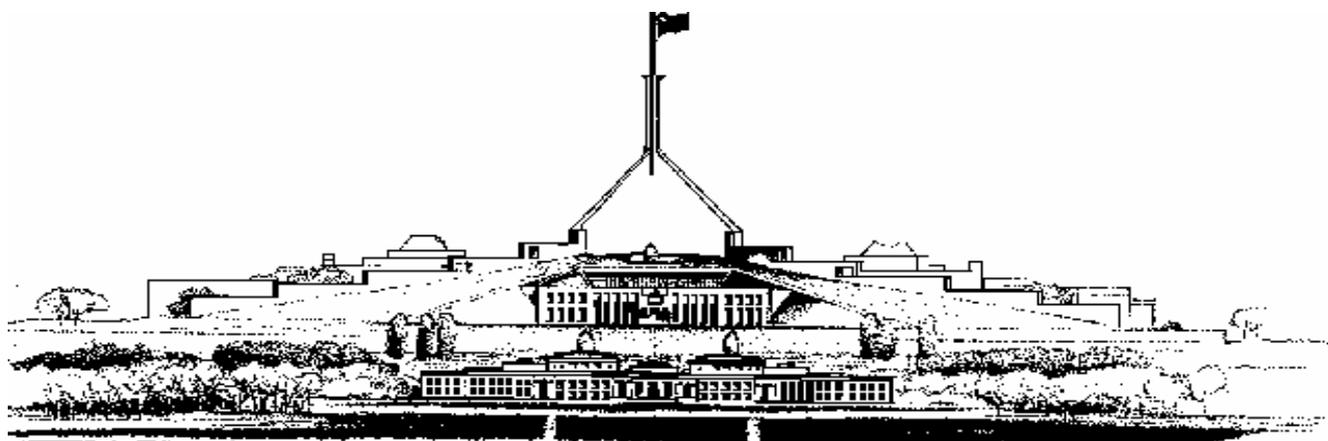




COMMONWEALTH OF AUSTRALIA

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Wednesday, 12 May 2004

FORTIETH PARLIAMENT
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SITTING DAYS—2004

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October	5, 6, 7
November	1, 2, 3, 4, 22, 23, 24, 25, 29, 30
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Wednesday, 12 May 2004

The **SPEAKER (Mr Neil Andrew)** took the chair at 9.00 a.m. and read prayers.

**VETERANS' ENTITLEMENTS
(CLARKE REVIEW) BILL 2004**

Second Reading

Debate resumed from 11 May, on motion by **Mrs Vale**:

That this bill be now read a second time.

Mr SOMLYAY (Fairfax) (9.01 a.m.)—Last night I spoke about the effects of the **Veterans' Entitlements (Clarke Review) Bill 2004**. My final point was that the bill extends operational service under the act to include persons who have been awarded, or who are eligible to be awarded, certain minesweeping and bomb clearance awards. I believe that that part of the bill still does not make it clear who is eligible to get a benefit under that provision. There were a group of about 40 people who were involved in bomb clearing during World War II, about 50 years ago, and it is estimated that there are about 20 of those men left. A constituent of mine, Bill Kelly, has been making representations through me to various ministers for veterans affairs, defence and personnel. I remember making representations to Ros Kelly, when she was the minister, and to Con Sciacca, Bruce Scott and Bronwyn Bishop when they were ministers, and we still have not had a resolution of this. I give notice that I will be pursuing this with the minister. The complication is in the definitions of 'qualifying service' and 'operational service', because these Australian soldiers, who were being paid by the Australian government at the time, were under British command even though they were Australian servicemen in Australian uniforms. Because of that anomalous situation, they are not entitled to benefits. I hope that this provision in the act does extend benefits to them.

I do not believe that anyone can argue against the measures in this bill. We may discuss what else needs to be done or how we could do something differently, but I do not believe any members will oppose these enhancements to veterans' entitlements. I am very pleased that the opposition is supporting this bill. This bill provides for an ex gratia payment of \$25,000 to be made to surviving prisoners of war of the North Koreans—or to their widows—for the extraordinary hardships they suffered. The government accepted the Clarke committee's finding that, while such a payment should not be paid to all surviving Australian POWs, there is significant evidence that the treatment and circumstances experienced by POWs in Korea were similar to those suffered by POWs incarcerated by the Japanese.

This bill implements two significant measures to address key issues for veterans in receipt of disability pensions. The first measure will benefit more than 45,000 of our most disabled veterans by providing that all of their disability pension, not just part of it, is indexed with reference to the movements in the consumer price index and male total average weekly earnings. Currently, any amount above the general rate of pension is not indexed. The second measure affecting disability pensions is the introduction of a Defence Force income support allowance. It will be paid by the Department of Veterans' Affairs to eligible veterans, and it replaces the current income support payment from Centrelink. This will eliminate the difference between a veteran's Centrelink benefit and the amount they would receive if their disability pension were assessed under the Veterans' Entitlements Act. More than 19,000 disability pensioners who currently receive their income support from Centrelink will benefit from this change.

Other benefits included in the bill are the raising of the maximum amount of funeral

benefit and changes to rent assistance. The changes to rent assistance will benefit 11,000 war widows and war widowers renting in the private market. Currently rent assistance is paid only within the ceiling rate of the income support supplement. This bill will mean that rent assistance can now be paid in addition to the income support supplement—instead of simply being a component of it. This initiative reflects the findings of the Clarke report that war widows and war widowers renting in the private market are disadvantaged because those renting government owned properties already have their rent subsidised.

I am particularly pleased to speak on the last of the measures contained in this bill, because they extend operational service under the act to include persons who have been awarded, or who are eligible to be awarded, certain minesweeping and bomb clearance awards. This extends the disability pension to surviving veterans involved in the Berlin airlift, to those involved in minesweeping and bomb clearance and to the aircrew of RAAF No. 2 Squadron who served on the Malay-Thai border. The Howard government, like the community, appreciates the work of our veterans and recognises the need to help them and care for them. That is the purpose of this bill, and I commend it to the House.

Mrs IRWIN (Fowler) (9.07 a.m.)—The Clarke review into veterans' entitlements has been around for over a year, and the government has had more than enough time to come up with a response. The reasons for the urgency of legislative changes to the Veterans' Entitlements Act can be simply expressed in terms of declining numbers of veterans of the Second World War. Despite the words of the song, old soldiers do not just fade away, they do die. Like a number of members of this House, part of my daily routine is to scan the death notices of the *Sydney*

Morning Herald. It is a rare day when you do not see at least a handful of notices headed by the rising sun emblem of the AIF. Those old soldiers are dying, and it seems our nation's memory is the only thing that is fading away.

The Clarke review made some 109 recommendations, but 46 of the 56 recommendations which the government has accepted called for no change to the present entitlements. Almost half of the issues looked at by Clarke and accepted by the government have left things the way they were. Another 29 recommendations are either noted or deferred—put into the too-hard basket, left for another inquiry—and this has been the pattern for the last 60 years.

I would be the first to admit that assessing veterans' entitlements is a complex task and one that has to try to be as fair as possible, and that is one of the greatest difficulties: unless we look at each individual case, we can only look at the broad definitions of dates and places that dictate eligibility for entitlements. When we see eligibility defined in terms of service on certain ships at particular times we get some idea of how complex determining eligibility can be. But there will always be comparisons made between similar service at different times. Talk in the mess hall or, later, the RSL club will always find reasons for accepting or not accepting service as qualifying.

I will use two quotes that you get from watching too many law shows on TV. The first quote is, 'Justice must not only be done; it must be seen to be done.' Decisions on eligibility must be clearly explained if we are to avoid disputes that go on for years—disputes which leave many veterans believing that they have been duded out of entitlements. The second quote is, 'Justice delayed is justice denied.' I note that in the **Veterans' Entitlements (Clarke Review)**

Bill 2004 the government accepts the Clarke committee's recommendation to extend an ex gratia payment of \$25,000 to all surviving prisoners of war held captive during the Korean War or their surviving widows or widowers. That payment follows from earlier payments to World War II prisoners of the Japanese. However, the Clarke committee recommended against ex gratia payments to POWs and civilians interned by German and Italian forces.

The differences between these may not be like splitting hairs, but it worries me that should an ex gratia payment be made at some time in the future many of those eligible will have passed on. As I said, justice delayed is justice denied. A further example of this can be found in the government's rejection of the Clarke committee's recommendations 2 and 5, which deal with service in Northern Australia in the Second World War. Here we are, 60 years later, still debating questions of qualifying service. Imagine this parliament 60 years from now, in 2064, debating issues of veterans' entitlements for our troops currently serving in Iraq. That is basically what we are doing in this legislative response to the Clarke report, and that is the injustice of this process.

Even if a concession were made, few of those eligible to benefit would still be alive. While the Clarke committee recommended the recognition of those who served in Northern Australia after November 1943 or with the British Commonwealth occupation force in Japan from February 1946 to June 1947 as qualifying service, the government has rejected the committee's recommendations. If or when there is another inquiry, these issues will again be raised. But, if a favourable decision is then made by the government of the day, how many of those who would have been eligible will have gone to their graves without the assistance afforded by that entitlement? That is the question.

The same could be said for those cases not supported by the Clarke committee—claims such as those of naval vessels HMAS *Diamantina* and HMAS *Moresby* during confrontation, visits by HMAS *Vampire* and HMAS *Quickmatch* to South Vietnam in 1962, and claims for RAAF service at Ubon between 1962 and 1965. It would be nice to think that we could draw a line under these and the many other instances where Australian forces have served in areas of conflict. In recent years we have seen our forces serving in a wide variety of arenas. Decisions on whether each one qualifies for veterans' entitlements will not get any easier, and later conflicts may cause us to reconsider earlier decisions to reject claims for qualifying service.

The welcome extension of operational service to personnel involved in minesweeping and bomb clearance after World War II, nearly 60 years later, is a good example of how long it has taken to address those anomalies. As much as we would like to see some certainty in defining eligibility, I am afraid that in 60 years we could still find ourselves in much the same position as we are in now. As we know, in the long term we are dead, so it is pleasing to see that the government will increase the maximum funeral benefit from \$572 to \$1,000. I am sure that this additional sum is welcome, but I have to say that it is a long way short of the cost of even a modest funeral these days.

When it comes to dealing with the participation of Australian Defence Force personnel in British atomic tests the government has indicated that it will respond positively to the needs of those affected, pending the outcome of the cancer incidence and mortality study. I would note that the results of that study are due later this year and I would expect the government to act swiftly in response to the study and extend the coverage of the act accordingly. Again, we have an ageing group

which may have an entitlement and should not be delayed any further in receiving that entitlement.

While most of the issues I have raised so far affect specific groups of veterans, the government's response to the Clarke committee's report and its recommendations for changes to the disability compensation structure affect a wider range of veterans. I note that the government's response accepts the Clarke committee's conclusion that current benefit levels are adequate. From discussions that I have had with veteran groups in my electorate, I can say that the committee's conclusion and the government's agreement have not met with applause from veterans. The changes to the indexation proposed are definitely long overdue. An adjustment based on both movements in the consumer price index and male total weekly earnings should produce a result which more closely reflects movements in incomes. While these changes will include back payment to last March, there will not be any allowance for the loss of value of those pensions over the time since they were granted. The minister makes mention of 45,000 disability pensioners to benefit from this adjustment, but there has been no effort to realign the full value of those pensions with the relative amount that they should be worth today. In short, the value of those pensions is less today than when they were introduced. While the measures contained within this bill will prevent their further erosion, there is no allowance for the erosion that has already taken place.

This adjustment goes to the heart of veterans' grievances with the system of compensation and support that disability pensions and TPI pensions are meant to address. In my discussions with veterans' groups, there is always an assumption that the loss suffered by veterans is not just the modest income they would be expected to receive for the rest of their working lives; when veterans

compare their income and living standards with their peers who did not undertake war service they see, in most cases, that their friends and relatives have been far more successful in life, that they have developed careers, earning much more in later life than they were paid in their early years. The veterans see people who have built successful businesses and have profited well from them. They see people who have had the good fortune of being able to prosper as part of well-adjusted families. They see people who, as a result of what we would regard as a normal life, are better off in many ways. And, yes, Mr Speaker, you might say they are envious. They find it hard to reconcile that if it were not for their war service they, too, might have succeeded in the same way. They were very hurt by comments by the minister that many of them were paid more than some members of the minister's staff.

This is an important point to realise: our veterans' entitlements are not some sort of handout to enable disabled veterans to get by in life. When veterans look at the prospects for their children they see their disappointment. One survey I was shown indicates youth suicide rates 300 per cent higher for the children of disabled veterans than the Australian average. I know from my own family experience the disruption to family life that comes from having a disabled veteran father. I have also seen first-hand how disabilities can cut short a civilian career after war service. So, I must say that I was disappointed when I heard of the minister's remarks about disabled veterans being better off than some of her staff. Veterans' groups know that funds for pensions do not come from a bottomless pit, but every one will tell you that nothing has been gained without a long, drawn out fight. The same can be said for each individual in receipt of a pension. Their eligibility has so often come after a long battle that has sapped their remaining

strength and left them far worse off for their effort.

In this bill we have the government's response to the Clarke report, but the Clarke report itself is based on the assumption that the existing TPI package is adequate. No wonder the minister seems to think TPIs are well off. Well, my father is a TPI and he is not well off. But the Clarke committee made the fatal mistake of finding that the current levels of benefit are adequate, and that has let the minister off the hook. All she has to say to veterans' groups is that the Clarke committee thought that TPI benefits were adequate. Even though the Clarke committee did make a number of recommendations which it felt were justified, the minister rejected them. The minister rejected the committee's recommendation for a new disability compensation structure. The Clarke committee called on the government to:

... consider how additional assistance can be provided to veterans who experience difficulties in maintaining housing equity and to children of veterans who wish to undertake tertiary education.

But the minister rejected that call. These are the areas of real concern to disabled veterans, to the veterans that I represent in my electorate. How do you provide for the needs of your family for good housing and the opportunity for your children to get the best education? When I talk to veterans that is what they say. They feel as if they have failed to provide properly for their families. They feel ashamed that they cannot provide what other fathers can provide. I should also note that this is felt by many disabled veterans, particularly those of the Vietnam War. Those veterans hold the belief that their children have suffered disabilities as a result of their parents' exposure to chemical agents and that the disability pension system should allow for compensation for these children.

The Clarke committee made recommendations which would have seen assistance for veterans to provide private health insurance for their families—something that at present is out of the reach of many. The way that the government is funding health in this country is almost forcing people into private health insurance, but the minister does not seem to think the families of disabled veterans deserve private health coverage. Those who have served Australia in time of war and suffered disability as a result of their service should never feel ashamed of anything. What they are asking for and what this minister has turned down are not expensive or unreasonable claims, but they would make so much difference to the lives of so many veterans throughout Australia.

There are some measures in this bill which will assist war widows. I note that the government will now make rent assistance payments to war widows in addition to the ceiling rate that is applied to income support supplements. However, the Clarke committee's recommendation to extend the bereavement payment to the widow of a veteran in receipt of a special rate disability pension has not been acted on at this time. As I mentioned earlier, the increase in the funeral benefit to \$1,000 would not cover the cost of even a modest funeral, and the extension of bereavement payments is a welcome form of assistance to widows at that very difficult time in their lives.

One last point is that the Clarke committee recommended a number of extensions to the gold card, and here I find a not unreasonable request from veterans groups. They feel that the gold card is becoming devalued. We know that many medical specialists no longer accept the gold card. In particular, many of the concessions are offered by state and local government as well as private organisations and it is felt that, as access to the gold card is offered to more and more

groups, some of those concessions may be withdrawn. This would be most unfortunate, as those concessions are highly valued by disabled veterans who hold a gold card. So, while it may be desirable to offer the basic gold card benefits to other groups, it may be necessary to provide some other identifying badge to allow those currently provided with concessions to continue to enjoy them. We may need to introduce a platinum card for existing holders to ensure that they do not lose concessions.

I am pleased to see that the government has proceeded with this legislation at such an early stage in this session. Certainly we all would have preferred to have seen it earlier so that the improvements going to our disabled veterans could have been provided even sooner. Those items recommended by the Clarke committee but not yet acted upon I hope the government does not leave in the too-hard basket. We need to see action on all those matters at the earliest opportunity. Although a number of issues were rejected by the committee, I am sure that in the coming years they will continue to be advocated for by veterans groups. Having said that, the changes contained in this legislation are most welcome—and they are definitely long overdue.

The SPEAKER—I should perhaps report to the chamber—the member for Fowler would be conscious of this—that there seems to be a certain spasmodic buzzing noise coming from that side of the chamber. The Serjeant-at-Arms reports to me that it is thought to be a loose air vent. So members who hear that noise need not be concerned or alarmed or wonder what it is. It is being investigated.

Mr LINDSAY (Herbert) (9.27 a.m.)—Mr Speaker, I thought I heard you say that a lot of hot air was coming from that side of the chamber—but that would be unkind at this time of the morning! I would like to start my

contribution to this debate with a mild challenge to the member for Fowler in relation to her comments about the devaluation of the gold card. She would be quite right to be concerned, as we all would be, if the opportunities we give to veterans were devalued over a period of time. However, I am pleased to advise the member for Fowler that in last night's budget an extra \$158 million was provided to ensure that veterans can get to see specialists in a timely manner. She has been aware, just as I have been, of the problems that had surfaced. The government addressed them in last night's budget—and I know that those in the veterans community will be very happy to see the priority that has been given to them.

When the **Veterans' Entitlements (Clarke Review) Bill 2004** was developed in response to the Clarke report it had somewhat of a rocky road, but really it is an example of how well this parliament and its members work in the interests of all Australians. At that time members of the government had a proposal put to them as to what the response should be and it has been widely reported that they were not happy with that proposal, which was then taken back and reworked. That was seen as some sort of a negative for the Minister for Veterans' Affairs; it was not. It was a very good process which was seen to be working, where members of parliament can say to the executive, 'No, we don't accept this and would like to see some further improvements made'—and, in fact, that was the outcome. I know that veterans were very pleased to see that process occur. They are very proud of the service they have given to our nation that has resulted in we, the current members of the Australian parliament, being able to stand up for them, have our voices heard and make significant changes for the better. This particular matter should be seen in that light and not in the light in which the media of the day has cast it. Indeed, Major

General Bill Crews, the National President of the RSL, certainly welcomed the final package, saying:

... it does address some of the more significant inadequacies in veteran entitlements, particularly for TPI pensioners, and the RSL certainly welcomes much of this package as a good first move to fix these problems.

I was pleased to see that support and the support of others. I was also pleased locally in Townsville to have the support of people like Les Hiddins. Les Hiddins will not be known to you as Les Hiddins, but he will be known to you as the Bush Tucker Man on ABC television. He resides in Wulguru in Townsville and is a Vietnam veteran. He was certainly very helpful to me in giving me guidance about how the veterans community was feeling. I certainly thank him for the input he had—just as I thank all the other members of the veterans community who corresponded with me at the time. It is a really good process where members these days can basically be available for open access by their constituents. It is a great process where our veterans can have direct access to their member through all manner of means these days. I found myself philosophising on that last Sunday morning. A constituent sent me an email at about five to 11 the previous evening and I sent him a response at 5.25 a.m. that Sunday morning. That is probably the way our lives are going—things are getting busier and busier. But it is a good process, and there is open access to members of parliament. There was no more open access than in the development of this bill that we see before the parliament today.

What pleases me particularly is that more than 11,000 war widows and widowers renting private accommodation will benefit from the accelerated introduction of rent assistance. The early introduction will increase the value of this benefit from \$73 million to \$78 million. That payment will now be made

from 1 January 2005, which is several months earlier than I previously thought possible. I am pleased to see that that will occur. In responding to the review of veterans' entitlements—the Clarke report—the bill now delivers on the government's election commitment to review perceived anomalies in veterans' entitlements and concerns about the level of benefits and support provided to disabled veterans. This bill builds on the government's strong track record in veterans affairs, and perhaps there is some room for a bit more philosophy. Veterans constantly talk to their member of parliament about the amount of support that they give to the government, and it is instructive when you ask them: 'Do you know how much the government spends on veterans affairs?' Their answer is usually: 'No, I do not, but it is not enough.' But when you point out that we spend \$15 billion—that is \$15,000 million—on the Defence Force each year and then you tell them that we spend \$10,000 million on veterans each year, they are quite surprised. They then think that perhaps a lot of that money goes on administration but in fact, when you look at the cost of running Veterans' Affairs, the administration cost is minuscule. The majority of that \$10,000 million gets delivered directly to the veteran community in Australia. I am pleased to be able to say that in the life of this government we have seen funding for veterans go from \$4 billion in 1996 to a record \$10-point-something billion this year. That is terrific support for veterans, and it underlines the Howard government's commitment to our veteran community.

New indexing arrangements will mean that those in receipt of the above general rate of disability pension will have that component of their pension indexed in a similar way to the service pension by reference to both the CPI and the MTAW. I am hoping that this bill will go through the House and

the Senate quickly, because if it does we can have early back payment of the new indexation rates. That will be back paid to 20 March of this year, and that will benefit some 45,000 veteran disability pensioners. The bill also includes the introduction of the Defence Force income support allowance from September of this year, which will effectively exempt the disability pension from the means test applied to veterans' income support at Centrelink. That has been widely welcomed. That is something that veterans have been trying to achieve for some time, and I know that the veterans in my community in Townsville and Thuringowa were certainly very pleased when they saw the government announce that as part of this package of measures.

The government's response today is effectively \$267 million of new money to assist the most disabled of our veterans and the poorest of our war widows. I am delighted to see that, in addition to the money provided in response to the Clarke report, the budget announced last night includes \$328.9 million over four years for the Veterans' Affairs portfolio in brand new issues. That is a tremendous result, and I know that our veterans will be absolutely delighted to see that extra money flowing from the budget last night. There are other initiatives, smaller in scale but nevertheless not unimportant to those who are affected. These initiatives include the ex gratia payment to former Australian prisoners of war during the Korean War, which was a very difficult time, the funeral benefit increases and an extension of operational service to personnel involved in mine-sweeping, bomb clearance and so on. They all affect smaller segments of the veterans community, but nonetheless they are certainly something I am very pleased to see being put before the parliament today. Once again, I thank the veteran community in Townsville and Thuringowa for their feed-

back and help in guiding the government's response to the Clarke report through the parliament. It has been a great outcome, and I know that our veterans community will strongly and warmly welcome it.

Ms JACKSON (Hasluck) (9.38 a.m.)—I rise to support the **Veterans' Entitlements (Clarke Review) Bill 2004** and, in doing so, endorse the remarks concerning this legislation made yesterday by the member for Cowan. As he identified, the bill delivers a small number of important benefits to veterans. As we are all aware, the bill is the government's response to the Clarke review report. There is a small number of matters I want to raise in the House concerning the report, this legislation and the process in between. Accepting that this is my first term in the parliament and I am not used to these sorts of government processes, this seems to be an extraordinary situation. I say this, in particular, because of a constituent whom I met in my first months of taking office and whom I will talk about subsequently.

The Clarke report indicates that it is yet another in a long line of reviews of veterans' entitlements. Indeed, the list of reviews is contained in pages 223 to 227 of the report. As I understand it, there have been some 12 reviews of veterans' entitlements since 1970, and I thank the Parliamentary Library for providing me with some background information on those.

It became clear to me very early on that there is, as someone described it, a patchwork quilt approach to veterans policies in Australia. Maybe this is a direct consequence of having 12 reviews in 30 years, with different people and considerations involved in the reviews and, perhaps, different policy or methodology behind them. There is one additional recommendation I would make to the government in the area of veterans policy: that ongoing consideration of veterans

assistance be done using consistent methodology and based on policy and principles that are set out, explained, understood and, one might even anticipate, agreed. It seems to me that, if you set out those policy benchmarks and principles, you can then deal with the variety of different issues that often confront people in this area.

I raise this because if you look at the process of the Clarke review leading to this legislation it has taken almost the entire term of this government. It was an election promise by the current government to review veterans' entitlements in the 2001 election. I think most people with any experience in the area have some idea of what the hot or controversial issues in veterans legislation were. Frankly, all members of parliament have probably received numerous pieces of correspondence from the veterans' community, listing those hot and controversial issues. Indeed, I note that there are people from the department in the advisers box who could probably have sat down prior to the review and listed the five controversial issues that needed to be resolved, and they probably would have had some very good recommendations about how that might be done.

Nevertheless, the review was promised as part of election commitments. Over 3,000 submissions were received, which is a fairly high number of submissions. It reported in February 2003 and, in what is a proper application of the democratic process, the government then decided to consult with the veterans' community and ex-service personnel organisations on their response to the recommendations. As we know, it took over 12 months to do that. Indeed, we know of the drama that occurred on 17 February, and I am grateful for the backbench revolt by those members of the government which saw substantial changes to the cabinet's first proposed response to the Clarke review in February, which then led to the improvements

announced on 1 March and the introduction of this bill now.

If ever there was a process over two years that could have been done differently or better, this is certainly one of them. When you examine the outcome, there were a large number of recommendations that simply endorsed the status quo—that there should be no change—which was contrary to many submissions—surprise, surprise—given that the areas of controversy were well-known and identified prior to the Clarke review. The government rejected most of the recommendations that dealt with the hot issues and the recommended changes. In my opinion, those issues continue to be unresolved and will cause ongoing concerns in the veterans and wider communities in times to come. From my limited understanding of the area, of those recommendations that have been accepted, any government, even those prior to the Liberal-National coalition, could have decided to make those changes and implemented them 10 years ago. There does not seem to be any great science involved in the process.

This has had an effect on one of my constituents. I have a constituent who served in the Royal Navy. He is part of the BCOF group who have not had their concerns addressed in this particular legislation. He first came to me shortly after I was elected. He explained that he had been identified as suffering from asbestosis and that that disease had been contracted as a result of his many years service with the Navy. I made representations on his behalf and of course was subsequently advised of the establishment of the Clarke review. I encouraged my constituent and his representative organisation to make submissions regarding their service. That was a process he was involved in some time in late August 2002.

You can imagine both his and my delight in February 2003 when we read recommendation 63 of the Clarke review report and thought that at last there was perhaps some hope that his situation might be resolved. We again wrote to the minister asking for a timetable as to when she thought we might have a response. We waited until March 2004 for that response and here we are in May 2004 implementing the legislation. That is a period of well over two years. My constituent is sick and his health has been declining. I have been with him through what has been a fairly turbulent time of hard work, hope, excitement, joy—when we saw the recommendations—disappointment when we had the government's response and, for my constituent, Mr Weekes, now anger and a great deal of sadness at what has been two years with no resolution to his problem.

I imagine that that personal experience may well have been the case for thousands of veterans whose particular issues, concerns or demands were caught up in the Clarke review. They too may have been taken on that roller-coaster ride over the last two years. As a result of experiencing—albeit second-hand—the traumas of my constituent, it seems to me that a process such as this one undertaken in the area of veterans' entitlements is completely inappropriate. I urge the government to consider for the longer term some sort of mechanism which allows ongoing consideration of veterans' assistance—particularly now as we have seen in the last 2½ years an increased number of veterans being created as a consequence of our involvement in activities in East Timor, Iraq and other places.

Veterans' entitlements, and disease and disability caused by service, are issues that we are going to have an ongoing need to deal with, and I think we need to do that with a consistent methodology. We should treat all our veterans in a consistent fashion, irrespec-

tive of what conflict they have been involved in, and we should do so within an established range of policy principles. These policy principles should be clearly set out and explained to and understood by people as they enter the various services, before they become veterans—and, hopefully, with a bipartisan approach, these principles would be agreed. Surely there can be little difference between us in this place with regard to the respect that we must give to our veterans and the regard they deserve from us for the service they have given on behalf of their country.

I do not really want to say much more. I think other speakers have canvassed in detail those benefits that are contained within the legislation. Those benefits will provide some relief, albeit late—and, I say cynically, on the eve of an election. Nevertheless, the benefits are there. I am grateful to members of the government's backbench who took action to improve this package prior to it being presented to the parliament, and I am pleased to see those small improvements.

I urge those people who have missed out, been disappointed or feel unfairly treated as a consequence of this process to take heart that we will continue to try to develop in Australia a process for dealing with veterans' entitlements which is consistent and fair and provides them with due respect.

Mr HARTSUYKER (Cowper) (9.50 a.m.)—I rise in the House today to speak on the **Veterans' Entitlements (Clarke Review) Bill 2004**. I am proud to speak on this bill and I certainly approve of the additional \$267 million commitment to Australia's veterans and their families. Veterans form a major part of my constituency in the electorate of Cowper. As I travel the electorate, from Yamba in the north to South West Rocks in the south, I often come into contact with veterans and I take the time to discuss with them issues of concern.

What stands out about our veteran community is not only the sacrifice that they made for this country in time of war but also their continued contribution to our community today. Many of our older veterans are the leaders in many community groups and are at the forefront of the community in so many activities and should be commended for that. It shows not only the moral fibre that they displayed on the battlefield many years ago but also the commitment that they make to our community every day.

Our nation owes a great debt of gratitude to our veterans, our service men and women and, importantly, their families. Those who lost their lives obviously made the ultimate sacrifice, but it is impossible to put into words the courage and selflessness displayed by those who represented the Australian armed forces on the battlefields around the world. But, while the focus has rightly been on those who actually served and, in many cases, lost their lives on foreign shores, we should never underestimate the toll that it took on those who were fortunate enough to return home.

Similarly, we must acknowledge the pain and sacrifice endured by the families and friends of soldiers who did not return. For every lost Australian life, there was a mother who lost a son, a sister who lost a brother and, in many cases, a child who lost a father. One can never put a price on the impact that such a loss had on the deceased's immediate family. In many cases, they were left to pick up the pieces of their fractured lives and somehow carve out a future which held them together.

