the hard work and \$600,000 that the community has already put into the project is a skeleton. They have bought the last building left on the Expo 88 site. They got that far and understood that the state government would assist them. That is not now possible because over \$123 million worth of similar projects were given verbal approval. At this point they have a shortfall of \$1 million.

I will be taking this matter up with the state member for this area in the hope that we can do something for this area which is so badly lacking facilities. If you compare the population base of the Burpengary and Caboolture areas, which is 100,000, with that of Canberra, you will note that there are far more facilities in Canberra per head of population than there are in this area. This is particularly relevant when you consider that we have many young families in the area.

Mr Slipper—Caboolture is more productive.

Mr BROUGH—Caboolture is far more productive. The honourable member who just interjected helped me during the election campaign. He was the previous member for this area and opened the project many years ago.

Finally, I hope that when we make promises in this place or other similar establishments we can fulfil them, because communities put a lot of faith in us. When they have spent so much money and put so much effort into something they deserve the rewards that have been promised to them, regardless of whether an administration remains or falls by the wayside.

Wollongong Post Office

Illawarra: Sports Facility

Mr MARTIN (Cunningham) (5.44 p.m.)—I wish to raise two issues of local concern to the electors of Wollongong and more largely the Illawarra region. The first relates to a decision, which will affect the people of the Thirroul, Austinmere and the northern suburbs area of Wollongong, to shut down the Thirroul Post Office. Last year Australia Post decided that it wanted to conduct a survey to see whether or not the financial situation of that post office might not be improved and whether or not a post office agency arrangement in that northern suburb might not be a more preferable arrangement. At the time, local community groups got together and a submission was prepared. A very large petition was prepared and submitted to parliament. It called upon the government of the day not to downgrade that post office or turn it into an agency arrangement but, rather, have it remain.

The then Minister for Communications, the Hon. Michael Lee, agreed with that and the decision was taken not to do anything about it. Surprise, surprise! Immediately after the election, once again, that particular closure is on the agenda. It is something which is to be regretted, because as I endeavoured to point out to the management of Australia Post—who I might say are quite sympathetic about this and have been quite reasonable in their interpretation of the desires of local communities and who have been prepared on every occasion to go and talk to people—already in Wollongong's northern suburbs many of those post offices have shut, post office agencies have been put in place and there are still some concerns as to whether a better service

has been delivered. In some areas, I have to say it has.

The post office arrangement at Bulli, at East Woonona and at other parts of my electorate is operating quite successfully. A better service is being provided because the news-agent and other small business operators who have taken over that agency arrangement have been prepared to operate the post office for longer hours. But in Thirroul, a major centre of Wollongong's northern suburbs, our constituents believe that a post office, and nothing less, is something which should be sustained. I will be making further representations to the relevant minister—Senator Alston, I think, in this case—to see whether he can put his ideological bent of privatisation behind him just for once to see whether this particular post office might be retained.

The second issue concerns the development of a major indoor sports entertainment facility for the Illawarra. Some years ago it was decided that our region was in desperate need of such a facility. The former state government, led by John Fahey, actually promised \$14 million towards its construction. The subsequent state government of Bob Carr agreed to commit a similar amount and that money is available. However, the Wollongong Sports Ground Trust was therefore placed in the rather difficult position of having to borrow the rest. As you will appreciate—and I am sure many honourable members do—sports ground trusts are nothing more than individuals who give of their time freely to work on behalf of state governments, for no reward I might say, to ensure that a public facility is put to great use and in some way brings benefit to the local area.

The Wollongong Sports Ground Trust therefore was, and still is, staring down the barrel of having to borrow several million dollars—somewhere in the order of \$12 million—to complete this project. It is a project, incidentally, which will create jobs not only in construction but upon completion, particularly for young people in the Illawarra where youth unemployment is still unacceptably high. It will also be a facility for the year 2000 Olympics because it will be not only a facility for local constituents of mine

and my colleague the member for Throsby (Mr Hollis) but also an attractive venue for the year 2000 Olympics.

We wrote to our colleague Brian Howe at the time for funds for the Illawarra Regional Economic Development Organisation. Regrettably, the election intervened before he could approve \$4 million towards the cost of that facility. As chairman of IREDO, I wrote to the Minister for Transport and Regional Development (Mr Sharp), requesting that \$4 million—and we have been knocked back, for very spurious reasons, I might say.

I simply appeal to the minister to find that money so that the sports ground trust does not have to borrow the money. IREDO believes all of the criteria have been met for this submission, and I simply appeal to the minister to do the right thing in another part of regional Australia.