I think it is important to note that, in history books, we read of the activities of a particular division or of a particular army but, in reality, war is not fought by divisions or by armies; it is fought by people—people like the man down the street or the lady across

the road. Wars are fought by people. As I said, these people displayed great courage. One story comes to mind. A veteran, a very modest man, recounted to me the contents of his diary on the day of an attack in which he was involved. He said he had 109 rounds of ammunition. In preparing for the battle, he found an additional two rounds, making a total of 111 rounds of ammunition for a forthcoming attack. What stood out from that was that the weapon that this serviceman was issued fired 600 rounds a minute. This was an Australian serviceman going into battle, many years ago, with approximately 10 seconds worth of ammunition. For those recalling that incident today, the bravery it would take to participate in an attack with only 10 seconds of ammunition is quite staggering.

As a nation, we cannot give back what war has taken away from some of these men and women, but we can certainly make their lives, these days, a little easier. Quite rightly, the focus of this bill is to improve service delivery to veterans. This legislation represents a further positive step in recognising the contribution of our veterans and in making their lives a little easier and a bit better. I think this bill provides a fair response—and a fully costed response at that—to the needs of veterans. I welcome the legislation before us and trust that all members of the House will support this bill.

The bill provides an additional \$267 million, over five years, for veterans, war widows and widowers. It builds on our strong record on veterans. Over the years, governments of both persuasions have been keen to support our veterans. But this government has certainly raised the bar, with expenditure on veterans rising from some \$6½ billion in 1996-97 to around \$10 billion today. I welcome the words of support from the members opposite who commend this bill.

The Clarke report made some 109 recommendations, many of which were recommendations of no change to the current practices. The report also considered issues such as service eligibility, disability pension arrangements and the gold card, among other things. One of the key areas of interest to many of my veterans is indexation. Under this legislation, the indexation of above general rate payments will occur in the same way as for a service pension—by a combination of the CPI and MTAW. This move will assist some 45,000 veterans and ensure that the most disabled veterans—those who cannot work, or who can only work part-time—receive the maximum level of support through appropriate indexation. The explanatory memorandum to the bill says:

These changes will index the amount of intermediate rate, special rate and extreme disablement adjustment disability pension that is paid above the general rate by the same percentage as the increases in the maximum basic rate of service pension. The maximum basic rate of service pension increases in response to both the Consumer Price Index (CPI) and Male Total Average Weekly Earnings (MTAW). If the CPI increase to the maximum rate service pension results in a new rate that is less than 25% of MTAW, then the new rate for maximum rate service pension will be increased to equal 25% of MTAW. The resultant percentage increase between the old rate of maximum basic rate service pension and the new maximum basic rate service pension is the factor that will be applied to the indexation of the amount of disability pension paid above the general rate.

There are more than 19,000 veterans receiving a Department of Veterans' Affairs disability pension and income support from Centrelink. They will receive, on average, an additional \$40 per fortnight as part of the government's \$267 million response to the Clarke report. DVA disability pensioners, such as a single veteran in receipt of a totally and permanently incapacitated pension and a

Centrelink income support payment with no other income, will be eligible to receive up to an additional \$257.60 a fortnight. We are effectively exempting the disability pension from the means test applied by Centrelink to veterans' income support.

The government has listened to the feedback from the TPI and veteran community and is addressing the key areas of concern regarding the disability pension. The government will introduce a new Defence Force income support allowance to be paid by the Department of Veterans' Affairs, which will counter the effect of the disability pension being included as income in the assessment of Centrelink benefits. The new allowance will be paid to eligible veterans receiving a range of Centrelink benefits, including the age pension, disability support pension, carer payment—and we welcome the changes to the carer payment which were announced by the Treasurer in the budget last night—Newstart allowance, parenting payment, youth allowance and Austudy.

I think all members of this House would agree that there is no more deserving group in our community than war widows. This bill provides them with an income support supplement: \$73 million will be allocated to benefit 11,000 war widows by up to \$94.40 per fortnight. In addition to the income support supplement, rent assistance will be paid to eligible war widows and widowers. Currently rent assistance is paid with the income support supplement maximum rate of \$134.40 a fortnight. This addresses the needs of our poorest war widows and widowers.

These latest initiatives follow on from other funding commitments which the coalition has made since 1996. Funding for the war widows and widowers pension has increased to \$1.37 billion in 2003-04 from \$933 million in 1996-97, and that is benefiting more than 114,000 widows and widow-

ers. Indexing the war widows and widowers pension to MTAW in 1998-99 was certainly a great improvement. Restoring benefits, at a cost of \$86.6 million, to war widows and widowers who remarried prior to May 1984 is also a welcome benefit. Removing the freeze initiated by Labor in 1986 on the ceiling rate of the income support supplement for war widows and widowers in the 2002-03 year, at a cost of \$84.7 million, was also welcomed.

This government has a solid record of support for veterans and this bill is a major plank in that support. There is a range of other measures, such as the increase in the funeral benefit, which is a contribution to the cost of funerals. It does not cover the whole cost, but it certainly is a welcome increase in the contribution—from \$572 to \$1,000. There will be an ex gratia payment of \$25,000 in recognition of the horrendous suffering that prisoners of war in Korea had to endure. There is also provision for the eligibility of those involved in minesweeping operations after World War II.

The British atomic test program is another issue that has been of great importance to the many veterans affected by it. When the outcome of the Australian participants in the British nuclear test program cancer incidence and mortality study is known, the government will respond appropriately. I certainly think, as this nation does, that the efforts of our veterans in time of war must be very highly commended. The veterans in my community display great continuing service to their community now that they are back home. We as a nation must continue to support our veterans for the great contribution that they made in time of war. I commend this bill to the House.

Mr ANTHONY SMITH (Casey) (10.03 a.m.)—I rise to join in the support for the **Veterans' Entitlements (Clarke Review) Bill**

2004 and associate myself with the remarks of the previous speaker, who outlined in great detail the assistance and the additional financial commitment that the government is providing to our veterans following the Clarke review. The Clarke review was an important part of the Howard government's commitment to look after those who have served our nation in so many conflicts over more than a century.

As the previous speaker and those before him have outlined, the measures in this bill are the result of an election commitment by the Howard government. This bill delivers on a promise to hold a high profile and independent review to consider anomalies within the eligibility criteria for veterans entitlements. A committee comprising Air Marshal Doug Riding, Dr David Rosalky and Justice Clarke was given the task of examining our veterans' entitlement provisions with a fine toothcomb. Justice Clarke and his fellow reviewers made more than 100 recommendations and this bill seeks to implement many of those. Accordingly, this bill is welcome news to veterans and their families across Australia and within the federal electorate of Casey.

Since coming to office in 1996, the Howard government has increased spending on veterans' affairs from around \$6 billion to \$10 billion in the current financial year. Over the years the needs of veterans and their families have naturally changed. In response, the Howard government has extended the gold card to Australian veterans aged over 70 years with qualifying service, has made it easier to receive quality care in private hospitals and has helped veterans and war widows to continue to live at home through important programs like HomeFront and Veterans Home Care.

Following the Clarke review, the government announced additional funding of

around \$270 million, which will be spent over the next five years to implement the Clarke review's recommendations which have been accepted. Broadly, these recommendations can be grouped into five areas. Firstly, 65 of the 109 recommendations relate to service eligibility and 38 of the 65 suggested there be no change to the current provisions. In my dealings with veterans and older residents in Casey and in the RSLs throughout my electorate and in talking to the people who do such a great job, it is these issues that most regularly come up in discussion. Most veterans will be pleased that the government will continue to protect the integrity of qualifying service so as to continue to give special recognition and benefits to those who served their country while at risk of personal injury and death from an armed enemy.

Despite the well-put arguments for a broadening of the relevant qualifying tests, Minister Vale was correct when she said:

Public support and confidence in the generosity of our Repatriation System depends on the 'incurred danger test' remaining objective. We would create anomalies if we were to confuse a state of readiness, or presence in a former enemy's territory, with the real and tangible risks of facing an armed and hostile enemy.

This bill provides for an ex gratia payment of \$25,000 to surviving prisoners of war from Korea, and/or their widows or widowers who were alive on 1 July 2003, in recognition of the difficult and inhumane conditions they suffered. With regard to another regularly discussed issue, it is worth noting that the government carefully considered the recommendations relating to British Commonwealth and Allied veterans. On the basis that extending further benefits to these veterans would be a departure from the important principle that nations are responsible for their own veterans, the government has not adopted the relevant recommendations.

Secondly, as members would know, the gold card provides free access to comprehensive health care for eligible veterans, including medical and hospital treatment, allied health care, community nursing and support at home. In recent years the Howard government has extended eligibility for the gold card to all Australian veterans and mariners aged 70 years or over who have qualifying or warlike service from any conflict. Ex-prisoners of war, for example, get a gold card automatically. In total, 273,000 veterans and their families hold the gold card.

Thirdly, the review committee received a number of submissions addressing the adequacy of benefits and support available to totally and permanently incapacitated and other veteran disability benefit recipients. This bill introduces a Defence Force income support allowance, to commence from September this year. The allowance will be paid by the Department of Veterans' Affairs to eligible veterans receiving income support from Centrelink. The allowance will eliminate the difference between a veteran's Centrelink benefit and the amount they would receive if their disability pension were assessed under the Veterans' Entitlements Act. More than 19,000 disability pensioners will benefit from this change and, on average, will receive an additional \$40 a fortnight.

Fourthly, this bill will ensure that some 11,000 war widows and widowers will receive an increase in their income support payments, following the government's decision to pay rent assistance in addition to the ceiling rate of income support payment. For those who are eligible, this will deliver up to an additional \$94.40 a fortnight. As the previous speaker indicated, the government is also increasing the maximum funeral benefit from \$572 to \$1,000.

I wish to acknowledge and thank the presidents, the secretaries and the many vol-

unteers from each of the RSLs in my local community—in Croydon, Lilydale, Monbulk and Mount Evelyn. These individuals are well known in the community. They are tireless community leaders who work for the benefit of the veterans in their community. Their input and thoughts on a range of important issues were appreciated as we went through this process. In turn, I made sure that the minister and the government were aware of the concerns and that those concerns were taken into account in the framing of the government's response.

Throughout our nation's history, hundreds of thousands of Australians have served on our behalf. As a nation we owe them so much. Collectively we must do all we can to provide the help and assistance that is needed by our veterans. Importantly, we must continue to preserve the memory of their deeds as part of our nation's history. The Howard government are committed to ensuring that veterans and their families get the right treatment in their hour of need. In over eight years of government we have had a good record of doing that and of constantly improving the resources available to veterans. This commitment will continue into the future. As a government, on behalf of our nation, we are committing more and more resources to helping our veterans. This bill forms an important part of that task and I commend it to the House.

Mrs MAY (McPherson) (10.11 a.m.)—It gives me great pleasure today to speak on the **Veterans' Entitlements (Clarke Review) Bill 2004**, particularly as a member of the government policy committee on defence and veterans' affairs. The government response to the Clarke review—which contained 109 recommendations—unfortunately took some time to finalise, but I am delighted that the government's response has been far-reaching and indeed supportive of our veterans, war

widows and former prisoners of war in Korea.

There is no doubt that the opposition will seize the moment by criticising the government for the length of time it took to respond to the Clarke review, but today I would like to focus on the positive. I would like to focus on the positive outcomes and the level of benefits and support that will be provided to those very special men and women who have served this country in times of conflict, to the families who have been left behind and to our war widows, who in many cases have suffered so much through caring for our veterans on their return home from areas of conflict.

It will always be difficult for any government to quantify just what veterans, their wives or their families—their children—suffer with regard to lifestyle when health, including mental and psychological health, is not what it should be and when families know that these illnesses will require ongoing professional help for many years or a lifetime. I stand here today and say to you, Mr Deputy Speaker Jenkins, that I could never imagine what it would be like to go to war. I cannot for a moment imagine the horrors of war: the loneliness, the deprivation. I cannot imagine what it would be like to face the enemy and know that he is trained to kill. I cannot imagine what it would be like to be wounded in the service of one's country and to return home to your loved ones, who would in many cases have the ongoing role of caring for you for the remainder of your life, dealing with deep psychological illnesses and war related injuries. But I can say today that, having spoken to hundreds of veterans and having compared our compensation package with a number of those in other countries, Australia does have a generous compensation scheme for our returned servicemen and servicewomen.

But, of course, there is always room for more. Most Australians recognise that our veterans are the men and women who gave us the democracy and the freedoms that we enjoy today. These men and women and their families must never be forgotten. We need to ensure that we continue to monitor the ongoing needs of the veterans community. We must never forget the ultimate price that so many paid, and we as a nation must never forget that we have an ongoing obligation to look after those most in need in our veterans community.

The bill before the House today implements changes announced by the Minister for Veterans' Affairs on 2 March 2004 and covers a number of benefits that will continue to enhance the entitlements of veterans and their families. An additional \$267 million over the next five years will be committed to veterans and war widows. This bill addresses a number of recommendations that came from the Clarke review. It contains benefits for disability pension recipients and compensates those former prisoners of the Korean War, also known as the forgotten war. Around 29 ex-POWs or their widows will benefit with an ex gratia payment of \$25,000. There will be increased assistance to war widows and widowers and an extension of operational service to minesweeping personnel.

It is important to note that the veterans community was encouraged to participate in the review. In fact, there were more than 3,000 submissions to the review and there was ongoing consultation with the veterans community before the final response was presented by the minister. I would like to put on record my personal thanks to a number of special people who gave me the benefit of their wisdom during these deliberations. I thank Mr Doug Henderson, a Vietnam veteran and former Queensland state president and national vice-president of the Vietnam

Veterans Federation, who has become a personal friend and mentor with regard to veterans issues. His patience and valued time helped me to have a clearer understanding of veterans issues. He has always been at the end of a phone or available for a meeting to discuss veterans issues with me and help me to understand the needs and concerns of veterans and the background of war service compensation.

I thank many other members of my veterans community: Mr Ron Workman OAM, President of the Currumbin-Palm Beach RSL; Mr Glenn Mylne, Gold Coast District President of the Returned & Services League of Australia, Queensland branch; Mr Tony Stepney, President of Mudgeeraba RSL; Mr Alan Ross, Secretary of Mudgeeraba RSL; Mr Chris Keating, President of Burleigh RSL; and so many others. They have all been generous with their time and input into helping me understand and appreciate the sacrifices so many Australian men and women have made on behalf of our country and they have given me a clearer understanding on the difficulties veterans face every day.

As I said earlier, the Clarke review made 109 recommendations. Around half of these recommendations suggested no change to current practice, but the review did canvass a number of issues, including service eligibility, disability pension arrangements and the gold card entitlement, amongst other things. The bill before the House today will assist the most disabled of our veterans and the poorest of our war widows. The new indexation arrangements will mean that our most disabled veterans will have that portion of their disability pension paid above 100 per cent of the general rate indexed by the same proportion as the service pension and the war widows and widowers pension. In other words, the above general rate will now be indexed to the greater of the cost of living and movements of the average wage, or

MTAWE, and will therefore keep up with community incomes.

My only hope is that the opposition in the Senate will ensure the swift passage of this bill to allow an early back payment of the increased indexation to 20 March 2004, which will benefit more than 45,000 disability pensioners. From September 2004 the government will introduce the Defence Force income support allowance. This measure addresses a key issue of concern regarding the inclusion of the disability pension as income for pensions and benefits paid to recipients and their partners under social security law. This measure will ensure equity amongst veterans, regardless of whether they receive their income support from the Department of Veterans' Affairs or Centrelink.

As I said earlier, there will be an ex gratia payment of \$25,000 to former prisoners of the Korean War, and this payment will be made in the same way as the payment to former prisoners of war held by Japan during World War II. The payment is in recognition of the extremely inhumane conditions endured by Australian POWs during the Korean War. The payment will also be made to a surviving spouse. In relation to war widows and widowers, the government will pay rent assistance, in addition to the ceiling rate of the income support supplement, to some 11,000 war widows and widowers who are renting private accommodation. Currently, rent assistance is paid within the ceiling rate of the income support supplement. A small number of war widows who are also veterans in their own right, receiving the ceiling rate of service pension and renting privately, will also benefit from increased rent assistance under this measure. This initiative reflects the finding of the Clarke review that war widows and widowers renting in the private market are in need of additional assistance. Rent assistance is not available to those rent-

ing government owned properties, as their rent is already subsidised.

The government has also accepted the recommendations by the Clarke review to extend qualifying service to the aircrew of 2nd squadron RAAF who served on the Malay-Thai border between 1962 and 1966 and to extend operational service to members of the RAAF directly involved in the Berlin airlift. The government has also accepted that operational service eligibility should be extended wherever qualifying service has been recognised—a decision that would immediately benefit a small group of mine-sweeping personnel. There are a number of other measures in the bill. The coalition government is also committed to responding positively to the needs of those affected by the British atomic test program when the results of the cancer incidence and mortality study are available later this year.

There will always be more that can be done, but I believe this package, which is the government's response to the Clarke review, has enduring benefits to veterans and war widows across Australia. It builds on our strong commitment to ensure our veterans and war widows are looked after. Since 1996 this government has increased spending on veterans issues by a massive \$4 billion. I commend the bill to the House and make a commitment to continue to strongly represent Gold Coast veterans in the national parliament. I think it is incumbent on all of us to keep remembering the veterans of our local communities and what they have given to this country, and I think that it is important that we see the passage of the Veterans' Entitlements (Clarke Review) Bill 2004 continue very smoothly through both houses of parliament so that the veterans of our communities can benefit from those arrangements we are putting in place.

Mr NAIRN (Eden-Monaro) (10.22 a.m.)—I thank the previous speaker, the member for McPherson, who made some vital final comments in her contribution on this very important topic, the **Veterans' Entitlements (Clarke Review) Bill 2004**. I am sure all members of parliament attended Anzac Day services recently. I went to three Anzac Day services. The first was the dawn service at Tuross Head on the Far South Coast. It is probably the closest thing you could get to Gallipoli, as far as its geography is concerned. With waves breaking on the cliffs below and the sun coming up over the sea, it was quite a spectacular location for a dawn service. I then attended a very small service at a place called Bergalia, which is between Narooma and Moruya. There is a memorial there that was only found a few years ago. It had been totally overgrown, but some locals found it and upgraded it with some assistance from the federal government under our memorials program. The third service was just before lunch at Batemans Bay.

Attending those sorts of functions, you understand exactly what is occurring within the veteran community. You get to meet some quite amazing people at those sorts of ceremonies, including those who had war service in the Second World War, Korea, Vietnam and various other confrontations, and peacekeepers—you find the lot. It is terrific that those people and their families, particularly young children, are out there each Anzac Day. We had 500 or 600 people at the dawn service at Tuross Head, which is quite amazing.

It is extremely important that the government of the day continues to assist our veterans and their families as much as we possibly can. That is why the government set up the Clarke review. It was called by the government to look at a whole variety of aspects to do with veterans' entitlements, to make sure that we are still assisting our veterans in

the most appropriate way. The terms of reference for the Clarke review were very broad. It was asked to:

Recommend possible changes to address any anomalies and to facilitate the equitable and efficient administration of the VEA.

One specific point in the terms of reference was:

Consider perceived anomalies with eligibility for access to VEA benefits and Qualifying Service that might be raised by some World War II veterans, veterans of the British Commonwealth Occupation Forces in Japan, Australian participants in British Atomic testing in Australia, Australian service personnel engaged in counter terrorist and special recovery training and other interested parties—

It was a very comprehensive review and a huge number of recommendations were made. The government looked at those recommendations quite exhaustively, and a very thorough job was done of looking at which of those recommendations we could afford and which were appropriate to implement. There was some debate in the media about the response to the Clarke review and what would and would not be accepted. I do not back off for one second from saying that I was one of the people who looked very closely at what was being proposed in the first instance by government. I congratulate the Minister for Veterans' Affairs for the very thorough job she did on this. She went in to bat on behalf of veterans, as she always does, to get the best possible result from cabinet.

We have a great democracy on this side of the parliament, where these matters do come back to the party as a whole to consider. Initially, I and a number of my colleagues were not absolutely happy with what was being proposed in the response that came back. So, to the minister's credit, she engaged the party generally in debate about the various issues. Those of us who have a larger number of veterans than average in our electorates were

certainly well briefed by the many veterans we have, so we understand their circumstances—and, as I said, you really do get a good idea about your veteran community from attending Anzac Day ceremonies and things like that.

I felt quite strongly about the indexation issue. When we came to government in 1996, one of the very first things we did was change the way in which the age pension was indexed. Previously, it was indexed to the CPI and only every now and again—and it might be after a number of years—compared with male total average weekly earnings, and then other adjustments were made. We said that that was not good enough and that the age pension ought to be indexed so that it could never fall below 25 per cent of male total average weekly earnings. My view is that if it is good enough for the age pension it is also good enough for our veterans. The initial cabinet proposal was that that would not be the case. Isn't it terrific that we have a Prime Minister, a minister and a cabinet who are prepared to listen to the representations made by their colleagues within the parliament?

Contrary to front-page newspaper reports of backbench revolts et cetera, there was nothing of the sort at all. It was a great discussion. The Prime Minister himself met with quite a number of his colleagues, and we talked through the issues and debated the issues. We put forward our arguments as to why some additional assistance ought to be provided. To the Prime Minister's credit, he listened and took it back to cabinet and some changes were made.

Too often people say to me, 'You're only a backbencher, you have to toe the party line.' That is not the case. Our democratic processes within the coalition are such that you get many opportunities to have input and change things. A lot of things get changed

that do not make it to the front page of the paper, because backbenchers, through our committee process, have the right sort of input. They provide the information and the arguments and, with a minister prepared to listen and take that back to cabinet, you do get changes made. So there is none of this so-called toeing the party line. Here is a prime case. If the argument that we put had not been accepted by the minister and cabinet, the front page would have said, 'Backbenchers are ineffective,' but, because we were able to put a good argument and that argument was accepted, all of a sudden it was a backbench revolt. Well, we all know—all those of us who were part of it—that it was nothing like a revolt. It was a great discussion, and I am really pleased that the various changes that we argued for were accepted by the minister, the Prime Minister and, ultimately, cabinet—and we saw those changes.

I want to briefly go through some of those things that have come out of this Clarke review. There are quite a number, but I would just like to cover a few things today. There is the one-off ex gratia payment of \$25,000 to all surviving prisoners of war of the Korean War and their surviving spouses. I think that is a great extra entitlement to come from the review. The indexation, which I talked about before, is now based on male total average weekly earnings. That has been well received by the veteran community, and the feedback from around my electorate has certainly been extremely positive in that respect. Aspects to do with all those changes to the general rate of disability pension are, I think, excellent and will be of great benefit to quite a wide range of veterans throughout Eden-Monaro.

There is also the aspect of rent assistance, which a number of us felt quite strongly about. The Clarke review examined the level of payments that were available and recommended rent assistance. I am certainly

pleased that that was ultimately picked up. It probably means something in the order of \$90 to \$95 per fortnight to the veteran or widow who really needs it. There are a variety of payments, depending on what rent people are paying, but effectively it is in that sort of order. For a single person with no dependent children, the maximum payment per fortnight will be \$95.40; for a couple with no dependent children, the maximum payment will be \$90.20. Regarding the funeral benefit, at the time that our veterans pass away there is an added financial strain to a widow or widower. The proposal was to increase the benefit. It has not gone up for a long time—I cannot recall for how long, but for a long time it was \$572 and it did not change at all. Clearly, costs have increased substantially and the funeral benefit is now going up to \$1,000. I think that is another key issue.

Those are just some of the aspects of the package, and there are many other parts to it. It is a very comprehensive package. One particular issue that I would like to raise that I think will still continue to cause some debate within the veteran community relates to gold cards. I can certainly speak from a personal point of view on this, because when my father, who was a World War II veteran, passed away just under three years ago he had a gold card and that flowed on to my mother, which I think was warranted. It has certainly been a huge assistance to her, as a pensioner on her own. But there is an issue about eligibility for the gold card. I think it is a really difficult one, because you have to try to prove whether a death is war related, and all sorts of things get dragged up. I know about it because I went through it for my mother. We went through all the medical history of my dad during the war and how aspects of what occurred to him then were significant in contributing to the causes of his death. A number of people have raised the issue that,

in those sorts of instances, eligibility should automatically flow on to widows. I think there is actually a strong argument to support that. I know that is not something that the government has accepted at this stage.

I have had some excellent representations from somebody in my electorate called Ted Aust. He is from down the coast, and he has put together a very comprehensive submission on this, arguing quite a good case for that sort of assistance. He is a veteran and is now in his 80s. It really means a lot to these people to know that—in the case of male veterans—their wives will have the security of a gold card. They are almost pleading when they say, ‘I’ll go and feel good about it, if I know my wife has a gold card.’ The wife is often the person who has had to nurse them through some very difficult years. In particular, for many of those who came back from World War II there were no such things as counselling and those types of things that occur now. Wives of veterans who went through horrific aspects of, say, World War II really bore the brunt of a lot of that. I think it can be argued that an automatic gold card for those surviving widows is not a huge thing to ask for. But that is something that we can, I think, take further and debate further within government in the coming months as well.

In closing, I would also like to say that, with the budget brought down last night, another aspect of the veterans package—the additional payments of \$158 million over four years to increase payments to medical specialists treating eligible veteran patients—will certainly be well received. I have had quite a number of representations from veterans on that in recent months, from all over my electorate. I congratulate the minister and the cabinet on being able to do that extra bit for them, because they need that assistance and they need to be able to access it easily and to be able to afford it. Overall this is a great bill. I recommend it to

the House. The government has responded superbly to the Clarke review. In addition, the cabinet has responded well to the many members on this side of the House that made representations on behalf of the veterans of their communities.

Mr PEARCE (Aston) (10.38 a.m.)—I rise to speak on the **Veterans' Entitlements (Clarke Review) Bill 2004**. A few weeks ago I had the pleasure of attending Anzac Day services at my local RSLs in Aston. As always, Anzac Day this year provided Australians with an opportunity to reflect on, honour and recognise the special service and sacrifice made by our veterans and war widows. The media reports of increased attendance numbers at major Anzac Day services across the country—and, indeed, around the world—demonstrate that as Australians we take the opportunity afforded by Anzac Day seriously and value very highly the contribution made by all our veterans, who have served across the many and various conflicts throughout our nation's history.

The Howard government is a strong supporter of Anzac Day and believes it is vital that the service of our veterans continues to be honoured publicly and proudly by all Australians, and particularly by younger Australians. But, while Anzac Day is a focal point, our veterans and war widows are supported each and every day of the year by the Howard government. That is because the government believes that our veteran community deserve generous and ongoing support, care, compensation and commemoration, through a simple, fair and responsive system that recognises their unique needs. I am proud to say that the government has backed up that commitment with significant funding increases. Since 1996 the Howard government has increased funding for veterans and war widows by over \$4 billion to a record \$10 billion this year. As part of that significant boost, the government has increased funding

on income support and compensation by over \$1 billion and increased funding for health care and support by over \$2 billion.

At the last election, the Howard government committed to reviewing access to veterans' entitlements under our veterans' affairs policy called Supporting Those Who Served. This was the result of the government's concern that some ex-servicemen and women that had claims to entitlements were being denied access by perceived anomalies in the definition of qualifying service. Following the election, an independent committee was appointed to undertake the review. The committee was chaired by the Hon. John Clarke QC, a former judge and national serviceman. The committee also included Air Marshal Douglas Riding, a former vice chief of the defence forces, and Dr David Rosalky, a former departmental secretary. The terms of reference were focused on providing fair, consistent and appropriate benefits to Australian veterans.

The two key areas for review and recommendation under the terms of reference were, firstly, the current policy relating to eligibility for access to benefits and qualifying service under the Veterans' Entitlements Act; and, secondly, the benefits available to disability compensation veterans under the act. Throughout the review, the committee received over 3,000 submissions from ex-service organisations, veterans and the community. Many of the submissions were from veterans in my electorate of Aston to whom I had written advising of the review. I would like to again thank them for their contributions to improving our support for veterans. It is also worth noting that the committee held public meetings in each state and territory as part of the consultation process.

As a result of the review, the committee made 109 recommendations in their report, which covered a range of complex issues.

These included such things as the eligibility for qualifying service and hazardous service under the act; access to health care under the gold card; eligibility and assistance for widows; and benefits and support for recipients of the special or TPI and intermediate rates of veteran disability pension. I think it is worth noting that more than half of the committee's recommendations called for no change to current arrangements.

The government's response was announced by the Prime Minister in March, and a number of these measures are embodied in this bill, the Veterans' Entitlements (Clarke Review) Bill 2004. The total package of measures is worth \$267 million over five years and builds on the government's strong track record in veterans' affairs. This bill provides new indexation arrangements that will mean the above general rate of the veteran disability pension will be indexed by the consumer price index or male total average weekly earnings, whichever is higher. This measure will benefit around 45,000 veterans and, in particular, will ensure the most disabled veterans, such as those who cannot work, receive the maximum level of support.

This bill establishes a new Defence Force income support allowance to address concerns about the inclusion of the disability pension as income under social security law. This allowance will be provided at the rate of difference between the amount of income support received under social security law and the amount that would be received if the disability pension was not counted as income under the current social security assessment.

The bill provides for an ex gratia payment of \$25,000 for former Australian prisoners of war held during the Korean War or their surviving widows. The payment will be made in the same way as the payment to former prisoners of war held by Japan during World War II, in recognition of the extremely inhumane

conditions endured by Australian POWs during the Korean War.

The bill provides for the payment of rent assistance in addition to the ceiling rate of income support supplement to around 11,000 war widows and widowers currently renting private accommodation. Currently, rent assistance is paid within the ceiling rate of income support supplement. The increased assistance is expected to be worth around \$73 million and will help address the needs of the poorest of our war widows and widowers.

Under this bill, the maximum funeral benefit will increase from \$572 to \$1,000. The funeral benefit is designed to reduce the funeral expenses for eligible veterans and certain dependants, including former prisoners of war and recipients of the TPI pension and the extreme disablement adjustment rate.

Finally, to address a current anomaly, the bill extends operational service to personnel involved in minesweeping and bomb clearance operations after World War II who have qualifying service.

There are currently over 2,000 residents receiving veterans' entitlements in my electorate of Aston, and many of those 2,000 will benefit from the measures in this bill. All of them, of course, have benefited from the Howard government's increased investment in veterans' affairs since coming to office in 1996. I am pleased to say that, as the House heard, last night's budget announcement by the Treasurer ensures that veterans will continue to benefit under the Howard government.

The budget assures veterans access to free, comprehensive medical care, with an additional \$158 million over four years to ensure that gold and white card holders receive quality specialist care. In addition, more than \$190 million of new funding for aged care services announced last night will

directly benefit veterans and war widows. Importantly, this budget continues the government's strong track record in meeting the changing needs of the veteran community, honouring their service and confirming our commitment to building a repatriation system for the 21st century. Finally, I want to assure all veterans in Aston that as their local member I will continue to work to secure greater support for them in recognition of their outstanding service to our nation.

Mr BILLSON (Dunkley) (10.48 a.m.)—I support the words of the member for Aston and I note the long and distinguished list of government members who have spoken in support of the **Veterans' Entitlements (Clarke Review) Bill 2004**. Our veterans community is served well by the government. The Howard team has done a great deal since it was elected. The veterans budget this year is over \$10 billion, up from about \$6 billion at the time the Howard government was elected, so there are some serious resources directed towards caring for our veterans community. Probably one of the least heralded but most helpful is the resource of the government members, who are keen to bring—as the member for Aston has done—the practical concerns and on-the-ground experience of our veterans community to the attention of the government, as we seek to further develop and finetune what is the best repatriation and veterans support system in the world.

I make those opening remarks because that goes to the heart of what the Clarke review was about. I am sure that you, Mr Deputy Speaker Hawker, like many people in this place, have had the experience of a veteran coming to you in your office and talking about their war service experience and the way in which their personal circumstances interact with what is a comprehensive, first-class—in fact, world-leading—support system for our veterans community. There are

times, though, when the best endeavours of all of us may not meet the expectations of the veteran or the veteran's family. We do our best to work within this comprehensive and sometimes a little complicated system to get the best outcome for them.

It is in that light that the government, prior to the last election, undertook to conduct the review that is now called the Clarke review and to look at where there are perceived anomalies regarding veterans' entitlements. That was an appropriate and entirely thoughtful response to the at times very individual experience of our veterans: to look at the veterans' needs, their war service and the damage that we as a nation have done to them in their service for our country and to see how we can best make sure that they are getting their needs met and the support that they deserve. Case by case it is difficult, but we need to work through those. A process such as the Clarke review allowed individual veterans and veterans organisations to put their case about where they think some of the current policies or the way that they are calibrated may produce some anomalies. So that was a very wise election commitment, made prior to November 2001, and a distinguished panel of people came together to carry out that review. I will not go over that ground because I think my colleagues have very well outlined the etymology of the Clarke review and the composition of the panel.

I would like to emphasise, though, that in the brief that was given to the Clarke review team a clear disposition was conveyed in the terms of reference. There is a proactive effort being made by the government to identify anomalies. It is not as if the government were saying, 'Here's a fantastic, world-class system that is admired by veterans right around the world, and we're going to bunker down and armour up against any criticism and deflect, defend and bounce back perceived anomalies.' It was not that at all. The

review was actually welcoming people's input and encouraging organisations and veterans themselves to bring forward ideas about where they thought it could be further enhanced and where there was some inconsistency or anomaly in the way people were treated.

There was actually encouragement to have the provisions that relate to qualifying service examined. We were putting it out there, saying: 'These parameters have been tested in the courts over years and they have gone through refinement upon refinement—layer upon layer of re-examination—but, if we still haven't got that quite right, tell us. Tell us where it is not right. Please make those submissions. Speak to the rest of the repatriation of veterans support system.' So it was actually a welcoming position—an encouragement for people to come forward—not a defensive position, that the government took when it instigated the Clarke review. I commend the government for doing that. That is a posture that says: 'We are open to input. We are keen to learn from practical experience, and, where we can enhance our system and remove perceived anomalies, we are keen to do so.'

It was at that level that submissions were sought, and there was an abundance of them. I was pleased to provide my input to the review, based on my experience. There was a lot of discussion in the veterans community about the special rate and the rates of disability pensions and whether they were appropriate. The government encouraged the Clarke review to seek advice. Again I am emphasising the point that it was not a defensive position of holding the fort; it was more one of welcoming input to see where we can improve what we are doing.

For the purpose of context, let me outline the experience I had when visiting the United Kingdom. As some of the people in this

place would know, I have spoken about the UK service personnel. In my electorate, I have people living a couple of streets apart from each other who flew in the same Lancaster bombers. One of them happened to be from the RAAF, the Royal Australian Air Force. But their friend and colleague, someone with whom they went flying over Holland in Lancaster bombers—the same aircraft, the same experience—happened to be employed by the Royal Air Force.

Different employing organisations have different systems, as you would well be aware, Mr Deputy Speaker Hawker. Many of the benefits that are put in place for our veterans carry forward what we would more regularly understand to be workers compensation and support for those doing what was asked of them by their employer. In this case, the employer is the Commonwealth of Australia, the task is one of defending peace and the values that we share, and the dividend is peace, prosperity and pluralism in this country—a great dividend. But what is difficult for some people to grasp is that allies doing the same work in exactly the same aircraft, returning to live in the same neighbourhood, are treated differently.

The wonderful system that we have in Australia, viewed through British eyes, is quite remarkable. Let me explain it this way: we sent our young service men and women into harm's way. Harm did not come after them—the rare exception being Darwin in the north of Australia. But in general terms we sent our people into harm's way to defend, protect and try to preserve the things that we believed in.

When I talk to veterans organisations in the UK, they marvel at our system. Interestingly, in the UK they do not have a separate veterans' affairs department; it is all part of the defence department. I was talking to a general there, who was explaining the great

steps forwards they have made in the UK by establishing a call centre in London, with four people in it. That was servicing all the British vets. The general was saying: 'Look what we've done. We've enhanced our veterans program by creating a call centre. It's got four people in it.' I said, 'This is a great step forward, but there are actually four people in a veterans office in my city alone.' The response was: 'You always do this veterans thing better than we do.'

He went on to explain to me, though, that a civilian living in London during the raids was probably in greater danger than an RAF person at an airfield up in Wales. He said that if the UK government was to replicate the benefits we make available to our veterans in this country there would be a riot because civilians were as exposed in London as any service personnel were. But in Australia we can make that distinction because we sent people into harm's way, and the way in which we appropriate and provide benefits and support services reflects the danger to which we exposed those people.

The whole concept of qualifying service meaning exposure to hazardous duty in the face of the enemy distinguishes some levels of benefits that veterans receive. That is something that gets tested every time one of these reviews is carried out. The people we send into harm's way are treated differently from those whom we do not send into harm's way, notwithstanding their preparedness to serve in the same way. The people that we damage, harm and disadvantage as a result of their work on behalf of our country are treated differently from those who are not so damaged.

Those distinctions are important. They are central to our system of repatriation and veterans benefits. One of the things that comes up—and it came up in the Clarke review—as we always seek, where we are able and can

afford it, to improve the benefits made available to our veterans is not to lose that distinction, because that distinction speaks to the veterans, to their organisation and to their individual experiences. If we were to mull over that and fog up those distinctions, we would not please anybody. When one looks at recommendations to expand and enhance veterans' benefits, we cannot lose sight of that distinction. This is where qualifying service becomes so difficult. What is the nature of the harm? What is the risk? Where is the hostile force? They are some of the tenets of our system that were tested through the Clarke review.

Frankly, I am pleased the government did not accept one of the Clarke review recommendations—that is, one of the recommendations to replace the current arrangement built up in a historical context, bringing into play those points that I described about different experiences and different levels of danger, harm and activity by enemy forces. I am glad we did not move to what Clarke touched upon. Do not mistake what I am saying for a defence in total of the current arrangement, because there are some anomalies and we continue to work on those. Here we have embraced such activities as minesweeping after the war. Prior to this, the argument was that the war was over—what danger were you in? But the mines were still armed and they still represented a huge threat. So minesweeping operations are significant. We have recognised that risk, and I am very positive about that, because there is empirical data to validate that risk and the threat that the service personnel were exposed to.

In his review, Clarke made a recommendation which said: 'Set aside these at times frustrating distinctions and introduce a new concept.' He said: 'Currently, it is not the bee's knees. Why don't we try something different?' He was introducing the concept of

perception of fear. I am glad the government has not embraced that recommendation. The difficulties we have at the moment would only be multiplied many times over if we went away from factual, empirical data that took account of actual activities, actual military engagement and real threat by an active enemy where the hazard is there, and introduced a concept of perceived fear. Where would that leave us? Where would that leave the distinctions that I outlined earlier where we have higher levels of benefits and assistance for people, depending on the nature of their service and the damage done to them that has resulted from them carrying out what the nation asked of them? I am pleased that recommendation was not embraced. It would have thrown out decades of trying to get these factual and evidence based arrangements in place. It would have thrown that out of the door and introduced a concept of perception, and where would that have taken us? I cannot think of a veteran who would have thanked us for that. The solid ground, as frustrating, as technically difficult and as complex as it is—as any idea that is tested over and over again in the courts and in appeal processes is—and as complicated as all that is, beats the daylights out of a perception.

We have work still to do in those areas, and I have flagged some of them. Some of the things that our veterans were exposed to have damaged them, and we need to make sure the nation is prepared to support their needs, to meet their health requirements and to provide the financial assistance that is required. In relation to the veterans who are called atomic veterans—that is the shorthand version for our military personnel who were involved in testing of atomic weapons—let us go back to what I described. Where was the enemy then? There was none. It was our friends and our allies who let off these bombs. In my community I think of Mr

Miller and others who were involved in that testing. Another gentleman, whose name I will not mention, who barely has a healthy cell in his body, has been damaged by his military service. It was not by a hostile force; it was by a friend. That shows where the current method of determining qualifying service does need to be enhanced. I am grateful that we are waiting for some medical advice on what the mortality and health consequences have been for that category of veterans. I am pleased we are looking for that evidence. It is a chance to place a better evidence based system into the qualifying service arrangement which we know can be frustrating and is not perfect but which, heavens above, is infinitely better than introducing a concept of perception—and where would that take us?

I am using that just to illustrate the point that our work continues. I am unashamedly one of those pressing for a better deal for veterans. As long as there is breath in my body and I earn the support of my electorate, I will always go into bat for my veterans. The peace, prosperity and pluralism that we enjoy in this country came at a great expense and, more than any of us, the veterans carried that burden. There are other aspects of this package that I could talk about, but I am mindful that my friend and colleague the member for Gilmore, another fearless advocate for our veterans community, is seeking the call.

This is work in progress: looking after our veterans needs, as we learn more about their experience and the consequences of their service on behalf of our nation. But this is a very constructive, positive and welcome step forward. It is an excellent injection of cash. It is recognising that our widows, in particular, have a huge burden to carry, where we have damaged their loved ones who have returned to the family home not as they were when they left. I am grateful that those bene-

fits are being extended to our widows and widowers and also for the embracing of MTAWÉ as a basis for indexation of DVA disability pensions. I was keenly reading Clarke's report to see what the review thought of the level of those benefits. I was encouraged to read of the conclusion that those benefits were adequate. I know some people disagree with that. My campaign was to always say that, if we are going to argue that they are adequate, we must make sure that they remain so. If they are adequate today, and we determine their adequacy by reference to MTAWÉ, which is what part of the Clarke report was about, it is only appropriate that we maintain that adequacy by having them indexed either to CPI or MTAWÉ, whichever delivers the best outcome for our veterans. I commend the bill to the House, and I thank our veterans and ensure them that we will remember them.

Mrs GASH (Gilmore) (11.05 a.m.)—I rise to speak to the **Veterans' Entitlements (Clarke Review) Bill 2004**. One of the most important outcomes of the Clarke review, to my mind, is the reinforcement of the philosophy underpinning the Veterans' Entitlements Act: the fact that returned servicemen should be entitled to specific consideration ahead of all others for the service rendered to their country.

Since the Clarke report was released, I have addressed many ex-service organisations, heard their stories and listened to their views on veteran entitlements. The feature which came out most prominently is the number of non-veteran ex-servicemen who are now seeking entitlement under the act—in effect, seeking to have those provisions extended beyond the qualifying criteria or having the qualifying criteria relaxed to allow more generous eligibility. In the course of my research for those speeches, I found that the Veterans' Entitlements Act contains the most generous provisions in the world.

These latest recommendations adopted by the government make the act even more generous.

As a result, I predict more and more ex-servicemen will require access as they get older, and that is a perfectly legitimate and understandable aspiration. I have my views on who should be entitled and who should not, as indeed the rest of the population has. But benefits that flow to veterans are not determined by Joanna Gash but by the law of the land. And whether we like it or not, it still is the law of the land that determines eligibility. So the process that was gone through to arrive at this report and this bill reflects democracy at work. There were many veterans and ex-service submissions that were considered by the committee, and I would like to express my appreciation at the thoroughness and professional approach of the committee. The fact that they supported no change in provisions in about half of their recommendations reflects the integrity of the existing provisions, which were moulded over decades of administrations.

As expected, not everyone was happy with the outcome. But, in general terms, it was a very satisfactory result. The fact that we connected with the people concerned is an important point. Rather than arbitrarily deciding what we thought was best for people, we actually went to the effort of asking and listening. That point needs to be emphasised along with the fact that we had the courage to pursue improved benefits for our veteran community. It is something that we are proud of and will continue to strive for through changing circumstances.

The review was also instrumental in drawing attention to the changing face of war in the guise of terrorism and the fact that a new and appropriate response was needed to reflect changing circumstances. For too long the view has been held of defined battle lines

with a visible enemy, fought to the rules of engagement. No more is this the case. We now have to deal with a shadowy, dogmatic and ruthless enemy that has no centre of control, has no national borders and knows no authority to contain its excesses. In short, we are dealing with mass murderers whose aim is not to win so much as to exploit the fear that their terrorist tactics bring. It is a battle as deadly as any conventional war but it is far more insidious. It is a battle we cannot afford to lose. The Australian men and women who take on this enemy face dangers never before experienced and they are doing this to protect us. The least we can do is to make sure they do not suffer for their service to us and are not deprived in any way at all as a result. The dangers they face in terms of biological, chemical and nuclear threats are horrible but no less final than the dangers encountered by their predecessors.

I welcome these new initiatives which have been introduced by the minister, especially those that address the inconsistencies under the Social Security Act. I also applaud the decision to award an ex gratia payment to the prisoners of war of the Korean conflict. It is important that we continue to maintain the integrity of the act, although, as I indicated earlier, we must keep an open mind about future developments. The fact that we were prepared to deal with obvious anomalies, such as those of minesweeping and bomb clearing after World War II, demonstrates our commitment to a fair deal for those who served. Despite the fact that it was a long time coming, it was this government that took the stand. This government has certainly been proactive in terms of consideration for Australia's armed forces and returned service personnel. These latest provisions amply demonstrate that commitment.

Finally, I would like to commend my backbench committee, the minister and the Prime Minister for consulting and then hav-

ing the courage to see that the concerns that were raised during the consultation process were addressed and mostly adopted. Contrary to the belief of the opposition, democracy is alive and well in this government. I would also like to thank all of those from the electorate of Gilmore who made submissions. Gilmore has a very alert veteran community which takes a keen interest in defence and veteran matters. My only regret is that I cannot deliver to it a fulfilment of some of its wishes. For instance, the BCOF members want their exposure to radiation following postings near Hiroshima to be viewed as a war related hazard, and the veterans of the Korean conflict, many of whom served with the BCOF, have legitimate claims along the same lines. But I do enjoy their hospitality and advice because it is well intentioned and I trust their honesty.

These amendments are very necessary and overdue. They reflect our ongoing commitment to our veterans in the past, now and in the future. As the minister explained in her second reading speech on the bill, the provisions seek to address anomalies that were identified in the Clarke report. It shows that this government takes extra interest, beyond the provisions of the statutes, for the sacrifices made. Similarly, the treatment of the veterans' disability pension and indexation arrangements are laudable initiatives. All in all, it shows that this government is prepared to look to the future needs of veterans and is not content with just sitting on its hands with established but outmoded provisions. Our veterans deserve better and they are getting better from this government. I commend the bill to the House.

Mr NEVILLE (Hinkler) (11.11 a.m.)— There are not many in the House who do not wholly support the **Veterans' Entitlements (Clarke Review) Bill 2004**. I certainly support it as far as it goes and I optimistically look to the future to see some other areas

addressed which have not been addressed in this bill. I will deal with those later in my speech. The bill is a catalyst for increasing government benefits to eligible Australian war veterans, which in effect will give proper recognition to the huge sacrifices these men and women made for our country in armed conflict. There are simply no words adequate to describe the service, sacrifice and suffering of our veterans and what they lived through—and what some are still living through—to defend our way of life.

I am patron of the Vietnam Veterans Association in my district. The amount of psychological damage that occurred to Vietnam veterans never ceases to amaze me. I am very sensitive to their needs. Having been sensitised to their needs, I see some other groups in the veteran community that I think we could give some more attention to. It is my duty as a federal MP to represent my constituency to the best of my ability. In light of the almost inconceivable experiences of our war veterans, especially some of the Vietnam veterans, it is the least I can do.

Quite simply, we are honour bound to acknowledge and repay veterans for their contribution to the sort of lifestyle that we live in Australia today. Although our gestures can never fully compensate veterans for their experiences, the proposed changes to the Veterans' Entitlements Act which would be enacted through this bill go some small way towards doing that. Australia embraces its veteran community and there is tremendous respect and affection for our diggers, as we saw in the increased numbers at many parades, dawn services and citizens parades during the recent Anzac Day celebrations. The fact that more than 3,000 submissions were made to this review is testimony of the respect in which those veterans are held. I and several other coalition colleagues felt so strongly about this issue that we used our joint party meeting to push the envelope of

the government's initial response to the Clarke review. I heartily welcome the government's immediate reconsideration of the matter and I thank the Prime Minister for it.

Of all the points raised by members in the party room, a few struck me as being most valid. Among them was the improved indexation for TPI pensions for our most disabled veterans. I was quite pleased to see this measure included in the bill by way of indexing the above general rate for the TPI pension or that portion over and above the standard pension payment to both the consumer price index and male total average weekly earnings, bringing it into line with the service pension and the widows and widowers pension. Even better, the extra funds are being back paid to 20 March for the 45,000 eligible veterans. Quite clearly, the government is responding to the needs of those veterans, with more than half of its response to the Clarke report—\$166 million out of \$267 million—being spent in addressing their needs.

Along the same lines of improving the immediate financial situation of some of our veterans, the government will introduce a Defence Force income support allowance for up to 19,000 eligible veterans and partners. This payment will negate the impact of the DVA disability pension being counted as assessable income by Centrelink—in effect, it will make up the difference between the amount of income support a person is currently receiving from Centrelink, and the amount they would receive if their disability pension were not counted in the assessment of their social security payment. I also argued for proper recognition of the people who carried out dangerous duties during times of conflict and since, of those who dismantled ordnance such as shells, bombs, mines and sea mines. This group is one that was very badly neglected. From 1944 to 1947, these people undertook some of the

most dangerous work of the lot. There is nothing more dangerous than defusing unstable ordnance—one slip of a screwdriver or a wrench could kill everyone around. To say that they did not face the enemy is not recognising the fact that most of that unstable ordnance was put there by the enemy. I very warmly welcome the inclusion of those people in the bill.

A one-off *ex gratia* payment of \$25,000 will also be made to veterans who were interned during the Korean War or to their surviving spouses. This payment will be similar to the one made to veterans who were prisoners of war in the Japanese theatre of World War II and their spouses. The payment is being made in recognition of the POWs' limited protection under the Geneva Convention, their lack of access to International Red Cross assistance and the systematic mistreatment of these prisoners by their captors. The bill will also implement rent assistance payments for the 11,000 or so war widows and widowers who are already receiving the maximum rate of income support supplement.

This government has already made giant inroads in terms of helping our war widows and widowers during the past eight years, with their pensions already indexed to male total average weekly earnings, the restoration of entitlements to widows who remarried prior to May 1984, and the indexation of income support supplement and service pension paid to war widows. Finally, funeral benefits for eligible veterans will rise from \$572 to \$1,000, which will go some way to lifting the burden of the burying of loved ones at a time of great sorrow and grief.

I have covered the essence of the bill, but I want to speak further about the personal effect it had on veterans in my area. My electorate office was inundated with messages of support for the measures contained in the

bill, and expressions of gratitude for the government's reconsideration of its original response to the Clarke review. Among them was a message, which read in part:

Thank you all very much for standing up in the party room and showing support for TPI entitlements and the necessity to link our pension with the MTAW. Your support in this matter is very much appreciated and won't be forgotten.

Another message said:

Sir, I have a system of ranking people which begins with the question, 'Would I have this person in my Platoon?' Your good self and a section size group of polities made my 'A' list today by an act of bravery which will lead to the saving of many lives and the diminishing of some of the torment of many Veterans and their families. In the last couple of years I have been awarded the Centenary Medal for my work with Veterans and their children, a Centenary of Federation Peoplescape Award and Life Membership of the Vietnam Vets Association. I'd swap all that for an afternoon in Canberra with your colleagues for an audience.

Having said all that and reflected on the good and proper work conducted by the government as a result of the Clarke review, I should also give voice to my concerns for another veteran group which is not covered by these measures. It goes to the issue of qualifying service. There is a group of veterans who signed up offshore, not on Australian soil, who are not entitled to the same range of veterans' entitlements as other veterans. I understand the protocol that exists between Commonwealth and allied countries, and that is that veterans' benefits are paid by the country in which you signed up. I do not have any argument with the broad principle of that. I am not suggesting that, in this measure, everyone who signed up in a Commonwealth or allied unit who comes to Australia should be entitled to the full range of benefits. I am not arguing that case at all, but there are some exceptional cases and they are: veterans who signed up at the be-

ginning of the war with allied or largely Commonwealth units—some in Canada and some in the UK—because they could not get back to Australia to sign up.

The case I would like to raise this morning is the case of those who signed up in Fiji. Why, you might ask, Fiji? At the time, the sugar industry in Fiji was run largely by British and Australian operatives. Many young men—administrators, scientists, sugar mill workers and supervisors—went to Fiji and worked in companies like CSR. When the war broke out, they signed up to the British Army in Fiji. Fiji at the time, of course, was a colony, not a republic within the Commonwealth as it is today. These young men who worked for CSR would have preferred to have come back to Australia to sign up, but they did not have that opportunity. They went through the rigours of war, like everyone else. But while they did not face the enemy in any direct conflict they were on alert for most of the war because, Fiji being a South Pacific island, anything could happen at any time.

I would like to raise the case of Mrs Vint, one of my constituents. Her husband signed up to the British Army in Fiji. Like many veterans, they were encouraged to smoke. In later life he developed emphysema, which tragically took his life some years ago. We generally recognise cases like that, in our own Defence Force structures, as being attributable to war service. However, Mrs Vint will not get any of those sorts of entitlements because the argument is made that her husband was not a member of the Australian Army, he was a member of the British Army. He did not have the opportunity to be a member of the Australian Army.

We should also recognise that Australians who served in garrisons on Pacific islands also did a great service not just to the British Army but also to the defence of Australia

because those garrisoned Pacific islands were very much a part of the shield around Australia. We had young Australians, albeit in the British Army, serving in that capacity. Mrs Vint receives a small entitlement from the Fijian government, but that goes nowhere to serving her needs or acknowledging the fact that her husband, who served there in the Army and subsequently came back to Australia and put in a lifetime of service in industry, should be recognised. I find that very hard to stomach and I am sure there were similar cases of people who joined the Air Force in Canada and the UK. I reiterate: I am not saying that everyone from every country who joined a Commonwealth or allied unit should be entitled to Australian pensions; I am saying, however, that those Australians who, through circumstances, were pressured into or forced to join Commonwealth units offshore and who subsequently returned to Australia should be recognised.

Another group that was not covered in the bill—and I would like the government to revisit this at some future stage—was the members of the Commonwealth occupation forces in Japan. Having seen the work of the Australian troops in East Timor and, more recently, in Iraq, I have some sympathy for those who were in the occupation force in Japan. Although Japan had effectively been brought to its knees, these troops still faced tense and sometimes dangerous situations. There was obviously resentment there. There were obviously the dangers associated with a postwar situation. I call on the government at some time in the future to reconsider their case. I commend the bill as far as it goes. I think it is a very good bill. It picks up on TPIs, Korean prisoners of war, war widows and war widowers and it acknowledges those people who carried out the dangerous work of dismantling ordnance. I hope that those two other groups that I have mentioned will be given future consideration by the gov-

ernment as our veteran community ages and we look to the particular needs of those people.

Mrs VALE (Hughes—Minister for Veterans' Affairs) (11.27 a.m.)—in reply—The **Veterans' Entitlements (Clarke Review) Bill 2004** implements the increases in benefits announced by the government in March in our response to the Clarke committee's review of veterans' entitlements. I note that I have been criticised by members on the other side as being a minister for no action, but this government and I, as minister, have delivered significant initiatives for the veterans and war widows.

We have increased financial support for service pensioners and war widowers, we have increased compensation payments for veterans with disabilities and we have improved health care for older veterans and veterans with disabilities. This means that the most significant increase has been for funding for veterans' health care, which has increased from \$1.8 billion in 1996 to a massive \$4.4 billion in 2004-05. We have increased funding for income support and compensation from \$4.6 billion in 1996 to \$5.9 billion in 2004. We have increased funding for commemorations, as a small but very special component of this government's funding for veterans and respect for veterans.

This bill implements two significant changes which will benefit veterans receiving a disability pension. First, new indexation arrangements will assist the most disabled. The portion of their disability pension above 100 per cent of the general rate will be indexed in the same way as the service pension and war widows and widowers pensions. Adjustments now will be based on movements in both the consumer price index and the male total average weekly earnings, not just the CPI. Increases in pensions will be backdated to 20 March 2004. Second, the

government will introduce the Defence Force income support allowance, known as DFISA, from 20 September. The supplement will offset the loss of income resulting from inclusion of the disability pension in the means test for pensions and benefits paid by Centrelink to recipients and their partners under the social security law.

The new allowance will be the difference between the income support received under social security law and the amount that would be received if the pension were not counted as income in the assessment of the social security payment and if a disability pension income test for rent assistance applied. The allowance is expected to benefit more than 19,000 disability pensioners and their partners by an average of \$40 a fortnight. However, a single TPI pensioner with no other income may receive up to \$257 a fortnight.

In 2001 Australia followed the precedent of the United Kingdom, Canada and New Zealand by making an ex gratia payment to the prisoners of war of the Japanese in recognition of the extremely inhumane conditions that they endured. This bill grants a \$25,000 payment to the surviving prisoners of war of the North Korean forces or their widows or widowers who were alive at the beginning of July 2003, for inhumane treatment like that experienced by the prisoners of war of the Japanese during World War II.

War widows and widowers will benefit from our decision to pay rent assistance as well as the ceiling rate of the income support supplement or the service pension. The rent supplement will help war widows and widowers who rent privately. This payment will begin on 1 January. The bill also raises the maximum funeral benefit from \$572 to \$1,000 for a deceased eligible veteran from 1 July, to help families with the cost of a funeral. The bill will extend operational service

to personnel who were involved in mine-sweeping and bomb clearance operations after World War II and have qualifying service. This corrects an anomaly whereby a small number of personnel received the medal necessary to be eligible for qualifying service but were not veterans because their service fell outside the operational service period specified in the Veterans' Entitlements Act.

Before concluding I wish to address briefly some criticisms of the bill. We have been criticised during this debate for doing the obvious and for doing it late, but I simply ask: if these benefits were that obvious and if they were that overdue, why didn't Labor offer them to veterans and war widows in its own election policy? I have looked particularly at its policy from the last election but there is not one mention of war widows.

The attempt to discount and talk down the assistance that this government has given to widows is particularly insensitive. War widows have been consistent beneficiaries of this government's concern. Two of the measures we have introduced were simply to correct hardships imposed upon war widows by previous Labor governments. It was the Howard coalition government which restored entitlements to those war widows who remarried before May 1984, who were simply ignored by Labor, and it was the Howard coalition government which indexed the war widows income support supplement, which Labor froze in 1986-87. It was the Howard coalition government which indexed the war widows pension by reference to male total average weekly earnings in 1997-98.

This bill delivers a responsible package of measures to enhance the benefits and the support the government gives to veterans, war widows and war widowers. Again I thank the members of the Clarke committee and the people and the organisations who

took part in this inquiry, including many thousands of veterans. Mr Deputy Speaker, we have heard that there were over 3,000 submissions to the Clarke inquiry. I would like to acknowledge the members of the defence and veterans' affairs committee, chaired by the member for Gilmore, who have taken a keen interest in the government's response on behalf of our veterans. I also acknowledge the strong advocacy from the members for Gilmore, Blair, McPherson, Riverina, Cowper, Eden-Monaro and Dickson on behalf of the veterans in their own electorates. I also thank the members of the House for their contribution in the consideration of this bill.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Third Reading

Mrs VALE (Hughes—Minister for Veterans' Affairs) (11.35 a.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

FAMILY ASSISTANCE LEGISLATION AMENDMENT (MORE HELP FOR FAMILIES—ONE-OFF PAYMENTS) BILL 2004

Cognate bill:

FAMILY ASSISTANCE LEGISLATION AMENDMENT (MORE HELP FOR FAMILIES—INCREASED PAYMENTS) BILL 2004

Second Reading

Debate resumed from 11 May, on motion by **Mr Anthony**:

That this bill be now read a second time.

Mr SWAN (Lilley) (11.36 a.m.)—The Family Assistance Legislation Amendment (More Help for Families—One-off Payments) Bill 2004 and the Family Assistance Legislation Amendment (More Help for Families—Increased Payments) Bill 2004 go to the heart of the federal government's budget, delivered last evening. When you look at them in total you can draw only one conclusion: that this is a shameful budget. The Prime Minister and the Treasurer have decided to turn their backs on average Australian households who earn less than \$52,000 a year. They have turned their backs on at least 600,000 Australian families who have been caught in the family payment debt trap.