Criminal Justice Commission

Mr SLIPPER (Fisher) (5.49 p.m.)—Mr Speaker, firstly, at the outset allow me to congratulate you on your election to this high office. I am particularly pleased to see you looking the part as well as acting the part during this the first week of sittings of the new Howard government.

I will not detain the House for long tonight, but I do want to outline a matter which should be of concern to all members of this House relating to Queensland's Criminal Justice Commission. The Criminal Justice Commission has very many responsibilities. Certainly, at the present time it has its hands full investigating certain deals allegedly struck between lobby groups and parties prior to the Mundingburra by-election which ultimately saw a change of government—a change which, I might say, is very much for the better in Queensland.

But there was a situation where the Criminal Justice Commission only a week or so ago forced a nine-year-old boy to be left at home alone while his father was interviewed about certain matters relating to the Mundingburra by-election. The nine-year-old son of a Gold Coast businessman has been the innocent victim of a marathon CJC investigation.

I do not want to comment upon the particular investigation. But I think there is something wrong with a commission which insists that a nine-year-old boy be left alone during an investigation, which is not a terribly urgent investigation, while his father is taken away for questioning.

Mr Brian Suter, who was the campaign director for the Independent Greens' candidate Mr Bradshaw, said that when he arrived at work at 8.30 in the morning five CJC investigators were waiting for him. They interviewed him all day. Mr Suter was to have picked up his son and two other children from school in the afternoon. The CJC would not permit Mr Suter to go unaccompanied to the school to pick up the children. Officers of the CJC went with Mr Suter, picked up all three children, dropped the other two off and Mr Suter advises—if you can believe the headline in the Brisbane *Sunday Mail*, 'Home alone child row'—that the CJC forced his child to be left at home alone when he was taken back for further questioning.

Mr Le Grand from the CJC said that that was not the case and that the nine-year-old boy was left with a 12- or 13-year-old girl next door. As the father of a nine-year-old son and a seven-year-old daughter, I am appalled that the Queensland CJC could either leave a nine-year-old boy at home alone or leave a nine-year-old boy with a 12-year-old girl, the daughter of a neighbour.

I believe that it is really important that the Queensland government look into these actions by the Criminal Justice Commission. It is totally unacceptable that any government body making this kind of investigation would drag some fellow off and leave a nine-year-old boy either at home alone or, alternatively, in the company of another child.

Essendon Aircraft Safety Standards

Mr KELVIN THOMSON (Wills) (5.52 p.m.)—I want to draw to the attention of the Minister for Transport and Regional Development (Mr Sharp) the inadequacy of the report by the Bureau of Air Safety Investigation into the crash of a De Havilland Dove in December 1993 into five Gilbertson Street, Essendon houses. I find it absolutely extraordinary that

a report of 2½ years standing following a crash of this seriousness should make no effective recommendations for change to occur.

The report identifies failure of the Dove's right engine caused by failure of the engine's fuel control unit fuel pumps as the key cause of the crash, yet its recommendation that these pumps be inspected in other aircraft has been rejected by the Civil Aviation Authority and the bureau has meekly accepted this. It is absolutely extraordinary! In December 1993 lives were put at needless risk because the fuel control pump of a 1948 plane which had not been checked since 1981 failed. Does the bureau or the Civil Aviation Authority intend that these planes should simply fly until the fuel control units give out?

The report also identifies the failure of the landing gear to retract when the pilot first selected it up as a key reason why the plane was unable to fly with its remaining engine. It states, 'Periodic checking of the adjustment of the landing gear selection system is therefore a critical practice that was not addressed in the systems of scheduled maintenance.' Yet the bureau has made no recommendation whatsoever for landing gear maintenance to include this check. So, instead of recommendations to address these problems, residents living around the Essendon airport are told that we are going to have to learn to live with a lower safety standard than applies, for example, at Tullamarine airport.

The report states, 'If light aircraft are to be operated in a realistic manner, a level of safety lower than that present in large aircraft must be tolerated.' It also states, 'During take-off there is an accepted risk period within which should an engine failure occur an accident might result of up to 25 seconds.' Perhaps so, but Essendon, which is completely surrounded by housing, is hardly the place for these risks to occur.

The situation is particularly serious concerning charter aircraft. According to the report, no guarantees are provided concerning their ability to fly with one engine inoperative. Their certificate of airworthiness simply does not require it. If this is to continue to be the

case, charter flights should be banned from Essendon.