I think we now all know who will lead the Liberal Party after the next election. It will be Peter Costello. He will be Leader of the Opposition. We know that from this budget because rarely, if ever, has a Treasurer boasted so loudly and delivered so little for Australian families. Let us look at the outright dishonesty of the tables published by the government last night in the budget, which have appeared in all of the national media today. They are outright dishonest. They would lead Australian families to think that the figuring in the tables is real, but it is not real. These tables give the impression that there will be very substantial gains delivered to Australian families on 1 July this year. It is that impression that has led to all of the headlines this morning claiming that for many Australian families there is a cash bonanza in the family payments system. Sadly, that is simply not true. It is some of the most obnoxious, deceptive propaganda ever published by a political official in this country.

Let me give you some examples. Let us consider a single-income household earning \$30,000 a year. What is the actual weekly gain from 1 July 2004 that will be delivered

to that family as a result of the changes in the budget last night? These tables try to give the impression that the gains will be delivered from 1 July this year. Down at the bottom of the tables, however, is a little note that says '1 July 2005'. But what will the average family in this country receive from 1 July 2004 as a result of the budget? The budget papers claim that a single-income household on \$30,000 will receive \$34.62. That is what Treasurer Costello claims. But they will get zero on 1 July this year. A single-income household earning \$30,000 will get zero, but the claimed benefit for 1 July is \$34.62. What will a dual-income household earning \$30,000 get on 1 July this year? The claimed benefit is \$58.28. The actual benefit is \$23.88. There is a huge gap between the reality and the propaganda from the Howard government.

Let us look at a single-income family or household earning \$55,000 a year. The claimed benefit is \$32.88. The actual benefit is \$6.92. That is a huge gap. Let us look at a dual-income household earning \$55,000 a year. What would they have delivered to them on 1 July this year? The claimed benefit is \$40.30. The actual benefit is \$7.92. Isn't this so John Howard? Isn't this so Peter Costello? This gap between the reality and the claim is another mean and sneaky trick from the Howard government, communicated at great public expense right across this nation.

The truth is this: the fortnightly benefit is what people need and what they will not get from the Howard government. Part of the reason for the huge discrepancy is that the second \$600 payment has been factored into these tables as if it were being received by the family on a weekly basis. Nothing could be further from the truth. Families do need their payments on a fortnightly basis to feed, clothe and educate their kids. The kids' feet do not stop growing because John Howard

and Peter Costello want to pay people on an annual basis. Kids do not stop eating because the Treasurer has prepared a table that claims that families get money during the year which they do not get. The fact is that 95 per cent of families in the family payments system opt to take their payments on a fortnightly basis because they cannot afford to do anything else. I have never noticed the Treasurer decide to take his salary on an annual basis. But that is precisely the premise built into the second \$600 bribe that has been put into the budget. The government have factored that \$600 payment into these tables as if families are going to receive it—and that is before we get to the problem with the family debt trap.

There is one thing that we really know about our Treasurer: no matter what other people think of him, he absolutely fascinates himself. He has exceeded himself in this budget. He has been so fascinated with himself that he has left the people out. So much of this budget has been delivered in the context of the struggle between the Treasurer and the Prime Minister. Only someone as out of touch as this Treasurer could take a decision to deny regular, accurate payments to families on a weekly basis. That is the problem. The fact is that he has published data which claims that families are going to get payments which they are not going to get. That is the absolute deception that lies at the core of this budget.

Half the money that the government is promising is scheduled for delivery after 1 July this year. This is the second great deception. A lot of families—we can say, probably with some accuracy, a third of all families—will never see the second \$600. Why will they never see the second \$600? Because it is going to be offset against their family payment debt. We did not hear anything about that from the Treasurer last night. At least the Department of Family and Commu-

nity Services has been honest enough to admit that the \$600 payment is actually there to offset debt, but we did not hear those words from the Treasurer last night. He was not game enough to come into this House and admit that the second \$600 payment will be offset against debt.

What does that tell you about election timing? The first \$600 payment made this year bears no relationship to anything else in the family payment system and will be paid regardless of any objective fact, but when most people's family payment bill from this year is reconciled next year the second \$600 payment paid after 1 July will be offset against their debt. What do we know about the family payment system? We know that one-third of all families get into debt: 600,000 families have an average debt of \$900. So for a third of all families mentioned in these tables the \$600 which has been put into these tables on a fortnightly basis will never materialise. It will never be there. Shane Stone, where are you now? Let's pen a new memo: mean and tricky again! Does this Treasurer ever learn? He always returns to the scene of the crime. Shane Stone was right three years ago and he is right now. That is what is demonstrated in these tables.

Contrary to what the government have been saying, the second \$600 payment—not the \$600 election bribe that turns up before 30 June—is not an increase in the family payment system. It does not appear as an increase in the base rate. It is not there. The fiddle in all of this is that they have had to create a new payment. It is called the 'get Peter Costello elected payment'. That is what has been created. If they were really serious about the second \$600, it would have been built into the base rate of the payment, but it has not been. They have created a new payment called the 'get Peter Costello elected payment'. But what the Treasurer did not tell people last night is that he is going to claw it

back, because it is offset against debts. That is what you find when you go to the FaCS web site, but it was not in the Treasurer's speech last night. Half the money the government are promising is scheduled for the period following 1 July. As I said before, many of these families will never see it. What we really have here is a fraud on Australian families.

The Treasurer came in here last night and created the impression that he was going to deliver \$1,200 per child to all Australian families who received the family tax benefit. That is what he did. Their expectations are really high. As they read these tables this morning they are saying: 'Terrific! We can pay off some of the credit card. Perhaps we can fix the fridge. We can do something with the school fees. We can help out with buying some extra gear for the sporting team,' or whatever. But what is going to happen on 1 July? These figures will not be there. There will be people who will be planning their family budget on the basis of these figures, but the money will not be there. It will not be in their pocket, because that second \$600 will be offset against debt. These fraudulent tables show that this budget is simply about one thing: satisfying the political needs of Peter Costello—not about satisfying the needs of Australian families; it has nothing to do with that. If the government were really interested in satisfying the needs of families, they would reconstruct and create a new plan for the family payment system which gives payments to families accurately and in a timely manner when they need them.

As I said before, 95 per cent of all families still opt to take their payments on a fortnightly basis precisely because they cannot afford not to have them. I do not see Peter Costello deciding to pay himself an annual salary, but he expects the family payment system to be constructed around payments which come annually. What sort of policy is

that? How cynical and cruel is it? What a hoax it is to pretend that any of these things address the fundamental problems in the family payment system. These bills are really here today to give \$600 to families because John Howard and Peter Costello have simply refused to fix the debt trap in the family payment system. They have consistently refused to do that for the last three years because they want to create the illusion that the budget is much more generous than it really is. The \$600 bandaid will simply be swallowed up in debt, and many of these families will still incur a debt next year, probably after the election. Fortunately, by that stage we may well have a Latham Labor government committed to a fundamental change in the system—a new plan—to ease the financial pressures on Australian families in the long term.

These one-off payments and other changes do little to lower the punishing rates of tax that families with children pay when they work harder, work overtime or have an unexpected increase in earnings. After the tapered changes in these bills, many families will still only pocket 40c in every additional dollar of overtime. So for the Treasurer to wander into this House and suddenly claim he had had a conversion on this question of punishing rates of tax through family payment withdrawal is a farce. This was the same Treasurer who came into the House when we asked him about this problem and said that it was not a policy problem and that he never intended to do anything about it. Suddenly, we have had this conversion. He has suddenly discovered the punishing rates of withdrawal of family payments, what they do to families and how they affect incentives. He might have discovered it, but he still has not done anything substantial about it.

The families of Australia can rely on a Latham Labor government to fix that problem because, under Costello's budget, fami-

lies are still going to be punished by the very steep and punishing rates of family payments when they work harder, work overtime or leave the work force to have a child and then return to work. That problem still exists right through the system, and you are going to be hearing a lot more from Labor about it, because this Treasurer has not done anything to fix that problem. All the construction that we have seen here is based on the construction the government has put in place over the last three years, which has one objective: design a system to claw back as much of the payments as you can possibly get away with politically. In the last three years, the government has clawed back \$1.5 billion worth of debt from Australian families.

Of course, we have been there before, haven't we? On the eve of the last election—just around the Aston by-election—when the government was in trouble, the Prime Minister suddenly had a revelation and said, 'To solve the family debt problem out there we'll offer a one-off waiver of \$1,000. That will fix the problem, because we know that in the future the debts won't be there, because we'll communicate better and we'll make some administrative changes.' What happened? The debt problem remained absolutely huge.

So during the three years since the last election, something like 1.5 million to 1.6 million families have accumulated debts totalling around the same amount. The problem did not go away. But that is not what the Prime Minister told Laurie Oakes on 1 July 2001, when he was admitting that they were going to provide a \$1,000 waiver. He said that he would give \$1,000 'just for a transitional year'. Laurie Oakes asked, 'Will that be repeated, Prime Minister? Will you ever do that again?' Howard replied:

It won't be repeated and with the benefit of the information we now have we're going to be able to more closely target people.

They targeted people all right: the number of families in debt stayed at 600,000 for the next three years. The government punished families, causing immense financial and emotional crises in so many houses around this country, and now the Prime Minister is back doing it again—and the government expect people to believe them!

These guys are incredible. They have cancelled Christmas two years in a row and now they have suddenly decided to have a really big one just before the election. They have done it all before. The \$1,000 promised just before the last election was all clawed back. There was the claw—out there, clawing it back. They did the same thing to the pensioners. They promised a four per cent pension increase but took two per cent of that away in March 2001. They promised a \$1,000 family payment waiver but there were debts for the next three years. The claw was out there gouging all the time, and they come back on the eve of this election with the same tactic again and expect people to believe them! Well I say that the families of Australia will be once bitten, twice shy. They have seen all this before, because this government have no new ideas for this country, no vision and no understanding of the financial pressures on Australian families—none whatsoever.

There are some beneficial measures in this bill—if you put aside the government's failure to reconstruct the family payments system and its attempt to cover up the problems in the system with one-off payments. The payment for carers is another election bribe, but I am sure it will be welcomed, because this government has been absolutely barren and missing when it has come more generally to carer policies. Carers need a national long-term strategy to help them with the problems faced by taking on carer responsibilities. This government has offered nothing in the budget to help carers combine work

and caring responsibilities. The government simply has a one-off payment. I am sure it will be welcomed by many struggling carers, but the point is that they need support on a weekly and fortnightly basis. Where is the vision? Where is the long-term planning? Where is the understanding? Where is the empathy? Where is the compassion in all of these payments that are one-offs? If government members had a heart—and I seriously doubt they have that; the Treasurer has a heart as hard as a tic tac—

Mr Beazley—The same size too.

Mr SWAN—It is the same size as well. If they had a heart, we would be constructing a family payments system that would deliver to people in the long term; we would be constructing payments for carers that would deliver to those families in the long term. But it is not there. It is not there because everything is subservient to the Treasurer's political goal.

That brings me to those people earning under \$52,000, who have got nothing. The government says, 'Oh, well, a lot of low-income families have got additional family payments.' They have, but they are the two million who are in the family payments system. Eight out of 10 people out there have been left out. Lots of low-income households who do not have children have been left out. They have all worked hard to make this economy strong. Why aren't they entitled to some share in its bounty? What is wrong with them? This Prime Minister was elected on the claim that he stood up for the battlers, but no Prime Minister has done more to create battlers in this community and no Prime Minister has done less to help them—and this budget absolutely demonstrates that fact. Those people have worked hard to create a strong economy. Why are they suddenly left out? This is part of the continual division that the Prime Minister is putting into Australian

society. It is part of the development of the two Australias—those at the top are doing well, those in the middle are being squeezed—and some are falling behind—and those on low incomes are falling behind all of the time. But the Prime Minister and the Treasurer go out there and pretend that there is something in this budget for those on low incomes. It is simply obscene for them to continue to argue that.

All of those problems emerge before you get to the most central flaw in this budget. All of these people absolutely depend upon access to affordable health and education, and what is not in this budget is as remarkable as what is. Where is the solution for Medicare? Where is the solution for education? If you go through those tables that I read out before—the actual gains as opposed to the gains the Treasurer claims—how far does that money go when a family has to take their kids to the doctor in the middle of the night? How far does \$20 go when someone has to go to the doctor in the middle of the night and fork out over \$100? How far does that \$20 increase really go? So it is not just the shame of ignoring all of those people earning under \$52,000 or constructing a family payments system that continues the debt burden and punishes over 600,000 Australian families and offers them no long-term relief; it is what the government have not done. It has been in the destruction of Medicare and its affordability and in the destruction of the affordability of education—and that says so much about the Howard government.

What we have in these budget bills is nothing more than an indictment of the Howard government, and it sums up so much about their record. I mean, it is just incredible: has anybody seen the Minister for Family and Community Services in the last three months? Has she been anywhere? Do we have one? Where has she been? Nowhere. This is a policy which has been delivered by

the Treasurer of this country to suit his political circumstances, and it says so much about his political priorities and so much about his lack of understanding of the lifestyles and income levels of most families. He is completely out of whack with the way in which Australians live and what they earn. This family payments system continues to punish families on modest and middle incomes who work harder. The withdrawal of social security benefits and the interaction of the tax system still mean that hundreds of thousands of low- and middle-income families are going to be absolutely clobbered when they work overtime. That has not been touched because the government have refused to engage in long-term change and have a plan for the family payments system. That has not been touched at all.

But it is worse than that. The fact that the Treasurer can publish tables claiming that the dollar gains are two and three times the actual gains simply shows that this government have come to the end of the line. This government will say anything and they will do anything to be elected, but they will not engage in reform. That is because they do not actually have a long-term plan for the future of Australia; they simply have a plan for an election. I have enough faith in the people of this country to see that they will understand the trickery that lies at the heart of this budget. This budget does not deliver fundamental reform and enduring financial relief for Australian families. Yes, there will be the one-off election bribe. That will be delivered before 30 June—and I am sure that will be welcomed, because low- and middle-income earners in this country have been absolutely squeezed under the Howard government. That \$600 payment per child will be welcomed.

But the con that is evident in these bills, where the second \$600 payment will simply be used as an offset for many families for

their debt, goes to the heart of what is wrong with the Howard government: no plan for the future; no new ideas; just a plan to try and paper over the cracks in the system so it can get through the next election. This government really only has one solution: that is, to always construct some form of trick just to get by for the election. There is nothing enduring for families in the long term, nothing whatsoever—no vision, no new ideas, no plan for the future. Also, what is absolutely offensive about this whole budget is that it strikes at the heart of the Australian belief in the fair go—that, not only do people deserve access to affordable health and education but they also deserve to get a fair go overall in the tax system. That is simply not evident in any of the initiatives that are before the House today. These bills are a plan for an election, not a plan for a prosperous and fair Australia.

Mr LINDSAY (Herbert) (12.02 p.m.)—Having heard all of that, it will be interesting to see which way the Australian Labor Party votes for the [Family Assistance Legislation Amendment \(More Help for Families—One-off Payments\) Bill 2004](#). Do you know what, Mr Deputy Speaker? They are going to vote for it. That, of course, is the hypocrisy in what we hear from them. This is supposed to be the worst piece of public policy that you could ever see, but the Australian Labor Party will vote with the government, because they know and they understand that this is good for the families of Australia. What puzzles me about the Labor Party is that this is a package of \$19 billion—19 thousand million dollars—going to Australian families. How could that be a negative? Goodness gracious me, how could that be something that was trickery? It is money going directly to Australian families—in Townsville and Thuringowa, in Mackay, in Proserpine and the Burdekin and all around this great country of ours. How could this be trickery?

Of course, the average family, when they woke up this morning and saw the details of the budget, saw that on average they would get about another \$50. That is not something that is unwelcome. It is a great initiative from the Howard government. How have we been able to manage to do that? We hear the Labor Party claiming that we slug the less well-off in the community. That is not the case at all. This is being paid for through sound economic management. It is being paid for because the corporations of this country have never been more profitable. That means they have never paid so much tax. The government believes that we have a responsibility: if we collect this tax from corporate Australia, we should pay it back to those people who live and work in this country.

I think that it is opportune to really look at what is behind these bills and how, as a government, we have been able to achieve this position. It has been achieved simply by running a sound economy. Every year, the Australian Labor Party say that the government come in with some mean and tricky thing to get re-elected. But what they refuse to recognise and understand is that Australia is probably the best performing economy in the world. That does not come easily. You do not just fluke that. You do that by hard work, making the tough decisions and making sure that things are managed properly—and it is only through running a sound economy that you can best benefit those who are less well-off in our community. They are in fact the biggest beneficiaries of a sound economy.

In the budget last night, you saw that on top of all this extra spending—massive increases in spending—we have still ended up with a surplus of \$2.4 thousand million. We have ended up paying off significant extra debt, which was left to us by the Labor Party. We have ended up in a position where our debt to GDP ratio now is only three per cent,

whereas for the United States economy it is running at 50 per cent and for the Japanese economy it is running at 130 per cent. We are in the box seat for the next decade because of the work of the Howard government and the Treasurer of this country.

The Labor Party get very excited and say this is an election bribe. This is an election year. You always have to have a budget in an election year. If there is the opportunity—as there has been, because the economy has performed well—to feed some of that performance back to the people of Australia, we make no bones about doing it: we feed those benefits back to the people of Australia. Forget all this talk about election bribes, pork-barrelling, stunts and so on. This is what ordinary Australians want to see their government doing. They want to see benefits come back, and certainly the Howard government will do that.

The member for Lilley, when talking about the new measures in the bill being debated this afternoon before the parliament, quite predictably said that they are going to be swallowed up by debt. Well, what rubbish. No-one needs to have a debt. Some people do, but you do not need to have a debt. The member for Lilley continually runs this scare tactic about debt. I think the scare that the people of Australia should really be aware of is the risk of a Latham government. If we get a Latham government elected at the next election, boy, people will know about debt. We will see the country go back into deficit because of the usual Labor Party tactic of spending more money than we have. The economy of the country will go right off the rails once again. There is certainly a very strong track record to suggest that that will happen.

I do not understand why the member for Lilley talks about punishing rates of tax when working overtime, when our marginal

tax rate brackets have been increased. He will likely be wanting to link that to the family tax benefits, but it is worthwhile for people to do overtime these days. Under the new regime more than 80 per cent of Australians will pay no more than 30 per cent as their top marginal rate of tax. It is worth their while to work the extra overtime to get their families forward if they wish, and to do it with confidence.

The member for Lilley also claims that people with incomes under \$52,000 get nothing. That is another scare tactic. Of course they get something, if they have children. Of course they get something, if they contribute to their superannuation schemes. In measures announced in the budget last night, the government will make a super co-contribution of \$1.50 for every dollar that a person contributes to their super up to \$28,000, with a taper from there. That is very valuable for helping people to plan for their retirement. The families in Townsville and Thuringowa very strongly support the government's new measures announced last night.

The member for Lilley also said, 'Where is the solution for Medicare?' I do not know where he has been, but \$2.8 billion of extra money in the budget last night is not a bad solution. I am very comfortable, and my local GPs are now telling me that they have increased the amount of bulk-billing that they do. That is the desirable outcome, and we will continue to see that come through.

In relation to the measures that we are discussing, there are two bills before the parliament. One bill contains five elements. The first element is an ongoing increase in the maximum base rates of family tax benefit part A. The second element is a reduction in the rate at which family tax benefit part A reduces from the maximum rate to the base rate. The third element is a new maternity payment of \$3,000, which will be payable as

a lump sum to all mothers, regardless of income—and the maternity payment is going to increase to \$4,000 in July 2006 and \$5,000 in July 2008. The Treasurer was asked on radio about the possibility that some young girls might have babies just to get the money. That is a fair question. It would be very sad if that were the case. I do not think anybody is going to decide to have a child just to get \$3,000, because once you have a child there is a lot of ongoing responsibility, and mums should be aware of that. The Treasurer has said that certain measures will be looked at in relation to that, but I do not think that needs to be further considered. The fourth element in the Family Assistance Legislation Amendment (More Help for Families—Increased Payments) Bill is a reduction of the rate at which the family tax benefit part B is withdrawn, and the fifth is an increase in the amount of income a secondary earner in a partnered relationship can earn before the entitlement to family tax benefit part B is affected.

In the Family Assistance Legislation Amendment (More Help for Families—One-off Payments) Bill there will be a one-off payment of \$600 per child to families. There will be certain links to that. There will be a second one-off payment of \$1,000 to recipients of carer payment on budget night and a third one-off payment to recipients of carer allowances on budget night. Those payments will be credited directly to customers' bank accounts, without the need for a formal claim process, so that administration will be significantly reduced. The bill also contains provisions to ensure that the one-off payments will be exempt from tax and not included as income for the purposes of social security law. As a broad principle—and I am pleased to see this—there will be no debts arising from these one-off payments. That is terrific.

The total measures in the first bill certainly demonstrate the government's firm commitment to assisting families with raising their children. They will cost \$2.2 billion in 2003-04. The Howard government is committed to looking after Australian families. The two bills under debate this afternoon certainly demonstrate the government's commitment in a very real way—in a \$19 billion way. I am very pleased to be able to support these bills. I know that the people of Townsville and Thuringowa warmly welcome the government's commitment to their families, and long may that be so.

Ms KING (Ballarat) (12.14 p.m.)—I rise this afternoon to speak on the [Family Assistance Legislation Amendment \(More Help for Families—One-off Payments\) Bill 2004](#) and the [Family Assistance Legislation Amendment \(More Help for Families—Increased Payments\) Bill 2004](#). These bills include the government's proposals to introduce an immediate \$600 payment to families and a \$600 annual payment, changes to tapers for family tax benefit B and A, the one-off carer payment of \$1,000 and the maternity payment which is a direct duplication of the Labor baby care package. These were announced in the budget last night. It is somewhat unusual to be debating budget legislation on the day after the budget, but I guess, when you are desperate for a quick political fix, no time is soon enough, particularly when it looks like an early election budget. And that is just what this legislation is. It is a political fix.

Extra family payments are certainly welcome, and they would be welcomed by the families in my electorate because these families are under pressure. They have been under pressure for the eight years of this Howard government. They have been under pressure because their child-care costs have been skyrocketing. They have been under pressure because they have not been able to access

child care and, if they have, their costs have been skyrocketing. They have been under pressure because they cannot access a bulk-billing doctor, and they are still having trouble accessing a bulk-billing doctor in my electorate, with only 43 per cent of general practitioner consultations being bulk-billed. Their mortgage payments have gone up because housing affordability has been more and more difficult. The Telstra line rental has just recently gone up, yet again. It is now around \$30 on average. The GST on services has hit many families hard as well. If you look at families under pressure and you really understand the circumstances under which families are living, certainly extra payments are welcome.

But the Howard government has forced Australian families to wait three years for any financial relief. These measures are directed squarely at meeting the government's political needs, not the needs of millions of Australians under financial pressure. The government's work and family package was drawn up more than a year ago. They had that more than a year ago, in terms of the sorts of things that could help to alleviate the problems of families under pressure, but it was not released then. They did not decide in the last budget to do anything about it, despite having the money. I think that their argument is flawed. The package was not released because it did not suit the government's election timetable.

In that time, families were hit with 1.5 million family payment debts at a cost of \$1.6 billion. They were denied out of school hours care and other child-care places during that year, and they had babies without the benefit of any baby care payment or any paid maternity leave, because the government was not interested in helping them; it was interested only in helping them in an election year—and people do not forget that. The Prime Minister gives with one hand and

takes with the other. The government has stripped \$900 on average from a third of family tax returns each year, and now the Prime Minister is promising to give back \$600 in this bill.

I want to remind the House again of the experiences of one of my constituents, Glenda Aitken of Ballarat, who last year received a notice from Centrelink saying that she owed \$1,028 due to an overpayment of her family tax benefit. She received the debt notice and was advised that if she had any problems paying the amount she should of course call the number that Centrelink had given her. She rang Centrelink and advised them that she had actually informed them of changes in her circumstances, changes in her income, but of course they were unable to do anything about that. They did not in fact tell her that she was going to get a debt; they just recorded that and she then got this debt notice.

She then advised Centrelink debt recovery that she could not pay \$1,000 up front—she just did not have it; she was not on a high income—and that she could try and pay \$30 a fortnight. But the operator told her that \$30 was not enough and that, to Centrelink, \$50 a fortnight would be more suitable—bad luck about Mrs Aitken's family budget—and then she was encouraged to start paying off this debt on her credit card. She was not even asked, 'How do you want to pay for this?' She was actually told, 'You can start making payments directly on your credit card and that would be the easiest way.' So—bang!—go straight into credit card debt to pay for a family tax benefit system flaw that this government has put in place.

The lump sum cash family benefit fix that we are debating today fails to address ongoing pressures that families are under. Families will not receive most of the government's claimed gains, week to week, as they

need them. We heard the member for Lilley, in his contribution to this debate, talk about the fundamental flaw in the tables presented by the Treasurer last night. They do not actually represent the true picture of what the gains will be. According to the Treasurer, for a family income of \$30,000, the claimed gain for a single income is \$34.62, when our estimates are in fact that it is nothing at all. For a family income of \$55,000, on the Treasurer's table—when you look at some of the dodgy figures that he has put out in relation to this—he has claimed that the gain is \$32.88. On our estimates it is \$6.92. So there is a long way to go in looking, again, at the real detail of this policy—where the real benefits may be within this policy and who the losers are in this policy. Again, we remember, the government has a pretty strong history of putting political spin on its promises, but when you actually go and look at the fine detail, the fine print, you find that you do not get very much at all.

Then there is the baby bonus flop—and I will call it a flop because it has been an absolutely ridiculous policy in terms of who has benefited and the way in which they have benefited from it. If you look at all of the statements that were around when the government made that announcement, the baby bonus was going to fix everything and we were all going to be out there having babies because we got this terrific baby bonus. The reality for many families is that they did not get very much at all, and the government has finally recognised that by rolling it into its new maternity payment.

Most of the claimed increases in this bill are delivered in a lump sum at the end of the year and will be quickly clawed back, as I have said, in the family tax benefit debt trap. Some families will not even see the money. Mrs Aitken in fact would have received a bill from the government for \$428, had she been in the position that she is in now. Under the

current system, one in three families each year has been slugged with debts. In the three years that the scheme has operated, there have been 2.9 million incorrect payments; the percentage of family payment debts remains extremely high and the level of debt has also remained significant; and there has been a significant increase in the number of families underpaid throughout the year.

So whilst I welcome the increase in family tax payment benefits, unless you fix the fundamental flaws in the system that mean that people get caught in debts, you are actually not helping. The government are really not helping by saying, 'Okay, we're going to give you \$600,' if, at the end of the financial year, you go to collect your tax cheque when you think you are going to get a rebate and you suddenly find that it has been reduced by \$900. That is what has happened in many of the cases that I have seen. Alternatively, if you did not have enough money and you did not get anything back in your tax, and you actually get a bill from Centrelink, I have to say that the \$600 begins to look a little bit thin.

In another case, I had someone contact my office this morning about this because I was talking on local radio about the family tax benefit debt system and what has actually happened for local families. It is a typing error, but I am sure they got a bit of a shock when they got their decision statement from the review office. According to this decision statement, these people have a trillion-dollar debt. I am aware that it is a typing mistake, but I have to say that when they opened this letter this morning to see that they had a debt of \$1 trillion it was a little bit scary for them. The actual debt is \$1,817.51, but it would have been good had a little more care been taken in this decision statement from the ARO so as to not give them a heart attack when they opened the mail this morning.

With the \$1,817 debt that this family has, immediately the government's one-off \$600 payment is gone and the additional one-off \$600 payment after 1 July is gone. They are already gone for this family; there is no benefit at all. This family is not wealthy. We are not talking about families who can afford this. The original estimate of this family's income—it is a single-income family—was \$36,000. Their revised estimate was \$42,300. These are not rich people that we are talking about. A debt of \$1,800 is a big debt for this family. These families are struggling with their mortgage payments, their rent payments, the extra line rentals from Telstra, trying to get their kids to a doctor, trying to get their kids a decent education. All of these things are things that the government does not seem to understand.

The latest family payment data shows that the government's family tax benefit is having a sharp financial impact on the families whose incomes vary during the year. And there are lots of them. With the casualisation of the work force, of course people find it incredibly difficult to estimate their income. If they are lucky enough to get extra overtime, if they are lucky enough to get increases in pay during the course of the year, if they are lucky enough to find part-time work or their spouse finds part-time work, it is inordinately difficult, particularly with the casualisation of the work force, to estimate income on a yearly basis.

Circumstances change. That is the reality of the lives people live, particularly families where a parent is returning to work after time out of the work force caring for a child. It is very difficult to estimate. Sometimes what happens in my electorate, with the shortage of child care places that we have had, is that people have been on the waiting list for child care for ages. They think they are not going to get anything at all, but they suddenly do manage to get a place and they manage to get

some part-time work. They start to increase their family income. They of course report that to Centrelink, which they are required to do, but they then find themselves in this debt trap. The government's refusal to correct the family payment system, which cannot pay families the right amount when they need it, limits parents' abilities to balance work and family.

The Prime Minister talks about work and family as the great barbecue stopper. Often the barbecue stopper for many of my families is: how the hell are we going to pay these debts off? The government has increased family payments for some families without fixing the flaws in the system. To add insult to injury, he is asking them to fund \$20 million of television commercials so that he can tell families how good he is. It is not good enough.

We have been here before. Last election—I remember it well; I was a candidate then—there was a \$1,000 one-off waiver of debts. At the last minute, 20 hours before the election, they said, 'We're going to pay you \$1,000 to waive your debts.' A lot of families thought, 'Great, that's really good.' It did not mean that they necessarily voted for the Liberal Party—certainly that was not the case in my district—but they thought, 'Good, we need that; that is really important to us.' But then, after the election, I had person after person coming into my office, saying: 'My tax return's been stripped. How did this happen? Where's this money gone? What's going on?' They did not even know that they had got a debt, and they then said, 'What happened to the \$1,000 waiver?' Have a look at the fine print of the announcements the government have made—again in an election budget—and have a look at what their promises are actually going to be.

I want to turn my attention briefly to the \$1,000 one-off carer payment. I welcome the

government's recognition of the problems experienced by carers, and I think the measures that they will introduce in relation to carers allowance are sensible, but I have to say that the one-off payment of \$1,000 is an absolute insult; it is an election bribe. I think it shows enormous cynicism towards the plight that carers are facing every day. Carers face a daily struggle year after year—not just in election years; they face it every single day of every single year of their lives. I have a student on placement with me this week. She has three children. One of her children has a fairly severe disability. I asked her this morning what she thinks about the government's carers payment of \$1,000, because she will get it—she is on a pretty low income—and how it would impact on her. This is what she has to say. As a parent who experiences this, she can say it far better than I can. She wants the House to know:

Whilst I welcome the \$1000 one-off carer payment, and will certainly put it to good use, it does not address the ongoing financial commitment of caring for a child with a disability. Not only are parents and carers dealing with being in constant emotional debt through a lifetime of grieving, we are also often in financial debt. There is not the infrastructure in place to support children with disabilities, particularly in the area of after school hours care, and so it is often impossible to obtain employment. When children become adults, the situation is not relieved, because Adult Disability Services operate between the hours of 9.00-3.00, and there are usually 8-10 weeks holiday per year. Not enough respite, not enough support services, not enough long term care facilities, expensive disability aides. It will take more than a one-off payment to compensate for the lack of support services that cause to keep me and my family in financial and emotional poverty.

I think she says it best of all. A \$1,000 one-off payment is an insult to carers. It is an insult to the daily lives that they are experiencing. It will be welcomed. It will be used well, I am sure. It will certainly help the student that I have on placement to pay off

some of the debts that she has, but I think that it really is an insult to not understand that carers need more than that. They need much more than that. They need to be understood much more than they are understood by this government.

John Howard has squeezed the life out of families for eight years. Now he wants them to be grateful for returning some of what he has taken off them. That is the essence of the bills we are debating here. Essentially, that is the package that the government has put in place in terms of the budget.

I want to turn briefly to the issue of the maternity payment. When the Leader of the Opposition announced Labor's baby care package, people started to think again about the whole issue of the working family. We had this dragged out over a year, with the Prime Minister continuously saying, 'The working family is really important to me. I think it is the most important thing.' He had a report sitting on his desk for well over a year. He knew that he wanted to maybe do something about it, but he wanted to see what the electorate was doing and where the votes were before making a decision about it. We get out there on the front foot, do the research and talk to people and then announce the baby care package. The baby care package includes over \$3,000 for qualifying mothers on the birth of their child, and that comes on the birth of every child. For adoptive parents there is some element in there, but from my point of view that certainly needs some work. The package will increase up to \$5,000. It is terrific to see the government, in fact, replicating very clearly the baby care package.

Somehow, I do not believe the government believes in this stuff. Over the last few years I have watched the way in which John Howard has really put down the whole issue of paid maternity leave. In some of the de-

bates we have had on this issue, he has been pretty cynical about introducing this. I am glad to see that perhaps some of the more understanding people on the other side of the House have been able to hold sway and convince the government and the Prime Minister that, in fact, maternity payments for women—whether they are in the paid work force or contributing to the economy, the community and society by working from home and caring for their children—are a very good thing. I think the package that the government has put together is inferior to Labor's package. As we go through this election year, we will certainly be welcoming the debates in relation to the maternity payment that we see in this bill here, Labor's baby care package and also announcements to be made in the budget reply on Thursday.

Overall, as I said, any attention and any relief that we can provide to families are absolutely most welcome. But, if you do not believe in the system and you do not understand the real pressures that families are under, it is no use just saying that you are going to give people a one-off here and it is no use not fixing the fundamental flaws in the family tax benefit system that encourage debts and allow people to fall into debt. It is absolutely no use doing those things if you are not prepared to change the system that encourages those debts in the first place. The \$1,000 one-off carer's payment is again welcomed and will be welcomed with open arms by those families but, in the words of the student that I have on placement with me at the moment, 'It's not enough.' It is not enough to pay for the enormous financial and emotional poverty that many carers and families who have children with disabilities are currently in. The government does not really understand the daily experiences of those families and the daily needs they have for support services.

It is all right on the one hand to say, 'We're committed to families; we're committed to increasing payments for families. It is something that we support,' but if you are not prepared to fix the fundamental flaws in the system that encourage debt and if you are not prepared to understand that in terms of health services, access to general practitioners who bulk-bill, the cost of child care, Telstra line rentals, housing affordability and the lack of access to services for families with disabilities, if you are not prepared to address all of those things on the other side of the ledger, you have got only half of the equation. I think that is what the government has done. It has got only half the picture. The reason it has got only half the picture is that it does not understand the daily lives of families under pressure—families that I see everyday and that many of us have experienced within our own lives. It does not understand those things. In an election year budget, it is happy to put a political fix in place to try to persuade what it identifies, according to its polling, as its new target market, and says, 'We might do a little bit here,' but in terms of trying to assist families in this country this package certainly has failed.

Mr BILLSON (Dunkley) (12.34 p.m.)—In the last hour or so in the cognate debate on the [Family Assistance Legislation Amendment \(More Help for Families—One-off Payments\) Bill 2004](#) and the [Family Assistance Legislation Amendment \(More Help for Families—Increased Payments\) Bill 2004](#) we have got a sense of what next year will be like. We have had positively vacuous contributions from the Labor Party—vacuous being vacant, expressionless and unintelligent. We have heard a series of slogans and misstatements, as if the Australian parliament is a branch of the Labor Party, where any kind of ridiculous, unsubstantiated and emotive claim can somehow stand for fact and reason. This vacuous Labor Party has shown

itself up again today. We have already had two speakers, and there is a shopping list of those who wish to parrot the same vacuous lines that have been given to them by the shadow minister, to parrot some more nonsense about how things would only be better if we did half of what the Labor Party wants and had not done the things that the Howard government had wanted. There is no evidence to back up any of those claims.

No plan has been put forward by the Labor Party. What they hang on to is a pinched policy. All they can point to in relation to their policy work is some baby care payment, and all they have done is change the name of a payment that the Howard government had been working on. Following a leaked cabinet document they thought: 'My golly; as the Labor Party we can't think of anything. We're vacuous. We're idealists. We've been out of government so long we don't get fed all the good bits of insight that substitute for policy. We're going to pinch a cabinet paper.' Out of the cabinet paper they pinched the work that the Howard government had been pursuing—appropriate work that reflected and reviewed the success of yet another innovative program implemented by this government. They pinched the review document, they changed the title of it from maternity payment to baby care plan, or whatever it is called, and they called that their policy.

They have the hide to come into this parliament and say, 'How dare the Howard government pick up our own policy work.' The Labor Party say, 'Because we pinched it, that makes it ours.' Theft does not work in politics. Possession might be nine-tenths of the law on the footy field but it is not in the nation's parliament. You cannot pinch these ideas and then be critical of the government that implemented the measures, recognised the need, put the programs in place to deliver the benefits, analysed and reflected on the

performance of those programs and identified the opportunities for improvement. The government did all the hard work, which was reflected in a cabinet policy paper, and Labor pinched the paper and called it their own. Is that what we are going to be faced with for the next year? I think it is.

They sit there just hoping that these morsels of insight that are being developed by the Howard government will fall out of the Public Service through a leak or a document off the back of a truck that comes into the hands of the Labor Party. They will just white out the fact that it has come from the current government. They will insert the name 'Labor Party' wherever 'Howard government' appears and then say, 'Look, we have a new policy.' The people of Australia are too sharp for that. I must say that I admire the hide of the Labor Party coming in here and keeping a straight face when they are making a bald-faced misrepresentation of the facts on a pinched policy from a cabinet leak. They claim it as their own and then get critical of the government for actually implementing its own work. That is how the coming year will go, I believe.

In the face of those vacuous contributions, let me actually talk about what is before the parliament today. The 2004-05 budget delivered last night by the Treasurer—not a self-proclaimed 'great treasurer' like Treasurer Keating, but someone proclaimed by others to be an outstanding Treasurer, overseeing the miracle economy that the *Economist* magazine identified Australia's as being—was further evidence that good economic management makes things possible. It has made possible more help for families and it is laying a foundation for the future. You can see how careful and forward-looking work on economic management and policy development by a competent and experienced government—that is, the Howard team—in an economy run well delivers benefits for the

community. Those benefits can be afforded and they can improve people's lives without placing at risk their jobs or weighing down subsequent generations with government debt and false hopes that cannot be funded into the future.

The centrepiece of the budget was the additional cash for kids and improved flexibility for families. These things build on gains already made. Families in the Dunkley electorate have seen support for them increased by the Howard government many times since the election in 1996. Local families know that raising kids is a serious commitment that does involve serious spending demands and also pressures on their families and lives. But we are partnering with families in this budget and responding to those everyday challenges without risking the lowest levels of unemployment, inflation and interest rates in a generation. A strong economy and sound management provide opportunities. The budget last night was about choices on how to employ those opportunities to the advantage of the Australian community. What you see in these bills is how carefully targeted expenditure measures that help Australian families and carers are going to make their lot in life better in a way that can be sustained into the future.

The Labor Party hope that many people who listen to parliament and watch public affairs do not have very good memories—in fact, they clearly rely on it. They come in here making allegations about lack of support for families, ignoring the fact that these measures that we are debating today will increase total assistance from this government to families by over \$6 billion a year from where it was in 1996 when the Howard government was first elected. So there is an extra \$6 billion a year being put into the hands of Australian families in ways that Australian families are seeking themselves.

There has been a criticism from the opposition spokesperson for family and community services, the member for Lilley. It is an interesting criticism. The criticism is that the payment arrangements that we have implemented provide a choice for families to receive those benefits either fortnightly, if that suits them, or at the end of the year. If one is not happy with those choices, one need not exercise them. What is the Labor Party alternative? The Labor Party alternative seems to be to make a lot of noise about it but offer nothing as a substitute. We will hear vacuous speech after vacuous speech about what is wrong with this package, but there is not even a motion before the parliament from the Labor Party to do anything different.

I presume—and one can only work from a presumption because, again, there is no evidence to suggest what the Labor Party's position is—they will come in here and bellyache about how bad it is and then vote for it. They will point to all of these flaws but then say that it is good. You have heard the speakers so far say, 'The extra benefits to families are great, but—' and then they trot out some extraneous issue. So what you end up with is this perception that something is wrong, but the Labor Party can say, 'We actually voted for increased family benefits.' All the while they are hoping that no-one recognises that they have put zero effort into the development of these policies. They have not put their shoulders to the family policy wheel at all, other than by pinching leaked cabinet papers. They bellyache about what we are doing, but they vote for it anyway.

It is a frustrating position for the Labor Party to be in. They do not know what they believe in anymore. They are clearly just sitting there waiting to see what the media says and whether there are enough commentators around so they can regurgitate—some would say 'plagiarise', but I will be kind and say 'parrot'—criticisms made by others of

the government policy because they cannot find any themselves. You have the shadow minister standing up at a doorstep and waving a table around, saying: 'Because there is a large benefit at the end of the year, we cannot count that. Let's just work on some other stuff about fortnightly benefits. But we do not like those either.' You end up wondering what it is they are really on about. They are not on about much.

The package that is here before us today is actually designed to return the benefits of a strong economy, sound management and experienced government into the hands of the people who need it. It contains much more generous family tax benefits. More than 13,000 Dunkley families will be able to benefit from these more generous family tax benefits. The maternity payment we have spoken about, beginning at \$3,000 and moving up to \$5,000 in 2008, is a policy that has been in development by the Howard government for some time, reflecting earlier policies that we introduced to assist new parents. We have form on this. We have been working to assist new parents and looking at ways of how to do that best. The Labor Party must have liked our work, because they pinched it. It was so good that they thought: 'We'll have that—we'll just liquid paper it. Because we are in opposition, no-one actually expects us to do anything about it, but we will mouth the words and parrot the work of the government, claim it as our own and say we were there first so it must be our policy. Even recognising that it is stolen property, that is a hot policy.' It is a good policy, but it is hot—it has been pinched.

Let us be clear on the payment. The debate on that is so clear: it is a good policy, so much so that the Labor Party wanted to pinch it, even though there are some within their own ranks, I understand, who are unhappy about that and would like the more—I do not know what it is—hydroponic buck

choy arrangement! I do not know, but there are problems within the Labor Party about them pinching our policies. They can sort that out themselves. But it is on the record: the maternity payment was developed, devised, implemented, and funded by the Howard government. It will rise from \$3,000 to \$5,000 and the Labor Party want to pinch it. They have got a little sting in the tail—they want to taper some of those benefits down, so that is an interesting issue.

In terms of direct assistance to families, the point I was making earlier is that there is a series of cameos that show that there are benefits there for single-income families, 1½-income families, families with children under five and families with dependent children. And what is the criticism made by the vacuous opposition spokesman on family and community services? 'Some people have got too much already and have incurred a debt, and they will have that debt absorbed within the second instalment of that payment.' What an interesting argument. Is the Labor Party now saying, given that it has got nothing on the record about its position on these things, that we should just turn the other cheek and look the other way about people who receive more than their fair share of family tax benefits? Or is it saying, 'Go for it, and you'll never have to reconcile what you have received with what you are entitled to'? The fair go principle says that people should receive what they are entitled to. If they have received more than that, then one needs to make good that overpayment and bring it in line with what those entitlements are, otherwise the Australian taxpayer will say, 'Hang on; we're getting ripped off here; we're getting taken for a ride.'

The Labor Party's criticism of this measure is that some of the extra benefits paid in the next financial year can be used to offset extra money that they were otherwise not entitled to but had received. They are saying

there is something wrong with that. Again, most fair-minded and clear-thinking people would see the reconciliation of a debt incurred by receiving more than one is entitled to as an appropriate course of action. In providing additional benefits, the Howard government can see where that episode has occurred and has accommodated it within the normal scheme of events. I would have thought that was a positive thing.

We are now seeing that the first instalment is an almost immediate payment, and that is why there is some priority being given to this measure: as of last night, a more immediate payment to eligible families of a top-up for their benefits. A one-off payment of \$600 per child will go to families, and that will reflect general eligibility for family tax benefit part A for Centrelink instalment customers. For those who are claiming those benefits at the end of the financial year, it will be topped up then, and there is also an opportunity for parents and nominees of people of dependent youth allowance age—16- to 17-year-old children—to also receive that benefit. It illustrates the flexibility that is being enhanced through this project. If you have chosen to receive family tax benefit A on a fortnightly basis, then this will automatically be paid to you. If you have chosen not to receive those benefits on a fortnightly basis and wish to receive them as part of your tax and benefits reconciliation at the end of the financial year, then they will be paid at that point in time.

The thing that I always marvel at is how the Labor Party can be so critical of benefits of this kind. Let me put the scale of this benefit in context. Most state governments—certainly the one in Victoria—make an education maintenance allowance available, where lower income families are able to receive some cash from the state government to help with education expenses. That sounds a reasonable proposition. In Victoria, those benefits vary depending on the age of the

child, and if it is a primary school student the benefits are about \$127 for the year. If you think that is good, this benefit—even the one-off payment to be made to all families eligible for family tax benefit part A—is four times that amount. If the state government genuinely believe they are doing something virtuous and worth while by providing an education maintenance allowance—and they are very quick to praise themselves for doing those things—they must be jubilant about the benefit that the Howard government is providing, which is four times that amount.

But you will still hear people in here trying to say that it is not valuable. You have the opposition spokesman going around and saying that, on his—very contorted—calculations, it might be a handful of dollars a week. Firstly, he is dead wrong in his calculations and he should fess up to the deception that is at the heart of his false calculations. Secondly, he should calibrate his language against benefits that he and the Labor Party think are terrific. This benefit is four times the size of those benefits, and that is just the one instalment to be paid almost immediately, before the end of the financial year, as a one-off payment. It is a targeted return to Australian citizens in need doing important work in raising healthy families. It is a good decision made possible by sound economic management and the capacity to make choices about where to direct those resources. That is a calibration test: the Labor Party is critical of just one part of these benefits, but it is four times as much as the benefit that the state government in Victoria provides for a primary school student. That is pretty good going. In the next financial year you will see an increase in those benefits by a further \$600. You are seeing a \$1,200 benefit being delivered to families in need—that is for those people who are able to gain the maximum benefit—and that is terrific.

Another part of the measure is for those people whose income levels mean that their benefit is reduced. The taper rate—that is, the amount of money that you can earn that leads to a discounting of your benefit—is being reduced. If you earn an extra dollar over the eligible amount, under the previous arrangements your entitlement would be reduced by 30c. That is going down to 20c under these measures, and that is another positive sign to families who are prepared to go out there and make good decisions about how best to raise their children and find an appropriate balance between work and family responsibilities. It is a terrific measure.

I would also like to talk about the carers payment. I have spoken in this House many times about the selfless work of carers. They do a remarkable job, an absolutely extraordinary job. They are remarkable people whose work is recognised year after year by the Howard government. We have developed carers programs that see increased financial assistance through benefits and allowances. They see increased support for carers so they can recharge their own batteries through respite care. They see increased information through programs like Carelink and the like, that let people know where assistance is available. They see the government funding projects such as the Banksia service in Victoria; new innovative models for how to provide in-home and homelike respite care and support for ageing people with dementia. What a tough assignment it is for an ageing person to see their life mate deteriorating through dementia or Alzheimer's; watching as their life mate loses control of their faculties and increasingly relies on their partner to provide their care.

In this budget, there is a further instalment of support for carers. There is a one-off payment, which is perhaps a chance for them to buy a new appliance—maybe a new fridge or a washing machine that will allow for a

better functioning home environment—or maybe make some changes to their transport mode. It may be to pay some bills or take some time off to enjoy some experiences with their loved ones. Not only is there the one-off payment in here; more importantly—in my view and in the eyes of many carers—there are some guarantees of respite support for people over 70. For ageing carers over 70 who are looking after people, particularly younger people with disabilities, there is a guaranteed four weeks of respite per year to recharge their batteries—another great measure. I hope that in the time available to me I have been able to illustrate that the Howard government has been sincere and genuine in pursuing policy improvement and enhanced benefits for families and carers over time. It is in stark contrast to the vacuous position of the Labor Party. (*Time expired*)

The DEPUTY SPEAKER (Mr Lindsay)—Order! The honourable member's time has expired.

Mr ADAMS (Lyons) (12.54 p.m.)—I think the honourable member's time was well expired.

The DEPUTY SPEAKER—The member for Lyons will return to the substance of the bill.

Mr ADAMS—I will speak about what the member for Dunkley said, because I have a right to do that. He attacked the Victorian government—or praised it—for its work in the area of education for low-income people. He attacked the Labor Party constantly through his speech but, really, he failed to have any understanding of the family assistance measures and the problems they have caused to so many families throughout Australia. His failure to understand those things will be one of the things that comes back to haunt him in the next election, because a lot of people have been affected greatly by this government's very bad policy.

The Family Assistance Legislation Amendment (More Help for Families—One-off Payments) Bill 2004 and the Family Assistance Legislation Amendment (More Help for Families—Increased Payments) Bill 2004 were announced of course as part of the budget. I will come back and talk about some of the difficulties with them a little later in my speech. They were announced as part of the budget and on the surface they may give some additional payments to a greater number of people than before. The payments include an increase in the maximum and the base rates of the family tax benefit of \$600 annually for each family tax benefit child, which is to be paid as a lump sum when people have worked out their income at the end of the 2003-04 income year and, of course, in later years.

There is also a reduction in the rate at which the family tax benefit reduces from the maximum rate to the base rate, from 30c in the dollar to 20c in the dollar. There is the much talked about \$3,000 for mothers, which was pinched out of the Labor Party promises, and which they are moving up to \$4,000 in July 2006 and \$5,000 in July 2008. This replaces the current maternity allowance and the baby bonus, which has failed—it just has not been taken up. It is another failed policy of this Howard coalition government. It is now supposed to be universal and allows the maternity immunisation allowance to be free of a means test. It will cover all children who meet the current immunisation requirements.

But there are about six million forgotten Australian families who will not receive a single cent in either tax cuts or increase in family benefits under this process. You sweep away quite a few when you start talking about six million Australians who will not get any benefits under this family allowance, or any tax cuts. The devil is in the detail and, once one understands what is going

on, it is not really a family friendly package at all. It appears that the \$600 is to cover the family payment debts run up as people have been unable to correctly calculate their income in previous years because of the difficulties in finding work. So it really is like the \$1,000 people received when the scheme first came into being.

It got so bad in Tasmania that people were not even bothering to apply for this payment because of the difficulties they had had in acquitting the repayments of the last payments they had received. I have had hundreds of people come into my office in tears wondering where the money was going to come from to pay back the \$2,000 or \$3,000 they owed because a year ago they had underestimated what they might have received from work payments. It is a case of the member for Dunkley, an outer Melbourne Liberal, not really understanding the difficulties experienced by people trying to pay back the overpayments they have received of these payments. It is a great theory, but there is no understanding of people, like the people in my electorate, who are seasonal workers and casual workers from country areas. No-one can predict what sort of work they are likely to receive. It often depends on things as unpredictable as the weather.

City people and people like the member for Dunkley have no idea what sorts of problems these people have to deal with: whether the crop of spuds is coming in or not or whether it has gone rotten; whether the cherries have been taken by burglars, feathered or human; or whether it is going to be one week's picking or four weeks picking. These are the sorts of tales that I have heard from people who come in to ask for my help in trying to overcome this.

The pickers of raspberries, the agricultural contractors and the people who get their money out at shearing sheds—the people

who do all this work which is now a part of Australia—are the people trying to come to grips with how much money they are going to make in a year and then reconcile that. They are then told, 'You've underestimated so you've got too much. You've got to pay us back \$2,000.' You can imagine what that does to somebody who is making \$25,000 in a year. There is no understanding from the other side of the House of what they have imposed on many low-income people in Australia. They have no idea whatsoever.

The scheme is wrong. Throwing more money at this will not make it work properly. People on low incomes cannot assess easily what their income is going to be. There are many variables. I do not see that changing; I can only see that becoming even worse. We have people who have many jobs to make their income. They have these variables, and they cannot work out what their income will be.

The member for Dunkley was saying that these people have to pay back if they get too much of the benefit and trying to put it back onto the individual as being the person who is bad and wrong; making out that there is something bad about them. It is very typical for this government to try and make a scapegoat out of somebody. Many of these people are very ordinary Australians who are really decent people trying to make an income, sometimes in very difficult ways. They are people who have the least capacity to repay debt of any sort, let alone debt to the government. We have banks and credit places allowing people to take out loans without really concerning themselves with the people's capacity to pay. That is becoming an issue, and here is the government doing the same thing. Really, the government is following along the same lines and doing what those banks and credit lenders do in our society.

We need a scheme that allows some sort of flexibility between the months to allow income to be earned without the penalty of it being extracted years down the track. You might note that before the last election the federal government offered all families a \$1,000 waiver on their family payment debt and then, after the election, they took it back.

Look at the evidence that the scheme is not working: 2.9 million incorrect payments—56 per cent of all payments—worth \$2.5 billion have been made to families. Whose fault is that? Certainly not those who have sought help. That is bad government policy implemented by a bad minister who has failed to see the changes needed and the changing nature of the workplace and jobs in our society. They have nowhere near caught up to the way that work now operates in Australia. One can see that in the fact that the percentage of family payment debts remains extremely high and the level of debts also remains significant. An average of around \$900 for each family with an overpayment shows that this scheme is not working.

Of the two million families eligible for increased benefits, 600,000 may never see a cent of it. The money will be eaten up by existing family payment debts. The government is compensating families for bad policy and its inability to solve the family debt crisis. It is not really doing anything. The 600,000 will probably never get any of it. It will only repay the debt that they already owe the government.

The headline in newspapers today is that it is a budget for families. This enormous scheme—this wonderful thing for families—when you get to the detail, is really not that good. The member at the table, the Parliamentary Secretary to the Minister for Health and Ageing, can continue to cough all the way to the election as we continue to expose these incredible payments. There are the un-

derpayments that I mentioned. There is an increase in the percentage of families who are being paid throughout the year who are forgoing something like \$32.50 per fortnight because people are too scared to claim the correct amount in case they have to pay it back. We are forcing people not to make a claim on this assistance for them and their families. It is so hard and they are so frightened of the scheme that they will not access it.

This government is really out of touch. After eight years this government has still failed to address the tax and benefit trap that robs families of the reward for hard work. If we look at the changes, it is clear that effective marginal tax rates will actually increase for families moving from welfare to work. Secondary income earners in dual income families who attempt to move off welfare into work will see their effective marginal tax rates increase from 87 per cent to 93 per cent, a six per cent increase. That is due to the stacking of family tax benefit B and partnered parenting payment tapers. Secondary income earners in middle-income families will still not have sufficient reductions. For those with children in child care, the marginal tax rate will only fall to between 100 per cent and 110 per cent from the existing spike of 120 per cent.

These changes are very complex. The family tax benefit is an example. It will now have two withdrawal rates, 20 per cent and 30 per cent. How can ordinary families follow all this and expect to get the correct answers when asked to account for their earnings and their spending? Even accountants have difficulties with some of these changes. Most of the families seeking additional family payments certainly cannot afford an accountant.

Mr ABBOTT (Warringah—Leader of the House) (1.07 p.m.)—I move:

That the question be now put.

Mr Adams—This is outrageous!

The DEPUTY SPEAKER (Mr Lindsay)—The member for Lyons will resume his seat.

Question put.

The House divided. [1.11 p.m.]

(The Deputy Speaker—Mr Lindsay)

Ayes.....	73
Noes.....	<u>62</u>
Majority.....	11

AYES

Abbott, A.J.	Anderson, J.D.
Andrews, K.J.	Anthony, L.J.
Bailey, F.E.	Baird, B.G.
Baldwin, R.C.	Barresi, P.A.
Bartlett, K.J.	Billson, B.F.
Bishop, B.K.	Bishop, J.I.
Brough, M.T.	Cadman, A.G.
Cameron, R.A.	Causley, I.R.
Charles, R.E.	Ciobo, S.M.
Cobb, J.K.	Downer, A.J.G.
Draper, P.	Dutton, P.C.
Elson, K.S.	Entsch, W.G.
Farmer, P.F.	Forrest, J.A. *
Gallus, C.A.	Gambaro, T.
Gash, J.	Georgiou, P.
Haase, B.W.	Hardgrave, G.D.
Hartsuyker, L.	Hawker, D.P.M.
Hull, K.E.	Hunt, G.A.
Johnson, M.A.	Jull, D.F.
Kelly, D.M.	Kelly, J.M.
Kemp, D.A.	Ley, S.P.
Lloyd, J.E.	Macfarlane, I.E.
May, M.A.	McArthur, S. *
McGauran, P.J.	Moylan, J. E.
Nairn, G. R.	Nelson, B.J.
Neville, P.C.	Panopoulos, S.
Pearce, C.J.	Prosser, G.D.
Pyne, C.	Randall, D.J.
Ruddock, P.M.	Scott, B.C.
Secker, P.D.	Slipper, P.N.
Smith, A.D.H.	Somlyay, A.M.
Southcott, A.J.	Stone, S.N.
Thompson, C.P.	Ticehurst, K.V.

Tollner, D.W.
Tuckey, C.W.
Washer, M.J.
Worth, P.M.

Truss, W.E.
Vale, D.S.
Williams, D.R.

NOES

Adams, D.G.H.	Albanese, A.N.
Beazley, K.C.	Bevis, A.R.
Brereton, L.J.	Burke, A.E.
Byrne, A.M.	Corcoran, A.K.
Cox, D.A.	Crean, S.F.
Crosio, J.A.	Danby, M. *
Edwards, G.J.	Emerson, C.A.
Evans, M.J.	Ferguson, L.D.T.
Ferguson, M.J.	Fitzgibbon, J.A.
George, J.	Gibbons, S.W.
Gillard, J.E.	Grierson, S.J.
Griffin, A.P.	Hall, J.G.
Hatton, M.J.	Hoare, K.J.
Irwin, J.	Jackson, S.M.
Jenkins, H.A.	Kerr, D.J.C.
King, C.F.	Lawrence, C.M.
Livermore, K.F.	Macklin, J.L.
McClelland, R.B.	McLeay, L.B.
McMullan, R.F.	Melham, D.
Mossfield, F.W.	Murphy, J. P.
O'Byrne, M.A.	O'Connor, B.P.
O'Connor, G.M.	Organ, M.
Plibersek, T.	Price, L.R.S.
Quick, H.V. *	Ripoll, B.F.
Roxon, N.L.	Rudd, K.M.
Sawford, R.W.	Sciacca, C.A.
Sercombe, R.C.G.	Sidebottom, P.S.
Smith, S.F.	Snowdon, W.E.
Swan, W.M.	Tanner, L.
Thomson, K.J.	Vamvakinou, M.
Windsor, A.H.C.	Zahra, C.J.

* denotes teller

Question agreed to.

Question put:

That this bill be now read a second time.

The House divided. [1.17 p.m.]