We have a most unsatisfactory situation with this report simply telling us that, following the move of the larger aircraft to Tullamarine years ago, safety standards at Essendon have in effect been lowered. This report underscores the unsuitability of Essendon airport as a place for light planes and for charter aircraft. Tests the bureau conducted indicate that, following the failure of the right engine, in its view a safe return to the runway followed by a stop within the confines of the airport would have been possible but not necessarily before the end of the runway.

The bureau goes on to say that the pilot's judgment was that there was not enough distance to land straight ahead safely within the confines of the airport and that attempting such a manoeuvre might have resulted in the aircraft crashing onto the busy Tullamarine freeway. This shows what opponents of Essendon airport have been saying all along: the distance between the Essendon airport runways and the housing is simply inadequate.

We now have a situation where the third serious crash has occurred from the airport. In 1978 we had the crash of a Partenavia plane into a house in Airport West, involving the deaths of virtually an entire family. It was an appalling accident for the local community. In 1986 an air ambulance crashed north of the airport in the only place where one could crash and avoid housing. Then in December 1993 we had the crash in Gilbertson Street, Essendon, with damage to persons and to property. It was a miracle that no-one was killed from that crash.

There is virtually nothing in the way of recommendations coming out of this report after 2½ years. It is simply not good enough, and I urge the Minister for Transport and Regional Development to take up with the Bureau of Air Safety Investigation and the Civil Aviation Authority the lack of action concerning the fuel pump and landing gear revelations. I urge him to take action which will guarantee that such a crash will not recur, because certainly in the present situation we have no such guarantee.

Public Service

Mrs CROSIO (Prospect) (5.57 p.m.)—As with most people with a healthy interest in politics, I have read with interest a number of media commentators since the federal election to gauge not only their opinions on the new government but also their views on the Labor Party's loss. Mike Gibson has been one of those commentators. He has a column in the *Sydney Telegraph*, which is a daily newspaper in New South Wales. Whilst in the past I have simply turned the page if I found myself disagreeing with any of his comments, several weeks ago I encountered a piece which I felt, as a member of parliament, I had a responsibility to comment on.

Mr Gibson's article on 12 April centred on the federal government's threats to submit the public sector to large scale cutbacks. Gibson's point was that the public servants needed to view the government axe as a reality of today's competitive job market. In his article Mr Gibson summed up the working life of the public servant as thus:

There they sit in a giant waiting room, spending their days moving around bits of paper, rubber-stamping regulations, drinking cups of tea and eating Iced Vo Vos, watching the clock on the wall, until they retire.

A very evocative picture and one that will unfortunately appeal to many. Public servants have always been an easy target, not only for cutback minded governments wielding the financial razor but for everybody from media commentators like Gibson to comedians at large.

Who hasn't got their own horror story to tell of the 'incompetent public servant'? Who hasn't nodded with agreement when listening to callers on talkback radio programs complaining about the treatment that they received from a government department? Yet while it is right for people to demand and expect a high standard of performance from the Public Service, it is also equally necessary for the

public to understand that for the most part high standards and hard work are exactly what they get from the people serving them.

The Public Service is not the exclusive domain of poor quality management or staff incompetency. That, I am afraid, is an occupational hazard associated with working life in general whether you spend it in the public or in the private sector. To portray the situation as being any different is not only false but its consequences are serious. Denigrating the role that our public servants play and casting aspersions on their work is not only unfair but also fruitless for all of us.

By cultivating the already unfortunate popular notion that the Public Service is a haven for people who cannot make it in the real world, Mr Gibson and other commentators are encouraging their readers to view that service with disdain; to consider those people whose careers are based on working in the public's interest as somehow inferior. By perpetuating this erroneous view, Gibson has inadvertently joined with those holding equally misguided views in destroying just that one bit more of our reputation and, in turn, the morale of our Public Service. By broadcasting his unfair opinion in a popular daily newspaper column, Gibson, rather than encouraging our public servants to move to higher levels of management with quality and productivity, is contributing to the public sector's growing resentment of the way it is seen by society.

Debate interrupted.

House adjourned at 6 p.m.

PAPERS

The following papers were deemed to have been presented on 2 May 1996:

Aboriginal and Torres Strait Islander Commission Act, Directions under section 142E, 30 April 1996.

Social Security Act, Social Security (Present Value of Unpaid Amounts-Interest Rate) Notice (No. 1).

Social Security (Qualification for Carer Pension-Higher Amounts) Determination (No. 1).