(The Deputy Speaker—Mr Lindsay)

Ayes.....	74
Noes.....	<u>62</u>
Majority.....	12

AYES

Abbott, A.J.	Anderson, J.D.
Andrews, K.J.	Anthony, L.J.
Bailey, F.E.	Baird, B.G.
Baldwin, R.C.	Barresi, P.A.
Bartlett, K.J.	Billson, B.F.
Bishop, B.K.	Bishop, J.I.
Brough, M.T.	Cadman, A.G.
Cameron, R.A.	Causley, I.R.
Charles, R.E.	Ciobo, S.M.
Cobb, J.K.	Downer, A.J.G.
Draper, P.	Dutton, P.C.
Elson, K.S.	Entsch, W.G.
Farmer, P.F.	Forrest, J.A. *
Gallus, C.A.	Gambaro, T.
Gash, J.	Georgiou, P.
Haase, B.W.	Hardgrave, G.D.
Hartsuyker, L.	Hawker, D.P.M.
Hull, K.E.	Hunt, G.A.
Johnson, M.A.	Jull, D.F.
Kelly, D.M.	Kelly, J.M.
Kemp, D.A.	Ley, S.P.
Lindsay, P.J.	Macfarlane, I.E.
May, M.A.	McArthur, S. *
McGauran, P.J.	Moylan, J. E.
Nairn, G. R.	Nelson, B.J.
Neville, P.C.	Panopoulos, S.
Pearce, C.J.	Prosser, G.D.
Pyne, C.	Randall, D.J.
Ruddock, P.M.	Scott, B.C.
Secker, P.D.	Slipper, P.N.
Smith, A.D.H.	Somlyay, A.M.
Southcott, A.J.	Stone, S.N.
Thompson, C.P.	Ticehurst, K.V.
Tollner, D.W.	Truss, W.E.
Tuckey, C.W.	Vale, D.S.
Washer, M.J.	Williams, D.R.
Windsor, A.H.C.	Worth, P.M.

NOES

Adams, D.G.H.	Albanese, A.N.
Beazley, K.C.	Bevis, A.R.
Brereton, L.J.	Burke, A.E.
Byrne, A.M.	Corcoran, A.K.
Cox, D.A.	Crean, S.F.
Crosio, J.A.	Danby, M. *

Edwards, G.J.	Emerson, C.A.
Evans, M.J.	Ferguson, L.D.T.
Ferguson, M.J.	Fitzgibbon, J.A.
George, J.	Gibbons, S.W.
Gillard, J.E.	Grierson, S.J.
Griffin, A.P.	Hall, J.G.
Hatton, M.J.	Hoare, K.J.
Irwin, J.	Jackson, S.M.
Jenkins, H.A.	Kerr, D.J.C.
King, C.F.	Lawrence, C.M.
Livermore, K.F.	Macklin, J.L.
McClelland, R.B.	McLeay, L.B.
McMullan, R.F.	Melham, D.
Mossfield, F.W.	Murphy, J. P.
O'Byrne, M.A.	O'Connor, B.P.
O'Connor, G.M.	Organ, M.
Plibersek, T.	Price, L.R.S.
Quick, H.V. *	Ripoll, B.F.
Roxon, N.L.	Rudd, K.M.
Sawford, R.W.	Sciacca, C.A.
Sercombe, R.C.G.	Sidebottom, P.S.
Smith, S.F.	Snowdon, W.E.
Swan, W.M.	Tanner, L.
Thomson, K.J.	Vamvakinou, M.
Wilkie, K.	Zahra, C.J.

* denotes teller

Question agreed to.

Bill read a second time.

Message from the Administrator recommending appropriation announced.

Declaration of Urgency

Mr ABBOTT (Warringah—Leader of the House) (1.20 p.m.)—I declare the Family Assistance Legislation Amendment (More Help for Families—One-off Payments) Bill 2004 to be an urgent bill.

The DEPUTY SPEAKER (Mr Lindsay)—The question is that the bill be considered an urgent bill.

The House divided. [1.21 p.m.]

(The Deputy Speaker—Mr Lindsay)

Ayes.....	74
Noes.....	65
Majority.....	9

AYES

Abbott, A.J.	Anderson, J.D.
Andrews, K.J.	Anthony, L.J.
Bailey, F.E.	Baird, B.G.
Baldwin, R.C.	Barresi, P.A.
Bartlett, K.J.	Billson, B.F.
Bishop, B.K.	Bishop, J.I.
Brough, M.T.	Cadman, A.G.
Cameron, R.A.	Causley, I.R.
Charles, R.E.	Ciobo, S.M.
Cobb, J.K.	Downer, A.J.G.
Draper, P.	Dutton, P.C.
Elson, K.S.	Entsch, W.G.
Farmer, P.F.	Forrest, J.A. *
Gallus, C.A.	Gambaro, T.
Gash, J.	Georgiou, P.
Haase, B.W.	Hardgrave, G.D.
Hartsuyker, L.	Hawker, D.P.M.
Hull, K.E.	Hunt, G.A.
Johnson, M.A.	Jull, D.F.
Kelly, D.M.	Kelly, J.M.
Kemp, D.A.	Ley, S.P.
Lloyd, J.E.	Macfarlane, I.E.
May, M.A.	McArthur, S. *
McGauran, P.J.	Moylan, J. E.
Nairn, G. R.	Nelson, B.J.
Neville, P.C.	Panopoulos, S.
Pearce, C.J.	Prosser, G.D.
Pyne, C.	Randall, D.J.
Ruddock, P.M.	Scott, B.C.
Secker, P.D.	Slipper, P.N.
Smith, A.D.H.	Somlyay, A.M.
Southcott, A.J.	Stone, S.N.
Thompson, C.P.	Ticehurst, K.V.
Tollner, D.W.	Truss, W.E.
Tuckey, C.W.	Vale, D.S.
Washer, M.J.	Williams, D.R.
Windsor, A.H.C.	Worth, P.M.

NOES

Adams, D.G.H.	Albanese, A.N.
Andren, P.J.	Beazley, K.C.
Bevis, A.R.	Brereton, L.J.
Burke, A.E.	Byrne, A.M.
Corcoran, A.K.	Cox, D.A.
Crean, S.F.	Crosio, J.A.

Danby, M. *	Edwards, G.J.
Emerson, C.A.	Evans, M.J.
Ferguson, L.D.T.	Ferguson, M.J.
Fitzgibbon, J.A.	George, J.
Gibbons, S.W.	Gillard, J.E.
Grierson, S.J.	Griffin, A.P.
Hall, J.G.	Hatton, M.J.
Hoare, K.J.	Irwin, J.
Jackson, S.M.	Jenkins, H.A.
Katter, R.C.	Kerr, D.J.C.
King, C.F.	Latham, M.W.
Lawrence, C.M.	Livermore, K.F.
Macklin, J.L.	McClelland, R.B.
McLeay, L.B.	McMullan, R.F.
Melham, D.	Mossfield, F.W.
Murphy, J. P.	O'Byrne, M.A.
O'Connor, B.P.	O'Connor, G.M.
Organ, M.	Plibersek, T.
Price, L.R.S.	Quick, H.V. *
Ripoll, B.F.	Roxon, N.L.
Rudd, K.M.	Sawford, R.W.
Sciacca, C.A.	Sercombe, R.C.G.
Sidebottom, P.S.	Smith, S.F.
Snowdon, W.E.	Swan, W.M.
Tanner, L.	Thomson, K.J.
Vamvakinou, M.	Wilkie, K.
Zahra, C.J.	

* denotes teller

Question agreed to.

Allotment of Time

Mr ABBOTT (Warringah—Leader of the House) (1.25 p.m.)—I move:

That the time allotted for the remaining stages of the Bill be until 1.28 p.m. this day.

Mr SWAN (Lilley) (1.25 p.m.)—While we are not opposed to this bill, we are absolutely opposed to the use of the guillotine to stifle debate on this very important matter. It is absolutely reprehensible, and it is a continuation of the thuggish tactics we have had from the government in this House.

Question agreed to.

Mr ADAMS (Lyons) (1.26 p.m.)—I rise on behalf of those of us who wish to contribute to a fair debate within this parliament and those of us who are elected to speak for our constituents on the very important issue of

family assistance. I pointed out in my earlier words the difficulties that so many of my constituents have had through having to repay these payments and the lack of understanding from the other side of the House, from the government, of this very poor policy. I spoke of many people in my electorate who work casually and seasonally to try to make their incomes. People who work on contracts picking up potatoes do not know how long they are going to work in that area. Maybe two weeks later they will be with an onion contractor. Some of the women on the coast work shelling scallops or harvesting shellfish. Others work in different ways, picking cherries or strawberries or working during the shearing season throughout Tasmania. This is how some people are now getting their incomes. To make a judgment that they are going to make \$25,000 or \$27,000 is near impossible. The member who spoke before me, the member for Dunkley, was blaming people, saying that it is bad and that people have to pay money back. Of course if you get an overpayment you have to pay it back. He was forcing it onto the person to be the bad one. Most of these people are not bad at all; it is the system and the policy that are bad.

Third Reading

The DEPUTY SPEAKER (Mr Lindsay)—Order! The time allotted for the remaining stages of the bill has now expired. The question now is that the remaining stages of the bill be agreed to.

Question agreed to.

Bill read a third time.

FAMILY ASSISTANCE LEGISLATION AMENDMENT (MORE HELP FOR FAMILIES—INCREASED PAYMENTS) BILL 2004

Second Reading

Debate resumed from 11 May, on motion by **Mr Anthony**:

That this bill be now read a second time.

Declaration of Urgency

Mr ABBOTT (Warringah—Leader of the House) (1.28 p.m.)—I declare the Family Assistance Legislation Amendment (More Help for Families—Increased Payments) Bill 2004 an urgent bill.

The DEPUTY SPEAKER (Mr Lindsay)—The question is that the bill be considered an urgent bill.

Question agreed to.

Allotment of Time

Mr ABBOTT (Warringah—Leader of the House) (1.29 p.m.)—I appreciate the cooperation of the opposition on this, and I move:

That the time allotted for the remaining stages of the Bill be until 1.50 p.m. this day.

Question agreed to.

The DEPUTY SPEAKER (Mr Lindsay)—The question now is that the bill be read a second time.

Ms GILLARD (Lalor—Manager of Opposition Business) (1.30 p.m.)—I indicate that, like the bill that we have just dealt with, the opposition is clearly opposed to the process by which these matters have been brought before the House. As you would be aware, Mr Deputy Speaker Lindsay, these budget bills were given to the opposition last night. We obviously have not had any opportunity to go through our usual processes, but we accept that the matter is going to be dealt with by the House now. We are not intending to stand in the way of that, but we do want our opposition to the process noted. It has

been a matter of discussion between the Leader of the House and me, but we are prepared to facilitate the stages of the debate immediately.

Mr ABBOTT (Warringah—Leader of the House) (1.31 p.m.)—I take the point that is made by the Manager of Opposition Business. Obviously it is not absolutely ideal in terms of parliamentary process for bills to go through without substantial debate. But this is a beneficial bill; this is a bill which is going to give substantial benefits to Australian families. The government is very keen to ensure that these payments start to be made as soon as is humanly possible and, given the processes of the Senate, that is why the government believes that it is very important that this bill goes through the House today. I do appreciate the comments of the Manager of Opposition Business, and I do appreciate the level of cooperation that the government has received.

Question agreed to.

Bill read a second time.

Message from the Administrator recommending appropriation announced.

Third Reading

Mr ANTHONY (Richmond—Minister for Children and Youth Affairs) (1.32 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

PARLIAMENTARY SUPERANNUATION BILL 2004

Cognate bill:

PARLIAMENTARY SUPERANNUATION AND OTHER ENTITLEMENTS LEGISLATION AMENDMENT BILL 2004

Second Reading

Debate resumed from 1 April, on motion by **Mr Slipper**:

That this bill be now read a second time.

Mr LATHAM (Werriwa—Leader of the Opposition) (1.34 p.m.)—It is ironic that this debate is occurring during government business. As everyone knows, the bills under consideration were in fact initiated by the opposition. So this is something of a notable occasion. After all it is not often, as an opposition parliamentarian, that you get a chance to make the laws. But that is what we are doing here today. In fact, we in the Labor Party have been waiting some eight years to make the laws. The glorious day has now arrived and we will be supporting this legislation through the House.

This legislation is the direct result of Labor's policy announcement on 10 February to close down the parliamentary contribution scheme for superannuation and replace it with one that meets a decent community standard. The current parliamentary super scheme is well out of date. It is well above the community standard—offering benefits seven times more generous than those available to the general public. Because it sets a double standard, it has been a major source of public disillusionment and dismay about the political system. It has been one of those things that has undermined trust in our democracy. So Labor are absolutely determined to reform the current parliamentary super scheme and bring it into line with the existing community standard. For this reason, we support these bills. After all, they are our proposition and they were our idea.

Unfortunately, they do not go far enough. Senior office holders, including the Prime

Minister, will still be able to retire with overly generous retirement benefits. To prevent this, Labor will be moving a further set of amendments in the committee stage to place a cap on the retirement benefits. The member for Kingston will be putting forward our amendments to cap the retirement benefits for senior office holders in this parliament. While in my case it will significantly lower my own retirement benefits, it is a sacrifice well worth making to re-establish trust between the Australian people and their government.

I am proud that the government has decided to support Labor's decision to close down and replace the parliamentary super scheme. It is interesting, however, to remember the response of members opposite when Labor first announced our policy. We were ridiculed by members of the government, who said that the remuneration rates for politicians were justified. This is what the Prime Minister had to say in February when he was asked about the proposal:

I have to say that the salaries paid to senior ministers compared with the responsibilities of people in the private sector are way below what is received in the private sector.

And this is what the Treasurer, Mr Costello, had to say on ABC radio on 11 February 2004, the day after Labor's policy announcement:

I think for people that are running the country, overall the package compared to the private sector, is quite restrained ...

In my portfolio, my secretary who works for me ... gets paid double what I get paid.

By changing the super scheme do you think you'll get better MPs? ... I think we oughta do things that will get us better MPs in Australia, but I don't think this—

closing the parliamentary super scheme—
is one of the things ...

The Minister for Health and Ageing, Mr Abbott, said on the same day:

If you look at the standard pay of politicians, if you look at senior ministers for instance, a minister earns half what his departmental secretary earns. A minister will earn a small fraction of what a chief executive or other senior manager in private enterprise will earn. I think you need to look at a politician's pay as a package. I don't think what politicians are paid overall is unreasonable.

I find it disturbing from these comments that the Prime Minister, the Treasurer and the minister for health think it is okay to go into politics for the money. If that is the case, then I say to them, 'Go set up a company; go into business to make money; don't go into public life.' Public life should be about public service and, as the Treasurer agonises about his future, working out what he is going to do after Christmas, this is an option open to him. If he believes that the private sector is so attractive and that the level of remuneration makes such a big difference, he can go and set up a business. He should go back to his legal practice. This is, of course, a proposition that we will be advocating well before the end of the year.

In this debate, Senator Boswell could not resist the temptation to put his own unique stamp on proceedings, saying 'Labor's policy reeks of Hansonism—in the worst possible way it is populist.' I think he then went on to ask what I would do next as Leader of the Opposition: go down to the pub and talk to people about what needs to be done? This just exposes the elitism of The Nationals, implying that you should not go to the pub or the shopping centre and talk to the Australian people about useful things that need to be done for our democracy. As leader of The Nationals in the Senate, Senator Boswell is well out of touch with his constituency—obviously oblivious to the strong public feeling, particularly in the state of Queensland,

against the double standard in parliamentary superannuation.

What we saw from the government after these statements following the 10 February policy announcement was a total about-face. What could be more populist than a government changing its mind overnight—a government that collapsed in the face of public support for Labor's initiative. One day they believed passionately that MPs were not overpaid and the next they held the opposite view. The English writer George Orwell had a word for this—'doublethink': the ability to simultaneously hold two contradictory views on the same subject. Within the space of a couple of days, that is what we saw from the Prime Minister, the Treasurer, the minister for health and many other coalition MPs.

Mr Ciobo—You're the expert on it!

Mr LATHAM—The member at the back there was remonstrating with me in the parliamentary courtyard about this, saying, 'Mark, you've done a terrible thing: you've busted open the club. If everyone had just stayed silent about this, we wouldn't have our entitlements under threat.' I was under threat as I went to the cafeteria, and now the member for Moncrieff has the hide to interject in the parliament. I think he has lined up to be the next government speaker. It will be interesting to reconcile his views—his doublethink—in the courtyard with his views in the House of Representatives when he is looking to get it down in the *Hansard* record for the electors of Moncrieff. We might just hold you to the proper standard—your courtyard standard rather than the double standard in the House of Representatives.

The Prime Minister has been in the parliament for 30 years without raising concerns about the parliamentary superannuation scheme, and he expects us to believe that he supports this change on principle. The fact is the Prime Minister had no intention of clos-

ing down the overgenerous and totally out-of-date parliamentary superannuation scheme until it posed a political risk to his government. So there is nothing principled about these bills as they are moved by the Howard-Costello government; they are the work of a cynical administration that is out of ideas and rapidly running out of time. This is part of an eight-year pattern of behaviour shown by this government whenever there is an election on the horizon. It is willing to ditch any belief or conviction and reverse any policy to stay in power.

Unlike the coalition, Labor originated these bills on the basis of the principle. From my travels around Australia during my time as a member in the south-west of Sydney over the past decade it has become obvious to me that the Australian people think that the current parliamentary super scheme is totally unfair. I found myself in shopping centres, in pubs and at community gatherings in my electorate unable to defend the double standard. What do you say to low- to middle-income Australians who complain about a parliamentary scheme seven times more generous than their own superannuation arrangements? They see it as a double standard, and that is what we are bringing to an end.

We cannot expect people to ask us as their elected representatives to make decisions affecting their job and retirement security when we ourselves are insulated from the effects of these decisions. As we reform the Australian economy to cope with the demands of an ageing population, how can we ask the Australian people to invest in their own retirement when we are unwilling to do so ourselves? The Australian people are disillusioned with our political system and we need to adopt higher ethical standards if we are to restore their faith in our democracy. I want the Australian people to be able to look at their democratic system and representa-

tives with pride and goodwill, and this legislation is an important step in that direction. We need to rekindle the high ideals of community service. Those of us elected to public office have been given a great honour and privilege well beyond any material benefit, well beyond any improvement in our living standards—that is, the honour and satisfaction that come from representing people and from helping other citizens.

I have always believed that the best life is one lived in the service of others. It is the community service that is all-important. This is why, notwithstanding the current cynicism about politics, we should be proud to call ourselves politicians. The task is not to change our vocation but to change the way in which we represent and present our work to the public. A good starting point is austerity in high office—bringing our parliamentary entitlements closer to community standards. In terms of personal finances and lifestyle, I believe that members of parliament should have a clear affinity with the constituencies they represent. Until our superannuation scheme is comparable to that of the majority of Australians, this is very difficult indeed.

There are, of course, other important reforms we can take to rebuild trust in our democracy, including returning Kirribilli House to public use and giving the Prime Minister just one piece of public housing—the Lodge here in Canberra; establishing an independent auditor of parliamentary allowances and entitlements to investigate breaches of the entitlements guidelines; imposing a 12-month ban on former ministers taking up paid employment and consultancies with companies in areas relevant to their responsibilities as ministers; requiring all government advertising to meet strict Auditor-General guidelines to stop taxpayers' funds being used for blatant political purposes and election advertising; legislating to require the registration of lobbyists so that special inter-

ests cannot cut secret deals at the expense of ordinary Australians; holding regular community cabinets around the country—something we will be doing in government after the next election; and giving the Australian people a greater say in whether we become a republic, indeed giving them a much bigger say about all the issues of great national importance and national identity.

The current parliamentary super scheme was never intended by its creator, Ben Chifley, who never saw a cent of his own superannuation, to be as generous as it has become. It was created in a different era, when members entered parliament at an older age, could expect shorter lives and had fewer prospects of professional employment after they were voted out of the parliament or they retired. Today, parliamentarians enter parliament younger, often with professional qualifications. On leaving parliament, many former members are snapped up by both private industry and the public sector for consultancies. Others easily re-enter their former professions. They are more likely to own assets to help them in their retirement, in any case. Few are left with limited means or work opportunities. You can return to the law at age 50 far more easily than you could return to driving a train at the same age in Chifley's time. Consequently, the public cynicism about the generosity of the existing scheme is quite understandable.

A new model for a new scheme already exists. It is the model available to the majority of Australians and the one I proposed on 10 February on behalf of the Labor Party. Under these bills the current scheme will be closed to new members, consistent with existing practice for the rest of the community for defined benefits funds. By avoiding retrospectivity in any way, the Commonwealth will be spared liabilities to substantial financial compensation. New members and senators will instead receive the same nine per

cent super guarantee payment as every other Australian employee, to be paid into an accumulation scheme. This brings parliamentary super to the same level as the rest of the community. It has the full support of the Labor Party.

However, under these bills senior officeholders, including the Prime Minister, Deputy Prime Minister, Treasurer, Senate leader, Leader of the House, Speaker and Senate President will still receive too much. The Prime Minister, for instance, despite his capacity to earn substantial private income out of the parliament after the next election, can expect to retire with an annual payment of up to \$200,000. I regard this as an excessive amount—up to \$200,000 per annum. Labor is, therefore, moving an amendment to cap the amount of allowances used to calculate the entitlements of officeholders to the level of a cabinet minister. The loading for the Prime Minister will be cut from its present level of 160 per cent to 72.5 per cent. If the Australian people were to elect me as Prime Minister, depending on how long we stay in government and how long I stay alive, this means a superannuation sacrifice on my part of between \$500,000 and \$1.9 million. It is a big amount of money but I believe this sacrifice is worth it. It must be taken if we are to meet the greater good of re-establishing trust and confidence in our political system, starting at the top. I am absolutely determined to bring the office of the Prime Minister back into line with community expectations in the future. As I mentioned earlier on, the member for Kingston will be moving the relevant amendments in detail at committee stage.

Mr Deputy Speaker, when I became Labor leader I said that I wanted to be constructive. I said I would not be here exercising opposition for opposition's sake. So far this approach has had quite a positive effect on the parliament and, in the case of this legislation, a positive impact on the government. Al-

ready, my proposal to reform the parliamentary super scheme is being made law. I congratulate the government for joining us, even if it has done it to save its own political hide rather than on the principle of improving our democracy. I urge the government to go even further and support our amendment to cap the retirement benefits of the Prime Minister, the Treasurer and others. But I also say that, if it is good enough for the government to adopt Labor policy on parliamentary super—and we noted that in the budget they have adopted our policy for the baby care payment—it is good enough to support other Labor policy in other areas.

Therefore, I conclude with the challenge to the Prime Minister and his government to introduce legislation to create 20,000 extra university places and 20,000 extra TAFE places without increasing student fees and debt; to introduce legislation to save bulk-billing and Medicare; to introduce legislation for a national dental scheme, so overdue and desperately needed by senior citizens around this country. I challenge them to introduce legislation and funding for a reading program for our infant children and needs based funding for their schools; to introduce legislation and funding to provide mentoring for our young people; to introduce provisions to cut the superannuation contributions tax and provisions to establish a River Bank to save the Murray-Darling and to sign the Kyoto protocol. The government may be out of ideas, but Labor is not. The government may be out of time, but Labor's time is just beginning and this legislation is proof positive of this exciting proposition.

Mr CIOBO (Moncrieff) (1.49 p.m.)—Mr Deputy Speaker, it was an absolute delight for me to hear the rubbish that came from the Leader of the Opposition with respect to the Labor Party's absolute and total hypocrisy regarding the **Parliamentary Superannuation Bill 2004**. I was astounded as I sat in this

House, seeing them all backslapping each other and seeing all the Labor Party members feeling swelled in the chest and proud that they are standing up for, what were the words that I heard? I heard the word 'principle'. I heard the word 'honour'. I heard the word 'expectations'. You know what? It is all an absolute veneer. It is an absolute veneer from the king of spivs, the Leader of the Opposition, who personally impugned—

Mr Gavan O'Connor—I rise on a point of order, Mr Deputy Speaker—

The DEPUTY SPEAKER (Mr Jenkins)—The honourable member for Corio will resume his seat. The honourable member for Moncrieff will withdraw that remark.

Mr CIOBO—Mr Deputy Speaker, the reality is that the Leader of the Opposition—

The DEPUTY SPEAKER—The honourable member for Moncrieff will withdraw.

Mr CIOBO—Mr Deputy Speaker, on the point of order—

The DEPUTY SPEAKER—There is no point of order. I am asking the honourable member for Moncrieff to withdraw unconditionally.

Mr CIOBO—I raise a point of order with regard to your calling, Mr Deputy Speaker. Earlier on today, the Leader of the Opposition completely fabricated remarks with regard to a conversation that he alleges that we had in the courtyard of this Parliament House. In that regard, my comments—

Opposition members interjecting—

Mr Melham—Mr Deputy Speaker—

The DEPUTY SPEAKER—The honourable member for Banks will resume his seat. The honourable member for Moncrieff will resume his seat. If the honourable member for Moncrieff feels aggrieved by comments that were made by the Leader of the Opposition during debate, he has other means of redressing that. He cannot by way of remarks

during debate do that. I ask the honourable member for Moncrieff to withdraw the remarks.

Mr CIOBO—I withdraw my remarks calling the Leader of the Opposition the king of spivs.

The DEPUTY SPEAKER—The honourable member for Moncrieff has the call.

Mr CIOBO—Thank you. Referring back to the point—

Mr Melham—Mr Deputy Speaker, I rise on a point of order. You directed him to withdraw the remarks, I take it, in relation to both matters, that the fabrication remarks should be withdrawn as well. It should not be allowed to stand by this speaker. There are forms of the House, if the member wants to go that way, but I would ask that he be asked to withdraw those particular remarks as well, because they reflect on the Leader of the Opposition. They should not be left on the record.

The DEPUTY SPEAKER—I have advised the honourable member for Moncrieff, with regard to the suggestion he made during the point of order, that there are other forms of the House and that those remarks would not form part of the record just because they were raised. It would assist the chair if the honourable member for Moncrieff would withdraw those remarks in the context that there are other ways in which he can address any grievance that he has.

Mr CIOBO—The reality is that they were a fabrication and, subsequent to this debate, I will be asking for a personal explanation with regard to them. I will not withdraw the statement that they are a fabrication because they are a fabrication. That is a statement of fact. (*Quorum formed*) I am grateful that the Labor Party has given more members the opportunity to come into the House to learn about the absolute hypocrisy of their policy in this regard. I am also

pleased that the galleries are full, because we heard the Leader of the Opposition in this chamber speak about the way in which he was so pleased to be able to offer a \$1.5 million benefit back to the Australian taxpayers if only we would agree to the Labor Party's amendments to this bill. But what is the reality? We hear the Leader of the Opposition say: 'Why won't they please put more money into HECS? Why won't they please put more money into the national dental scheme?' With his bleeding heart, the Leader of the Opposition spoke about the need to save Medicare, introduce a reading program and establish a riverbank—all these grand claims from the Leader of the Opposition about his \$1.5 million policy.

But what is the reality? The reality is that the Labor Party is siphoning off \$27 million a year from Australian taxpayers through Centenary House. This is from the Leader of the Opposition, who comes in to this House and acts as if he has principles. This is from the Australian Labor Party, which claims to be standing up for the bona fides of public life. This is from the Leader of the Opposition, who stands in this chamber and preaches from on high that he is about principles and that the Australian Labor Party has a vision for the future. I know that no people in the electorate that I represent on the Gold Coast and no ordinary, decent, hardworking Australian who pay their taxes want any part of the Labor Party vision for the future of Australia. Its \$27 million rent rort at Centenary's House completely exposes the hypocrisy that the Australian Labor Party brings into this House when the Leader of the Opposition attempts to portray himself as some new-found leader; a new person who has new ideas for Australia in the 21st century.

The facts are that the Leader of the Opposition, in the conversation to which he referred in the courtyard, did not get a response from me about him 'blowing open the club'

or my being concerned about entitlement or anything like that. That was a total and complete fabrication, as I have said before. The reality is that, as in the case of Centenary House, the Leader of the Opposition is not motivated by what is good for the Australian people. The Leader of the Opposition is concerned with one thing and one thing alone: by making amendments to this bill and getting them passed he believes there are a couple of votes in it for the Australian Labor Party. That is the reality behind the Leader of the Opposition's position with regard to this bill. That is the reality behind the Labor Party coming here with their two faces on this issue, pretending that they have concerns about principles and public life, and talking about honour and expectation. The reality is that the Australian Labor Party is morally bankrupt when it comes to these types of issues. The Australian Labor Party is not providing a path for the future. Rather, it is simply trying to create smoke and enough of a diversion about the real reason why the Leader of the Opposition would like his amendments passed.

I put this challenge to the Leader of the Opposition: if you are serious about making a principled stand in public life, then end the rent rort in Centenary House now. Give that \$27 million of hard-earned taxpayers' money back to the Australian public. We will make it even easier: I ask the Leader of the Opposition to reject the opportunity to increase the rental costs of Centenary House. Just that small start—

Debate interrupted.

The SPEAKER—Before I call on questions without notice, it has been brought to my attention that the member for Moncrieff had in fact refused to withdraw a statement when required to do so by the Deputy Speaker, but the Deputy Speaker allowed the debate to continue for the sake of keeping

the debate moving. I would indicate to the member for Moncrieff that I take a very dim view of any refusal to do precisely as the chair instructs.

QUESTIONS WITHOUT NOTICE

Budget 2004-05

Mr LATHAM (2.01 p.m.)—My question is addressed to the Prime Minister. Why does the budget fail to provide tax relief for the four out of five Australian taxpayers earning less than \$52,000 a year—the sales reps, the shop assistants, the technicians, the child-care workers, the teachers, the office workers; the backbone of the Australian economy? Prime Minister, aren't these the forgotten people? There are 8.5 million families and singles who miss out on tax relief. Why shouldn't these hardworking Australians have greater incentive and encouragement to work overtime, to help themselves and to grow the Australian economy?

Mr HOWARD—The priorities of this budget were to help families and encourage people to work harder and better themselves. They are priorities that this government unapologetically asserts. The Leader of the Opposition cannot even get his facts right. The family benefits in this budget are the greatest family benefits delivered by any budget since World War II. The Leader of the Opposition gets up and says that hardworking families have missed out. Hardworking families with two children and who are entitled to family tax benefit A—and that is four out of five families—will be eligible within the next three months for \$1,200 in additional family payments. They will be eligible for additional payments in relation to each child. We have deliberately decided to reward people who deserve to get some return if they work a bit harder.

Does the Leader of the Opposition understand that in his own electorate of Werriwa there would be tens of thousands of male

full-time earners, and 37 per cent of all male full-time earners in Australia now earn more than \$52,000 a year? We regard it as unacceptable that those people should be bumped into a higher taxation bracket. I have quoted the example of the police sergeant who works a bit of overtime. According to some figures I have been given, it is not only the police sergeant; in fact, a senior constable in the New South Wales Police Force has an annual loaded salary of \$54,033. According to the philosophy of the Labor Party, he is rich. That is according to the philosophy of the man who is meant to do something and who is meant to believe in encouraging people. We had a scale of priorities. The first priority was to fund necessary expenditure; the second priority was to provide family benefits; and the third priority was to give taxation relief that would encourage incentive and hard work. That is the basis of the decision that we have taken.

The Leader of the Opposition, in his question about other taxpayers, completely ignores the fact that under the changes to the tax system introduced as part of taxation reform a person on \$20,000 is now paying \$12 a week less than they did prior to tax reform. Somebody on \$30,000 is paying \$20 a week less than they did before tax reform. Somebody on \$45,000 is paying \$44 a week less than they did before tax reform. That was a tax reform that the Leader of the Opposition—may I remind you, Mr Speaker—opposed. When we tried to bring in these taxation changes, the Leader of the Opposition voted against them. Now he comes into this place pleading the cause of a group of people that he tried to stop getting very, very generous tax cuts.

I simply say to the Leader of the Opposition: yes, we chose to give relief to families. We are proud of that. This is the most family friendly budget Australia has ever seen. This is a budget that is seen to recognise the mod-

ern day realities of the Australian family. But it is also a budget that says to the people who want to better themselves, who are prepared to work harder, to do a bit of overtime, to strive to improve themselves: 'We're no longer going to clobber you with a tax rate of 42c in the dollar when you hit \$52,000. What we are going to try to do in the good Australian way is to reward incentive, reward effort and give you a pat on the back for trying harder.'

Budget 2004-05

Mr RANDALL (2.06 p.m.)—My question is addressed to the Treasurer. Would the Treasurer outline to the House how Australian families will immediately benefit from the measures announced in the budget? Would the Treasurer detail how these measures will reward the efforts of families?

Mr COSTELLO—I thank the honourable member for his question. I can inform the House that, as a result of last night's budget, Australia's 2.2 million families will benefit immediately with a \$600 payment per child. The legislation has been introduced into the House to provide—

Opposition members interjecting—

Mr COSTELLO—I just heard an interjection from one of the Labor Party members, who said, 'It is a bribe.' Is that right?

The SPEAKER—Order! The Treasurer will address his remarks through the chair.

Mr COSTELLO—Let it go on the record that the Australian Labor Party is opposed to the \$600 per family being paid before 30 June. We do not think it is a bribe; we think it is justice for Australian families. These are the people who are raising children, paying for food and paying for shelter. These are the people who are paying for child care and education. This government believe that those people deserve assistance. Under the announcement that we made last night they

will be eligible to receive a \$600 per child benefit before 30 June. If it is a one-child family the benefit is \$600; if it is a two-child family it is \$1,200; and if it is a three-child family it is \$1,800. This is per child. In addition to that there will be changes so that the ongoing increase of \$600 in the family tax benefit part A will be on an annual basis. So, in relation to the 2003-04 year, upon their reconciliation they will be eligible for another \$600, which would mean that within the first 12 months there is an eligibility for \$1,200 per child.

Before I finish talking about the benefits that families will receive—and there are 2.2 million families—I just want to pick up on one thing. The Leader of the Opposition repeated just now what the Labor Party has been saying all day. He said that there were 8.5 million families who did not receive anything. That is what he said and that is what Labor's press release said last night:

There are 8.5 million forgotten Australian families who don't receive a single cent ...

I thought that was a funny figure, so I went to the Australian Bureau of Statistics. Labor says 8.5 million families miss out. I tender the Census of Population and Housing for 2001, which found that in Australia there are only 4.9 million families.

Honourable members interjecting—

Mr COSTELLO—I also table the press release as it stood last night, which said, '8.5 million forgotten Australian families,' because a second edition has been issued today which has taken the offending line out. But, for the sake of the record, I table it now. I have said it before that, when you go to the web site, it gets airbrushed; but I table the press release they put out last night, reaffirmed in question time, and I table the extract from the Australian Bureau of Statistics.

Budget 2004-05

Mr LATHAM (2.10 p.m.)—My question is to the Prime Minister. I draw his attention to more than six million forgotten Australians in last night's budget—that is, the families and singles who received not a single cent in tax relief or family assistance.

Government members interjecting—

The SPEAKER—Order! The Leader of the Opposition is entitled to be heard.

Mr LATHAM—Prime Minister, why do 60 per cent of the country receive nothing—no return on bracket creep and no relief from the highest taxing government in Australia's history? When the Prime Minister was elected eight years ago, he said that he would govern for all of us. Why has he now forgotten about most of us, the great majority of the Australian people?

Mr HOWARD—I notice that the Leader of the Opposition is now using the expression 'forgotten people'. This man's plagiarism knows no bounds. I can understand borrowing from Clinton, but to borrow a phrase from the great Menzies really is stretching it a bit far. But let us continue. The Leader of the Opposition says that this budget has overlooked the needs of Australians. I remind the Leader of the Opposition that a budget is a continuum of work that a government does over its whole time in office.

What the Leader of the Opposition I know finds very difficult to understand is that we have been able to deliver a magnificent budget because we have run the economy well. One of the proudest things that I know the Treasurer feels about this budget and I certainly feel about this budget is that, in very large measure, many of the significant benefits for families have been funded and made possible by the fact that corporate tax collections have soared. Those tax collections have not soared because we have in-

creased the rate of corporate tax. In fact, we have reduced it. We cut Labor's corporate tax rate from 36c in the dollar to 30c in the dollar. Because we have run a strong economy and because we laid the foundations of sound economic management in our 1996 budget, we have seen strong and steady growth. We have seen a confident corporate sector employing millions of Australians.

We did not forget or overlook the 1.3 million Australians who have gained jobs since we have been in office. We have not neglected any Australian in delivering economic policies that have given us the lowest unemployment rate in a generation. For the first time since 1968, we now have the double of an inflation rate below three per cent and an unemployment rate below six per cent. It is no accident that we have paid off \$70 billion of Labor's debt. And, by paying that off, we have \$6 billion to \$7 billion more a year that we can spend on defence, health, schools and family benefits. That is the human dividend of good economic management, and the Leader of the Opposition has got the gall to imply that we have forgotten middle Australia.

Budget 2004-05

Mr TICEHURST (2.15 p.m.)—My question is addressed to the Treasurer. Would the Treasurer outline to the House the economic fundamentals that have enabled the government to assist families that deserve relief? Is the Treasurer aware of alternative policies that could put these fundamentals at risk?

Mr COSTELLO—I thank the honourable member for Dobell for his question. I can inform the House that Australia in the next year will grow at 3½ per cent—a growth rate which is very solid and, more importantly, a growth rate which will be done on an inflation rate which is around two per cent. This is strong growth with low inflation, and the evidence is in the labour

market. When the government was elected, unemployment was about 8.2 per cent and today it is 5.6 per cent—and 1,300 million new jobs have been created in Australia since this government was elected. If you have strong economic management, if you have growth and low inflation, if you balance your budgets, if you repay debt, if more people go into the work force and if companies are profitable, they will deliver to you revenues which can be used to help decent, ordinary, working Australian families. That is what this government was able to do in this budget.

This was the seventh surplus budget of this government, and we have now reduced Labor's debt from \$96 billion in net terms to \$26 billion. Economic management is not an accident. It is not a fluke. It is not something that you look up on the Google search engine and try and figure out on a daily basis. It requires continued, strategic, stable management. These kinds of budget outcomes start with stable economic management. A medium-term monetary policy, a medium-term fiscal policy, the broadening of the indirect tax base, the cutting of the company tax rate, the halving of the capital gains tax, the abolition of the taxes on our exports, the reforming of the labour market are the reforms that have been building economic management in Australia. Alas, these are the reforms that were opposed, hook, line and sinker, by the Australian Labor Party. The Australian Labor Party would have you believe it likes the outcome, but it opposes the work that gets you there. Mr Speaker, you do not have economic management by accident; it is sustained. It has to be kept up over the years. It has been kept up over the years by this government—and it will continue into the future.

Budget 2004-05

Mr CREAN (2.17 p.m.)—My question is to the Treasurer. I ask the Treasurer to con-

firm that around 8.5 million Australian families and singles—

Government members interjecting—

Mr CREAN—I repeat the question, Mr Speaker. Can the Treasurer confirm that around 8.5 million Australian families and singles will receive not one cent in tax cuts from the Treasurer's budget last night? Treasurer, why does someone like you deserve a \$42 a week tax cut, while a teacher in Queensland earning \$48,000 gets nothing in tax cuts from your budget?

Mr COSTELLO—Mr Speaker, the first point I make is that you will notice the phraseology of that question was 8.5 million 'families and singles'. Up until now it has been 8.5 million 'families'—that has been the Labor Party's line. Let me also point out that there are many millions of Australians who pay no tax, and you cannot cut tax for people who do not pay it.

Mr Crean—Do teachers pay tax?

The SPEAKER—Order! The member for Hotham has asked his question.

Mr COSTELLO—Pensioners do not pay tax and around one million of the families who are on family tax benefit part A do not pay tax.

Mr Crean—Mr Speaker, I have a point of order. On the point of relevance—

The SPEAKER—The member for Hotham will resume his seat. The Treasurer has the call.

Mr COSTELLO—I want to make two further points. The first is that over the course of this government's tax reform process we have cut taxes substantially for lower- and middle-income earners. When we came to office, people on middle incomes were paying 34c and 43c, and we cut that to 30c. People on lower incomes of \$20,000 were paying 20c, and we cut that to 17c. But that part of our tax reform structural adjustment

package, which applied to middle-income earners, never cleared the Senate, because it was opposed by the Australian Labor Party. That was the part that we went to the election and promised the Australian people about and were never able to deliver. Now we return to that part, and we deliver it to the middle-income earners of Australia. Let me refer to page 7 of the book, *More Help for Families*.

Mr Bevis—What does the teacher get?

Mr COSTELLO—I will come to that in a moment too. What is the overall effect of these tax changes? It is this: that taxpayers earning \$20,000 have had a 23 per cent tax reduction; taxpayers earning \$50,000 have had a 21 per cent reduction; and taxpayers on \$90,000 have had an 18 per cent tax reduction. So we are actually delivering more to the lower income end than we are to the upper end.

I do want to come back to the last part of the question, because the honourable member for Hotham, I think, said that it was unfair that somebody like me would get a tax cut. I think that is what he said in his question. I do actually want to refer to a transcript from the Howard Sattler program of an interview with the Leader of the Opposition today. Sattler asked: 'Have you worked out with Mrs Latham over the phone at least how much more money Peter Costello is going to give you?' Latham replied: 'I don't think we get anything.' Sattler said: 'There must be something.' The transcript then says, 'We're part of the 60 per cent of the country that has been forgotten in this budget.'

I do not know what a Leader of the Opposition is paid, but a Leader of the Opposition, the last time I looked, was paid more than \$52,000. So let us just round the circle here: the member for Hotham, the great opportunist, wants to complain that members of parliament are getting tax cuts; his leader is

complaining that members of parliament are not getting tax cuts—out there on the Sattler program. It was not entirely an accurate answer—nor was it entirely accurate, as he said earlier, to say that 8.5 million Australian families missed out, when there are only 4.9 million families in Australia. It is a consistent pattern in relation to the way in which policy is being conducted, and I have said before that, even if the Australian Labor Party does not know what their policy is, I do. I read it and I take a great deal of interest in it. Mr Speaker, I table the transcript of the interview with Mark Latham on Perth radio 6PR, Wednesday, 12 May 2004.

Budget 2004-05

Ms GAMBARO (2.23 p.m.)—My question is addressed to the Treasurer. Would the Treasurer outline to the House how taxes have unfairly penalised hardworking Australians and would the Treasurer detail what measures will reward people for their efforts?

Mr COSTELLO—As I said earlier, from 2000 on, when this government put forward a tax plan to reform income tax assistance, we were able to deliver a cut to low-income earners of their marginal rate, from 20c to 17c. For middle-income earners, who were then on 30c and 43c brackets, we were able to deliver a reduction in their tax rates—to 30 per cent. The third leg of what we put forward in 2000 was for those who were above that rate to have a pushed-out threshold so that average earners were not kicked into the top marginal tax rate.

That was the leg that never cleared the Senate, because the Australian Labor Party voted against it; that was the unfinished business in relation to the structural reform of the Australian taxation system; and that is the business that we have delivered on in this budget—and we have done it in conjunction with delivering to families, many of whom

pay no tax at all and therefore would receive no benefit from an income tax cut. And after these changes have been put in place the effect of those income tax cuts will be that those who are lower income earners will still have received the greatest proportion of income tax reduction since 2000.

Why do we do this? The first reason we do it is that people who are on average earnings should not face a marginal tax rate of 47c in the dollar. If you want your senior constable or your fire officer to work harder—to go for a promotion or to do some overtime—you cannot expect those people to be paying 47c in the dollar on each additional dollar that they earn. They are not the high-income earners in our society, and so, as a matter of incentive and justice, we want to move that threshold. The second reason is that Australia has to stay internationally competitive. We look around the world at other countries. They are not bringing their top tax rates in at a level like \$62,500. Some of them do not bring them in until well over \$100,000. That is why we have to move those rates, to stay internationally competitive. The third reason is that this is the unfinished business, this is the part of the income tax restructure that never went through in the year 2000—and for many of the people who are now getting justice it is the part that they have been denied for the last four years, since the other income tax reductions were introduced. So we say to the Australian Labor Party and to the Senate: ‘Let’s get on with this business. We’re introducing these tax bills tomorrow. Let’s pass them. Let’s make sure that that incentive returns to the Australian taxation system from 1 July of this year.’

Budget 2004-05

Mr CREAN (2.26 p.m.)—My question is again to the Treasurer. Why isn’t the gov-

ernment’s budget giving any tax cut to a hardworking teacher on \$48,000 a year?

Mr COSTELLO—A hardworking teacher on \$48,000 who is part of a family will be delivered \$600 per child. They will be delivered \$1,200 for two children. If that hardworking teacher’s household has a second income earner working part-time, there will be an additional benefit under the family tax payment part B which will deliver a hardworking teacher on \$48,000 with two children around \$50 a week in additional family assistance. In addition to that, every Australian—including that hardworking teacher—is entitled to a bonus of 150 per cent of any money which they set aside for retirement savings. That hardworking teacher, under the Australian Labor Party, if they made a contribution into superannuation of \$100, would get nothing. That is the Australian Labor Party policy. But under the measures which I announced last night that hardworking teacher earning \$48,000 who wanted to put \$100 into their superannuation would get from the government as a co-contribution \$150. That is \$250 into their superannuation as a benefit for increasing retirement savings.

There are many hardworking teachers who will get the advantage of what the government introduced with the new safety net in relation to their medical bills, when their children get bulk-billing because they are under 16 or when their non-hospital costs go above \$300 and they get an 80 per cent rebate. Many of those hardworking teachers have parents—parents who are looking for aged care. A \$2.2 billion injection into aged care will be a big part of it. But the Minister for Education, Science and Training would not let me go without saying this: that hardworking teacher will also see as a consequence of this budget another \$8 billion delivered into the education system of this country. That is what they will also see: an

investment which will see the Commonwealth increase its commitment to education.

The last point I want to make—because we feel rather strongly about it on this side of the House—is this: that hard-working teacher will have their wages in the government system paid by a state government, and those wages will be funded entirely by the GST because the GST funds the salary of every teacher in every school in every classroom in Australia. The eight Labor governments which are now sharing the benefit of that are all in a bonus position.

Ms Burke—No, they're not.

Mr COSTELLO—The member for Bass just said, 'No, they're not.' The member for Bass's interjection was wrong. Every state is now in a bonus position.

The SPEAKER—The Treasurer will address his remarks through the chair.

Mr COSTELLO—I am sorry; it was the member for Chisholm who made that false interjection, not the member for Bass. Every state is now in a bonus position, as appears in the budget overview. And can I say, in relation to the state of Victoria, that the Bracks government will be getting a bonus of GST, over and above financial assistance grants, of over \$270 million for the year. That \$270 million would build half of the Scoresby Freeway, and the Scoresby Freeway has to be built over four years. So I say this to the member for Chisholm: why not go to the Bracks government and tell them to keep their promise? Where does the member for Chisholm stand on the Scoresby Freeway?

Mr Zahra interjecting—

The SPEAKER—I warn the member for McMillan!

Mr COSTELLO—You have to stand somewhere. You are either for the Bracks government keeping its word or you are for

tolls, and the people of the eastern suburbs of Melbourne deserve to know which it is.

Ms Burke interjecting—

The SPEAKER—I warn the member for Chisholm!

Budget 2004-05

Mrs HULL (2.32 p.m.)—My question is addressed to the Minister for Foreign Affairs. Would the minister inform the House of action that the government has taken in the budget to promote regional security?

Mr DOWNER—First, I thank the honourable member for her question and for the interest she shows in regional security. One of the themes of the budget last night was the importance of reinforcing the security of our country at a time when we are subjected to the threat of international terrorism and broader international instability. This is a budget that protects Australians and protects Australia's interests.

One of the keys to our success in the war against terrorism is our intelligence community. I would like to take the opportunity, in answer to the question, of saying to the House that this is a government that takes great pride in the performance of our intelligence agencies. We think our intelligence agencies do an excellent job. I regret that the Labor Party frequently attacks them, because these are agencies made up of good and honourable people.

In this budget we provide an additional \$50 million over a four-year period for the Australian Secret Intelligence Service to enhance ASIS's counter-terrorism capabilities. As a result of this spending there will have been a 138 per cent increase in funding for ASIS since this government came to office. The previous government thought they could take a peace dividend at the end of the Cold War—a Cold War won, by the way, by the United States—and they ran down our intel-

ligence agencies, including ASIS. We have been rebuilding those intelligence agencies, and in this budget the funding for ASIS increases very substantially.

Equally, with the Pacific, this budget focuses very strongly on increasing Australia's support for our near neighbours in the South Pacific. Overall, this budget provides for a doubling of funding for Pacific island countries. Obviously, there is a very substantial emphasis on increasing support for Papua New Guinea as a result of the enhanced co-operation program agreed between Australia and Papua New Guinea in December of last year and, equally, a very strong commitment to the Regional Assistance Mission to the Solomon Islands. Obviously, first and foremost this support for the Pacific is important for the peoples of the Pacific themselves, but it is important to Australia because, in terms of our own interests, stable neighbours are important to our own security and the security of our people.

This enormous commitment to the Pacific is the greatest commitment by any Australian government to the Pacific since 1975—since Papua New Guinea's independence. I hear that, if the Labor Party wins the next election and the member for Hotham becomes the Treasurer, the Labor government will appoint a deputy minister for foreign affairs responsible for the Pacific. They will downgrade responsibility for the Pacific to a junior minister and take it away from the foreign minister. This government is doubling support in our budget for the Pacific, reinforcing our commitment to that region, to our friends and neighbours in the South Pacific, to enhance the stability and the strength of those countries.

Budget 2004-05

Mr SWAN (2.36 p.m.)—My question without notice is directed to the Prime Minister, and it relates to the tables presented in

last night's budget. Prime Minister, is it the case that these tables do not show the actual gain in weekly disposable income that families will experience after 1 July this year? Is it the case that, for a dual income family with two children—one under five—on \$65,000 a year, the claimed weekly gain of \$36.97 per week will translate into an actual zero increase in their weekly family income each week from 1 July? Isn't the Prime Minister just up to his old tricks again?

Mr HOWARD—The tables—

The SPEAKER—I point out to the Prime Minister for the sake of the record that I was actually about to have a word with the member for Lilley about the latter part of his question. You had not been recognised by the chair, and I apologise for that. If you repeat your answer, it will be in the *Hansard*.

Mr HOWARD—The answer to the honourable member's question is that the tables prepared by the federal Treasury are accurate.

Budget 2004-05

Mr McARTHUR (2.37 p.m.)—My question is addressed to the Deputy Prime Minister and Minister for Transport and Regional Services. Would the Deputy Prime Minister advise the House of the benefits to regional businesses and the rural economy that will result from the measures announced in last night's federal budget?

Mr ANDERSON—I thank the honourable member for his question. I can say at the outset that the people of regional Australia under this government are not the forgotten people. I point in the first instance to the fact that country people like stability, certainty and decent economic management. They do not want wild enthusiasm and wild experiments from the son of Whitlam and his team over there. I would also note that the Treasurer is interested that country people by and

large like large families. So they welcome the family package aspects of it as well.

Each year we publish what we call our little blue book. This year it is available again: *Regional partnerships for growth and security*, a statement by me, Senator Ian Campbell and De-Anne Kelly, my parliamentary secretary. This book runs to some 93 pages and contains initiative after initiative, both ongoing and new. Indeed, if you simply turn to the overview, you see a pretty impressive list. There is the sugar package that the Prime Minister referred to yesterday. There is AusLink, which, when you add in the money that has been pre-announced for the Australian Rail Track Corporation for rail reconstruction—some \$872 million—means that over the next five years we will be oversighting of the order of \$12.3 billion for roads and rail in Australia, which is around a 35 per cent increase over recent years on an annualised basis.

Our Regional Partnerships Program will see a boost in funding of around \$80 million, which will take it to over \$300 million. The Sustainable Regions Program and regional plans will continue. The CAP—Country Areas Program—which is extraordinarily important particularly in remote parts of the country, will receive \$26 million for schools: \$22 million for state schools and \$4 million for Catholic and independent schools. There will be extra funding for regional universities—that is very important indeed.

There is further money for aviation security and airport security in regional Australia. Substantial resources will go to immigration and migrant programs designed to help migrants settle in rural areas. There is \$830 million to continue the rural health strategy, putting back doctors and allied health care people we could not get in regional Australia because the Labor Party did not train any for 13 years. For the Higher Bandwidth Incen-

tive Scheme, \$107.8 million is now starting to flow. Just last week, in north-west New South Wales, we launched CDMA 1X. CDMA was the replacement mobile phone service we put in. There is more funding in this budget to roll out even more CDMA, but now that technology will give broadband to anyone who has access to it. You can sit out in the middle of a paddock or a highway in the middle of nowhere and, if you have CDMA coverage, you can get broadband.

Over and above that, there are some extras. There is \$54 million extra for the ABC to continue its regional and local programming. The WET reforms, which are very welcome—around \$350 million—mean that 90 per cent of Australia's wine producers will, effectively, not pay any wine equalisation tax, and that has been very widely welcomed. There is no doubt about it, we can say with total confidence that regional Australia know that they are in no sense of the word the forgotten people under this coalition.

Family Services: Family Payments

Mr SWAN (2.42 p.m.)—My question without notice is directed to the Prime Minister. It relates to his last \$1,000 family payment debt offset just before the 2001 federal election. Does the Prime Minister recall telling Laurie Oakes on the *Sunday* program on 1 July 2001 that the \$1,000 family benefit debt offset was: 'Just for a transitional year. It won't be repeated.' Hasn't the Prime Minister repeated this bandaid family debt relief again in last night's budget? Why shouldn't families believe that you will claw back benefits after the election, like you did last time?

The SPEAKER—Before I recognise the Prime Minister, the member for Lilley is well aware that the reference to the Prime Minister as 'you' through the chair is inappropriate.

Mr HOWARD—In answer to the member for Lilley, there was no clawing back last time—none whatsoever. Whilst I will go away and check the record, as I always do not only with the member for Lilley but with many others on the frontbench, my recollection is that what we did in 2001 was not to provide a tax offset in relation to the debts but, in fact, to write the debts off, which is an entirely different thing.

Medicare

Mrs DRAPER (2.43 p.m.)—My question is addressed to the Minister for Health and Ageing. Will the minister inform the House how the government is strengthening Medicare and ensuring affordable access to high-quality health care for all Australians?

Mr ABBOTT—I thank the member for Makin for her question, and I also thank her for her total commitment to Australia's Medicare system. I can assure her that last night's budget demonstrates that Medicare is safe with the Howard government. The figures tell the story. The figures prove that this government is the best friend that Medicare has ever had. Federal health spending since 1996 has doubled. Since 1996 health spending has increased from 14 per cent to 20 per cent of the federal budget. Since 1996 federal health spending has increased from 3.7 per cent to 4.3 per cent of Australia's GDP, and we can afford to spend money on health because of the good economic management of the Treasurer and the Prime Minister.

Last night's budget builds on the MedicarePlus package that was announced last November and strengthened in March. MedicarePlus was a \$2.9 billion investment in Medicare. It was a \$2.9 billion investment in structural improvements to the Medicare system, including a brand new safety net to ensure that 500,000 Australians have protections that they have never had before. For the first time, allied health professionals such as

physiotherapists and psychologists are included in the Medicare system.

Last night's budget was a further investment in health security—health security for our nation and health security for some of the most vulnerable people in our society. There is \$114 million to build up the antiviral stockpile in the event of a new influenza pandemic and \$40 million to enhance Australia's medical preparedness to meet any emergency or contingency. There is more money for profoundly deaf children and more money for a range of insulin-dependent diabetics. There is money for the first time for people who suffer from Fabry's disease and \$40 million more to enhance the health of Indigenous people on top of the 100 per cent real increase in Indigenous-specific health funding since 1996. This government is totally committed to Medicare. Medicare is an article of faith with this government. We cannot make our health system perfect because nothing is perfect this side of eternity. But what we can do is continue to ensure that our system is the best health system in the world.

Budget 2004-05

Mr SWAN (2.47 p.m.)—My question without notice is directed to the Prime Minister. It relates to the new \$600 end-of-year debt offset in last night's budget. Prime Minister, is it the case that this payment has been designed to be delivered at the end of the year rather than fortnightly because it will be used to offset family benefit debts? Is it the case that one in three families may never see the \$600 payment because it will be directly clawed back by the \$900 average family benefit debt? Prime Minister, don't families deserve better than this bandaid bribe?

Mr HOWARD—I would like to thank the member for Lilley and let every member in this House know what the member for Lilley is saying to all families that get family tax

benefit A. When you take into account the one-off payment before 30 June for each child, the additional entitlement is \$1,200 a child. The member for Lilley is calling this a bandaid bribe! I thank the member for Lilley for providing us with some information to go in those letters that, from time to time, we write to our constituents. The member for Lilley is so out of touch with the aspirations and needs of Australian families that he contemptuously refers to this as a bandaid bribe. It is a measure of his concern about the relevance of this assistance that he should lapse into such absurd descriptions.

The reality is that there will be a \$600 one-off payment completely unrelated to any overpayments—the net \$600, which will occur annually. I happen to believe and the government believes that it is a good idea to add to the family tax benefit A system, which is now available fortnightly if people want it. The idea of having a lump sum will be welcomed by Australian families. Many Australian families welcome that as a means, in a sense, of compulsory saving. But through the year they have this very generous fortnightly payment which meets the recurrent expenses and at the end of the year that additional \$600 is available—obviously, as the Treasurer said last night, subject to any reconciliation—for additional items. It is a generous addition, it is far ahead of anything the Australian Labor Party expected us to offer and that is why the member for Lilley is indulging in such absurd rhetoric.

National Security: Terrorism

Mr BALDWIN (2.50 p.m.)—My question is addressed to the Attorney-General. Would the Attorney-General advise the House on measures being taken by the government to increase Australia's ability to respond to terrorist threats and to provide improved protection for the Australian community?

Mr RUDDOCK—I thank the honourable member for Patterson for his question, because I know of his personal and ongoing interest in the domestic security of the Australian people. He recognises, as most members of the parliament either understand clearly or should recognise, that the most fundamental right that any citizen enjoys is the right to live in safety and security. The threat that is posed by international terrorism is of a substantial character and one which any government has to give an absolute priority to addressing.

Our response to the changed circumstances has meant that we have significantly better laws to deal with terrorists and to catch them before they have a chance to commit crime in Australia. We have stronger terrorism-fighting agencies, with the tools and support that they need, to deal with this threat to our community. We have very close international cooperation, because the war on terrorism is not a battle which any one country can fight alone. Since September 11, 2001, the date of the tragic attacks on the United States, this government has committed over \$2.3 billion over five years to enhance over 100 different measures to better secure Australia. Last night, we again delivered in relation to that, committing an extra \$754.5 million to fund additional national security measures over the period of the forward estimates.

Australia's intelligence agencies stand at the front line of our security effort to protect the Australian community. The government has allocated to ASIO in particular over that four-year period an additional \$131.4 million. This will enhance its operational, analytical and technical capacities as well as strengthening border control measures and regional capacity building. ASIO's current staff numbers around 785 people and has reached the levels that we last saw at the time of the Cold War. Over the next three

years, it is estimated that those staff levels will increase by a further 200 officers, representing a total increase in staffing of 79 per cent since September 11, 2001.

With this increased staffing that we have implemented over time, we now have the National Threat Assessment Centre, operational 24 hours a day, seven days a week. The Prime Minister opened it two weeks ago. It is a very important initiative of this government. We have also allocated \$50.2 million over four years to nine agencies to enhance critical infrastructure participation and protection. My department is the lead agency in relation to those matters. The government does take a leadership role in these matters, working with the private sector, the states and the territories to improve protection of critical infrastructure.

Our approach is very different to what I have seen elsewhere. I notice that the Australian Labor Party wants to trash the very effective arrangements that we have in place. It talks about introducing a coastguard and establishing a department of homeland security—arrangements that might suit the United States but which have no justification in the Australian context. The only argument you might have in relation to a department of homeland security would be if our agencies were operating in silos, as has been seen elsewhere. That has never been the case, and if you look at the advice that was given by the Director-General of ASIO, Dennis Richardson, to the Senate in February, he said:

The connectivity between Australian border agencies is probably the best in the world. It is quite unusual for counterpart organisations globally to be able to check that directly from their desktop, and we can.

That interoperability is part of our first line of defence. It is one which Labor would want to weaken by simply changing the signs, re-badging, reorganising and distracting people

from the important task of dealing with the terrorist risk that we face. This government is about getting on with the job of protecting the Australian community.

DISTINGUISHED VISITORS

The SPEAKER (2.55 p.m.)—All parliamentarians will want to join me in welcoming to the gallery this afternoon the 20 millionth visitor to Parliament House. Mrs Robyn Kelly and her husband, Dr Paul Kelly, of Benalla, Victoria were interrupted in their tour of Parliament House by the President and me this morning. We were pleased to host them to a morning tea and to make a presentation to them. We are delighted that an indication of the very open access that Australians enjoy in this parliament is that, effectively, the population of Australia has now visited this building. That is a credit to both sides of the House.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Budget 2004-05

Mr CREAN (2.56 p.m.)—My question is to the Treasurer and it refers to an answer that the Treasurer earlier gave. Can the Treasurer confirm that he said earlier that a teacher on \$48,000 would get a 150 per cent co-contribution on voluntary superannuation contributions? Isn't this wrong because, under the budget initiative that you brought down, the benefit begins to phase out at \$28,000 and the teacher, rather than getting a 150 per cent co-contribution, only gets a 50 per cent contribution? While the Treasurer is at it, can he finally bring himself to confirm that the same teacher will get not one cent by way of a tax cut from his budget?

Mr COSTELLO—I thank the honourable member for his question. I think he misunderstands the superannuation initiative we introduced—that is, every person is eligible for 150 per cent, as I said. The maximum

that they can contribute phases out but, whatever their contribution, they get 150 per cent. So, as I said, if you put in \$100 you get \$150, if you put in \$500 you get \$750 and if you are eligible to put in \$1,000 you get \$1,500. So it was right what I said, and I can confirm it. I thank the honourable member for his question because he has again misrepresented our policy.

While I am on my feet I would like to table for the benefit of the honourable member for Chisholm, in particular, the benefit for each and every state and territory under the GST arrangements. I think I said that, for Victoria, it was \$273 million, and it is a \$237 million bonus—still more than enough to fund 50 per cent of the Scoresby Freeway this year, and the bonus would pay for the balance of the Scoresby Freeway next year. The table shows that every state is in a net benefit position, including New South Wales, which will be in a net benefit position of \$113.7 million in 2004-05.

The SPEAKER—The Treasurer may table the document, but if he wishes to add to the answer it will have to be done separately.

Budget 2004-05

Mr LLOYD (2.58 p.m.)—My question is addressed to the Minister for Ageing. Would the minister advise the House what the government is doing to secure the future of aged care for older Australians? Is the minister aware of alternative policies?

Ms JULIE BISHOP—I thank the member for Robertson for his question. I know that older Australians and their families in his electorate—and, indeed, older Australians and their families across Australia—will welcome the fact that, through the economic management of this government and its successive surplus budgets, this government is able to invest a further \$2.2 billion into the aged care needs of older Australians. On top of the record levels of funding and

record allocations of aged care places, we have ensured that through this budget older Australians will continue to receive high-quality, accessible and affordable care that meets their individual needs. Specifically, we have allocated more places in community and residential care. Some 27,900 new places will be allocated over the next three years. The member for Robertson will be interested to know that 8,575 places in New South Wales alone will be allocated over the next three years—in fact, some 4,125 in New South Wales in this 2004 year—making a total of 13,030 new places for older Australians across our nation.

Secondly, we are ensuring that better care can continue to be delivered. We have increased the subsidy paid by the Australian government to some \$877.8 million over four years. This means that the current average subsidy of \$30,500 per resident will increase to some \$35,380 within the next four years. We have also ensured that nearly \$1 billion of increased capital funding will be made available to the sector to ensure that they can refurbish, upgrade and meet the capital requirements of the sector. This will include \$513.3 million to be paid to the aged care sector by 30 June this year; that is \$3,500 per resident—funding that will go towards better accommodation and meeting the accommodation needs of our older Australians. We have also concentrated on the work force to ensure that there is an opportunity for training and career paths in aged care—a \$101.4 million package for aged care nursing in addition to the training places and scholarships that are already available—to ensure that we not only attract but retain quality aged care staff.

There are a range of initiatives in the aged care budget that support this \$2.2 billion investment on top of the funding of \$6 billion that this government has currently made. It means that from today until 2008 this gov-

ernment will invest \$30 billion into the aged care needs of older Australians.

I am asked about an alternative policy. I am afraid I can confirm that there is none. The opposition have no policies, no plans and no vision for the care needs of older Australia. I am proud that this government is ensuring that older Australians receive the right care at the right time and in the right place—for this government cares about older Australians.

Budget 2004-05

Mr LATHAM (3.03 p.m.)—My question is to the Prime Minister. I refer to his statement last month:

Our position remains that we have certain things we have got to spend money on ... and if there is room ... then we will provide tax relief.

Why doesn't the Prime Minister believe that a vaccine against the deadly pneumococcal disease that kills 50 Australian children a year is something that the government should spend money on in its budget?

Mr HOWARD—I thank the Leader of the Opposition for the question. In relation to the pneumococcal vaccine, the government continues to subsidise it for people at high risk. That is, all Indigenous children and children with medical risk factors can access free vaccine under the National Immunisation Program, and adults aged 65 years and over and those with high medical risk can access the adult vaccine on prescription by their GP, subsidised by the government through the MBS and the PBS—and we continue to review the remaining recommendations made by the Australian Technical Group.

But could I just point out to the House that it is very interesting that the Leader of the Opposition is raising questions about immunisation. Could I remind him that immunisation rates were as low as 53 per cent in 1989-90—and I do not think we were in government in 1989-90—for children at 12

months of age. In 1989-90 immunisation rates in this country were as low as 53 per cent for children at 12 months of age. That was a national disgrace.

Under Labor, the immunisation rates of this country had fallen to Third World levels, and it took the work of former health minister Michael Wooldridge, as a member of the Howard government, to bring those levels back to acceptable standards for a modern society. Since the introduction of the Howard government's Immunise Australia Program, childhood immunisation coverage rates have increased to an all-time high, with over 90 per cent of children at 12 months of age being fully immunised. We have gone from 53 per cent under Labor to 90 per cent now. We are not talking here about adults; we are talking about children at 12 months of age. That is our record on immunisation. The Labor Party ought to be permanently ashamed of how it neglected the immunisation of children when it was last in government.

Budget 2004-05

Mr CAMERON THOMPSON (3.06 p.m.)—My question is addressed to the Minister for Children and Youth Affairs. Would the minister outline to the House how families will benefit from additional child-care places?

Mr ANTHONY—I thank the member for Blair. I know his family is making its own contribution to Australian children. Last night was a terrific night for families and particularly for young children. Indeed, with the announcements we made, an additional \$251 million went to child care. That builds on the \$8 billion that we have now committed over the next four years and specifically targets outside school hours care and family day care. Indeed, \$97.1 million goes to 30,000 new outside school hours care places. Of course, we also made an announcement at the end of last year of 10,000 places. So that

is 40,000 places, and I have been advised that that will eliminate all the unmet demand that we have for outside school hours care across Australia.

Last night we also announced 1,500 more places for family day care, which was in addition to the 2,500 places that we announced at the end of last year. I have also been advised by my department that that will effectively remove all the unmet demand in family day care. There is also the commitment, for those parents who perhaps want to stay at home, of thousands of places in playgroups. The other area where we are putting more money into child care is called the Child Care Support program. It is very important, and it underpins a lot of the accessibility to child care and the maintaining of quality. Part of that is the long day care incentive scheme, where we want to try and encourage long day private care or child care in outer metropolitan and rural areas where there is unmet demand.

When you look at the child-care benefit, the average payment is \$2,000 per family. When you look at the family tax benefits that will be coming through, average families with two children will receive \$1,200 before the end of the year and another \$1,200 when they reconcile. There is no doubt that this is a wonderful budget. I would like to quote the peak children's services organisation Early Childhood Australia, whose spokesperson said:

Taken together, the maternity payment, the changes to other family payments and the gains in child care places make this budget the best one for children and families in many, many years ...

The fact is that this government is absolutely committed to looking after children and parents. If you really want to help children you have to help parents, and if you help parents you help families, and if you help families you build stronger communities—and that is

what this budget and government are all about.

Budget 2004-05

Mr GAVAN O'CONNOR (3.09 p.m.)—My question is to the Treasurer. Does the Treasurer agree with the comments made this morning about the budget by the member for Kalgoorlie that 'it is enough to make you spit' and that regional and remote Australia has been overlooked?

Mr COSTELLO—I do not agree that regional and rural Australia have been overlooked. In fact, rural and regional Australia are great winners from this budget—and I will table the Regional Partnerships for Growth and Security statement. For rural and regional Australia, there is, I think, \$1.1 billion in drought assistance and a \$3.1 billion increase in AusLink, including a \$450 million capital injection into the Australian Rail Track Corporation.

Mr Gavan O'Connor—Mr Speaker, I rise on a point of order on relevance. The question asked the Treasurer whether he agreed with comments on the budget made this morning by the member for Kalgoorlie that it is enough to make you spit and that regional and remote Australia has been overlooked.

The SPEAKER—There is no point of order. The Treasurer is referring entirely to regional issues, as I heard him.

Mr COSTELLO—Mr Speaker, I was talking about the benefits for regional and remote Australia—and I am very happy to continue to do so—including drought assistance and AusLink, as I indicated. I would think rural and remote Australia would include the sugar industry of North Queensland, which has a package of \$445 million, from recollection. Regional Australia would include the 90 per cent of Australia's wine-growers that are exempted from the wine equalisation tax. Regional and remote Aus-

tralia would include those rural and remote councils that have received funding under the Roads to Recovery package to build their local roads and fix their black spots—and there is also their drought relief. If anyone else wants to add any measures, I am open to offers.

This is in fact a budget which delivers big-time for regional and remote Australia. We were pleased to do it because we believe in regional and remote Australia. We know that the best thing you can do for regional and remote Australia is to run an economy that gives them opportunities and jobs as well. This government is committed to regional and remote Australia.

Budget 2004-05

Mr BILLSON (3.12 p.m.)—My question is to the Minister for the Environment and Heritage. Would the minister inform the House of initiatives in last night's budget to further protect and enhance Australia's natural systems? Is the minister aware of any alternative policies?

Dr KEMP—I would like to acknowledge the great work that the member for Dunkley does in contributing to the government's environment programs. Last night's budget confirmed two things. One is that good economic management leading to wealth creation puts Australia in a position where it can increase funding for national environment programs. The second thing that the budget confirmed last night is that this government is doing more to protect and repair the environment in Australia than any previous government in Australia's history has done. In this coming year, the Howard government's spending on the environment will rise by some 20 per cent to \$2.4 billion a year, which is by far the largest commitment that any Australian government has ever made to the protection and conservation of our environment.

The great success of this government in repairing the environment has been the partnerships that the government has established with local communities in the task of environmental repair. Since 1996 some 420,000 Australians from all walks of life have been involved in environmental repair funded under the Natural Heritage Trust. This budget commits another \$300 million to the Natural Heritage Trust, which will fuel the biggest environmental effort in our history. It will allow regional communities to plan ahead and to have confidence that they will continue to be funded in the main priorities of environmental repair. On top of this, the budget has provided another \$80 million to Landcare, which is one of the key programs for mobilising volunteers in environmental repair and resource management in regional and rural Australia. In fact, in the coming year, the expenditure under the NHT and the National Action Plan for Salinity and Water Quality will be almost \$100 million more than it was last year.

It is quite clear that the Labor Party does not like the Natural Heritage Trust. In a press release on Monday, the shadow minister attacked the Natural Heritage Trust as ineffective. He said there should be no more money for the Natural Heritage Trust. It is now quite clear that if the Labor Party ever came to government it would abolish—wind up—the Natural Heritage Trust. It would put an end to the community based environmental repair programs that this government has funded, and replace them with centralised bureaucratic programs of the kind that Labor put in place in the past.

On 1 July, the historic enhancement of the protection of the Great Barrier Reef comes into effect. The budget provides \$174.6 million over the next four years for the protection of Australia's greatest natural icon—an increase of \$20 million. The budget also records the fact that this government takes cli-

mate change very seriously. The budget provides an additional \$70 million for climate change programs to abate greenhouse gases in this country. This government has now committed over \$1 billion to greenhouse gas abatement and has made Australia a world leader in this area. In short, for the environment, this is the best budget that any Australian government has brought down, and it is the dividend of the outstanding economic management of the Howard government.

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

**QUESTIONS WITHOUT NOTICE:
ADDITIONAL ANSWERS**

Australian Defence Industries: Sale

Mr HOWARD (Bennelong—Prime Minister) (3.16 p.m.)—Yesterday the member for Chifley asked me a question regarding the development of a park and sporting complex at the former ADI site in St Marys. I have sought advice on this matter. The government gave detailed consideration to the land use issues, including the development of a recreation park at the St Marys site, in the context of the ComLand scoping study, which was announced in the 2002-03 budget and completed in March 2003. As a consequence, Lend Lease, which is the developer, has undertaken to develop a 100-hectare park and sporting precinct at St Marys, under the ComLand share sale agreement executed on 22 January 2004. While the terms of the sale agreement contain information that is commercially sensitive, I can confirm that the facility will be funded and provided by Lend Lease.

Subject to planning approval of the specific facilities to be included in the recreation park, it is intended that the park will include outdoor playing fields; a synthetic all-weather field; tennis, netball and basketball courts; cycleways; walking trails; and picnic and barbecue areas. I point out to the House

that this is entirely consistent with the announcement I made in the presence of the member for Lindsay on 20 February 2004. I have written to the honourable member for Chifley, and I have copied my response to the Parliamentary Secretary to the Prime Minister—the member for Lindsay—and to the Minister for Finance and Administration.

Ms Gillard interjecting—

The SPEAKER—The chair has spent question time tolerating a large number of interjections from the member for Lalor. A good deal of tolerance is given to her as Manager of Opposition Business. She will exercise more restraint.

PERSONAL EXPLANATIONS

Mr HAASE (Kalgoorlie) (3.19 p.m.)—Mr Speaker, I wish to make a personal explanation.

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

Mr HAASE—Yes, I do—most certainly.

The SPEAKER—The member for Kalgoorlie may proceed.

Mr HAASE—During question time it was stated that in response to the budget at large I had referred to the fact that it was enough to make me spit. Nothing could be further from the truth. Had the person who asked the question been fulsome and truthful in his question he would have known that I was referring specifically to a unique requirement for the Kalgoorlie electorate: a request of long standing—over six budgets—for a consideration for taxation zone rebates. It could not be further from the truth, therefore, that when referring to this budget, the most family friendly budget passed down in decades, I would want to say it made me spit.

The SPEAKER—The member for Kalgoorlie has indicated where he was represented and will resume his seat.

Mr CIOBO (Moncrieff) (3.21 p.m.)—Mr Speaker, I wish to make a personal explanation.

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

Mr CIOBO—I certainly have—in two areas.

The SPEAKER—The member for Moncrieff may proceed.

Mr CIOBO—The first of the two areas was in regard to comments that the Leader of the Opposition made in the debate on the **Parliamentary Superannuation Bill 2004** about remarks that he alleges that I made to him. His allegation that I made those remarks is completely false. Those alleged remarks were a complete fabrication. The second area that I would like to raise is the assertion that the Leader of the Opposition made when he said that he felt that he was under threat as he went into the cafeteria. I simply highlight that while the Leader of the Opposition may resort to violence to settle disagreements I certainly do not.

PAPERS

Mr ABBOTT (Warringah—Leader of the House) (3.22 p.m.)—Papers are tabled as listed in the schedule circulated to honourable members. Details of the papers will be recorded in the *Votes and Proceedings*.

BUSINESS

Mr ABBOTT (Warringah—Leader of the House) (3.23 p.m.)—I move:

That standing order 48A (adjournment and next meeting) be suspended for the sitting on Thursday, 13 May 2004.

Question agreed to.

MATTERS OF PUBLIC IMPORTANCE

Budget 2004-05

The SPEAKER—I have received a letter from the honourable member for Hotham

proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The Howard Government's cynical pre-election budget including its failure to deliver tax relief to 80 percent of Australian families and singles—the forgotten people

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 CREAN (Hotham) (3.24 p.m.)—This is a budget of wasted opportunity and of dashed expectations. We went into this budget knowing that this government—a government awash with tax—had accumulated huge surpluses. As a consequence of that there were enormously high expectations that there would be a return to all Australians in the budget. But the fact of the matter is that 8.5 million families and singles did not get a cent by way of tax cut from this budget. Understand the context of this: this is a budget that hands out \$15 billion in tax cuts alone, yet four in five people in Australia miss out—a \$52 billion budget spend over the next four years and the government could not find a cent by way of tax cuts for families earning below \$52,000. This makes the milkshake and sandwich tax cut of last year look like a veritable feast. That is what the government have done.

This government, the Prime Minister, the Treasurer, every cabinet minister—every member of parliament, for that matter—will get \$42 a week by way of a tax cut, but those 8½ million families and singles will get zero. That is just not fair, and in the circumstances—a budget awash with money from a record taxing government—they deserved more. They should have got more but they did not get more, and that is why there are

many families who are so disappointed in this country today. True, there are aspects of the budget that will provide benefits, but with \$52 billion you would have to be able to do something right. The trouble is that the government did not do enough that was right.

Let us understand it, because the Treasurer was trying to make some play before about what the Australian Bureau of Statistics says constitutes families. What we are talking about here is the breakdown of 10.7 million families and singles in the country. That is what the Bureau of Statistics talks about—10.7 million families and singles. Under this budget, 8.5 million of them get no tax cuts whatsoever, and six million of them not only do not get a tax cut but also do not get anything by way of benefit under the family benefits it contains.

True, there are benefits for the difference, for two million families, but even within those two million families 600,000 of them may never see a cent. Why is that? It is because these are the families that have been caught in a debt trap of the Prime Minister's and the Treasurer's making—a debt trap created more than three years ago which they have still not remedied; a debt trap which, going into the last election, they were required to buy their way out of with a \$1,000 waiver. We were told by the Prime Minister we would never have to do it again, because they had fixed the problem. They have not fixed the problem. That is why in last night's budget they had to compensate again, with two lots of \$600—one before 30 June and the other some months later. That is \$1,200—for what? It is compensation for not fixing the problem but there is no provision for a lasting solution. So what have we got? Another fix. When? Just before an election, to buy their way out of trouble, but with nothing committed to fix the problem.

So here we have a government that promised to govern for all of us, and they have left four out of five people with nothing in the way of a tax cut and three out of five with nothing whatsoever. That is not governing for all of us; that is leaving many of us well behind, leaving many of us with nothing at all—not the people who sit in this place, who will get their \$42 a week tax cut, but the people that this government claim to represent and to whom they have given nothing. That is why this budget is so unfair.

I said before that there are some good aspects of the budget. This \$52 billion spend—the biggest spend by any government in any budget ever, and just before an election—eclipses the \$25 billion the government spent before the last election. It almost doubles it. You would think that with \$52 billion you would be able to get some things right. They did. What they did get right was to copy Labor and introduce a baby care payment. That is what they did, and we congratulate them on it. It is a good policy. Labor set the agenda, and the government have followed, so we congratulate them on it.

We also congratulate them for belatedly recognising that something has to be done for the aged care system. It is a system that under this government has been allowed to fall into rack and ruin. It is a system where Labor has consistently set the agenda and argued that reform needs to occur. The government need to be prepared to invest in the care and attention of our older people. We welcome what occurred last night but, again, it is no coincidence that it has happened. It did not happen over the seven years that we have been complaining about the problems but it happened just before the next election. Whilst we welcome what they have done, beware the nasties still to come, because they have not signed off their response to Hogan on nursing home bonds, for example. I guess we will not hear anything about that until

well after the next election, were they to be elected. That is the trickiness of this government. They are trying to buy their way out of trouble just before an election, but you can never believe that these benefits are going to remain.

We also welcome what they did in relation to those suffering from diabetes and the additional payments for carers. But the additional payment for carers, the \$1,000, is a one-off payment. Again, miraculously, it is a one-off payment just before the next election. It is a payment that does not last. It is a one-off payment which the government are seeking to just add cynically in the exercise of looking like they are attending to the problem, but they are not doing it in a lasting way.

There were high expectations of this budget. Particularly now that we know that the government had \$52 billion to spend, we would have expected restoration of services, tax cuts and family benefits for all Australians, and some real reforms so that people who do hard work are rewarded for that effort. All of this could have been done in this budget. I made the point before that budgets are about choices, but the government continue to make the wrong choices. It could have been done in this budget. Why? Because it is true that we have had strong economic growth, not just while they have been in government but for 13 years. The combination of 13 years of strong economic growth and the consistently high participation rate, one which is about to peak, has given us an enormous opportunity to do something of a lasting nature to really address the intergenerational challenges of an ageing population—ensuring that they can live with dignity and ensuring that we as a nation invest in our education, our skills and our research and development. But what did we have? We had a government that responded in a cynical way and rolled in the

money from the tax take that they reeled off the Australian public.

It is interesting that, even with the tax cuts in this budget, the budget papers still confirm that the Howard government are the highest taxing government in Australian history. Even with the tax cuts they are the highest taxing government in Australian history. The income tax cuts that the government have given do not give back bracket creep. In none of the four years in question is bracket creep given back.

Mr Costello interjecting—

Mr CREAN—It is true. The Treasurer interjects that it is not true. I seek leave to table a document which proves the point. Is the Treasurer happy for me to table an attachment to—

Mr Costello—Absolutely.

Mr CREAN—I table a document which shows that the tax cuts in this budget do not match bracket creep. What the reality also demonstrates—

The DEPUTY SPEAKER (Hon. I.R. Causley)—The member for Hotham should have asked for leave through the chair, but carry on.

Mr CREAN—I ask for leave through the chair, but the Treasurer was—

The DEPUTY SPEAKER—They are the rules.

Mr CREAN—in a helpful mood, so we took advantage of it. I apologise, Mr Deputy Speaker.

Leave granted.

Mr CREAN—It is also true that Australians are paying an average of \$9,000 more in Commonwealth tax, including the GST—

Mr Costello interjecting—

Mr CREAN—it is true, Mr Treasurer—than when the Howard government came to office. By the end of the forward estimates

Australians will be paying \$12,000 more. Rolling in the money. But what have the government done? They have run down the services as well as taking the tax out of people's pockets. The other night they were telling us that everyone was going to get tax cuts. This is the old argument: give with one hand, take with the other. Just think about it. The people who actually get something out of this budget are finding that under this government they are an extra \$14 out of pocket every time they go and see a doctor. For the purposes of getting their kids through university, in the future they will have to find another 25 per cent due to a hike in fees. They now find that private health insurance premiums are going up by seven to eight per cent yearly. That is more money going out of their pockets. To add more to this, Telstra line charges went up the other day because this government will not look after the interests of consumers, who are the major shareholder. So those charges are going up too.

We could have made the point before this budget that the government were giving with one hand and taking with the other. We cannot say that anymore because four out of five Australian families and singles were not given anything—not a thing—but they are still losing money out of their pockets. So whilst the government are rolling in the taxes, you have households drowning in record debt. That is why they have been under financial pressure; that is why we have argued that they need to be given relief. But did the government address that in the budget? Did they get the balance right or did they go for the cynical bribe? You guessed it—they went for the bribe.

What they came up with last night was not a plan for Australia's future—not a plan for intergenerational challenges. All they came up with last night was a plan to get themselves elected. I think the Australian people will see through it. Just think about it: almost

\$6 billion will be spent in the next six weeks. They are giving \$600 in June for people with families who qualify for family tax benefit part A, and another \$600 two months later. Is there any coincidence in that? It gives them two options as to when they can call the next election—soon after the first \$600 or soon after the second one. I do not think there could be anything more cynical than that. But this is a budget dripping in cynicism.

Remember that three years ago—and the member for Lilley drew attention to this in question time today—the Prime Minister said in relation to a similar attempt to fix up the tax debt trap that a \$1,000 waiver that would be given to families would never have to be repeated because the government were going to fix the policy. They have not fixed the policy and here we are at it again. It is not \$1,000 this time but \$1,200. It shows that they have not fixed the problem but they know that they have a problem and they think they can fix it simply by buying their way out of it each time an election comes around.

We have indicated that we will pass this budget, but we will be presenting our alternative to it. For \$52 billion you would think you would be able to get benefit to more Australians than this government has succeeded in doing. You would think you would be able to get it right, but you only get it right if you genuinely are governing for all Australians. This government has given up on them. It is only interested in supporting those at the top end of town. It failed the test last night with the budget. We will present our alternative and we will campaign on it. Australians will have a clear choice not just between the contribution and balance of taxes and services—which we have outstripped you on so many times by saving bulk-billing; we will do it through the tax and family package as well— (*Time expired*)

Mr COSTELLO (Higgins—Treasurer) (3.39 p.m.)—I will go through in a moment the number of false claims that were made as part of the member for Hotham's speech, but I will just summarise where he finished. After a long complaint that Australians were paying too much tax, he finished by promising that Labor would increase spending on services—he finished with a claim that Labor wanted more spent on services. If you want to keep your tax take—or even lower it—but spend more, the only way you can actually do that is to drive the budget into deficit. If he were honest and said, 'We will drive the budget into deficit to do that,' we could argue that proposition. But, just in case you thought that was his policy too, he has also pledged to keep the budget in surplus—indeed, a bigger surplus. So the Australian Labor Party position on this budget is as follows: you should take less tax, spend more and have more left over at the end of it. You should take less tax, you should spend more and, after you have spent more with less, you should have more left over. It only needs to be stated to realise that this is an immature response to the budget in economic terms from an opposition that has not engaged in any serious economic thought and an opposition that does not have a coherent position.

I will also go to where he now finds himself. He says that the Labor Party will vote for the budget—

Mr Wilkie—Who's 'he'? Use his name, please.

Mr COSTELLO—The member for Hotham. It was the member for Hotham. I do not know if you were here—

The DEPUTY SPEAKER (Hon. I.R. Causley)—If the member for Swan wants to take over the chair, he might like to come up here. Otherwise, he must abide by the standing orders.

Mr COSTELLO—but the member for Hotham said that the Labor Party's position is that they will pass the budget and vote for it, but they have an alternative. If they are serious about this proposition, what they are in fact saying is that this will be enacted but they will then go to the election with a proposal to undo it if they are elected. In other words, Australians will be told that their tax cuts will be undone if the Australian Labor Party are elected at the next election. If the Australian Labor Party seriously want to go to the next election and say to the public, 'Those tax cuts have been implemented, but vote for us and we'll take them away,' please do. If you were elected on a policy of taking away the tax cuts, you would be perfectly entitled to do it.

But we all know what will happen: we will have a big kerfuffle now about how 'we would have had an alternative' and then when we get to the election the alternative will disappear. Why do I say that? I say that because for three years I watched the modus operandi of the member for Hotham when we were reforming the tax system. He would stand up and ask his questions about how bad the GST was, and day after day he would promise that the Labor Party would roll back the GST. So we waited and waited with bated breath. We wanted to know what this wonderful new alternative was. Then, what we had expected arrived on a critical day. The GST roll-back—which, as I said, he had laboured to give birth to for three years—brought forth a peanut. It was so small as to barely exist. Do you hear Labor talking today about the roll-back of GST? No, because they knew what was right for the country; they just did not want to do it. They wanted to extract every ounce of political populism along the way.

They are going to try to do the same thing in relation to this budget. They know what is right for the country, and the budget will pass

if they vote for it in the Senate. They will pretend that they are for an alternative, but by the time we get to the next election that too will have disappeared. If I am wrong about that, please do go to the next election promising to take away the tax cuts. If I am wrong about that, please do tell the Australian public that that is your policy. But we know that the Australian Labor Party will not do that. In this MPI the Australian Labor Party accuse the government of cynicism. What could be more cynical than passing the budget, saying that you are not actually in favour of it but, when the opportunity comes to unravel it, disappearing in the policy sense? This is not serious economic thought. It is not serious economic policy. I have said before that until the Australian Labor Party can find somebody who is prepared to do serious economic work they will always founder in relation to economic management.

Let me correct a few of the other things that the member for Hotham said before I get on to the benefits of this budget. The next thing he said was something you will hear quite often from Labor Party speakers. He said, 'Yes, the economy is strong but that's all the good work of the Labor Party.'

Dr Emerson interjecting—

Mr COSTELLO—'It is true,' the member for Rankin says. The reason the economy is doing well is because of what the Labor Party did eight years ago! It has got nothing to do with what has happened in the last eight years! This recitation of history always leaves out one incidental fact: the 1991 recession—the one we had to have. It is always about how Labor were so great at managing the economy that it is booming eight years after the event, but they were not able to keep the economy out of recession when they were actually in control. There is a former Prime Minister of Australia who always

extols the virtues of his economic record. He just leaves out one fact—namely, the fact that the economy went into the worst recession in 60 years and that unemployment went to 11.3 per cent and home mortgage interest rates went to 17 per cent. It was really a fantastic economy—if you leave out the interest rates, the unemployment and the recession.

The thing that has always amazed me about this recitation of history is that, when Australia went into recession in 1990-91, it was not during an Asian financial crisis; it was during an Asian boom. If you could manage to get the Australian economy into recession during an Asian boom, where would you have been during an Asian bust? The second thing that I will point out about this recitation of history which we have just had from the member for Hotham is that, apparently, we had a booming economy after the recession because Labor were great economic managers. If the economy was booming, I ask this: why during those five boom years did we have five budget deficits and accumulate \$80 billion worth of debt? That makes it worse, doesn't it? You are not seriously saying to me that the Labor Party was running budget deficits of three per cent during a boom! If that is going to be the account of history, it is even more profligate than it in fact was. We were running up \$80 billion worth of debt during that period of boom.

The reality is that the Labor Party did some good things in the late eighties. They reduced tariffs. We wish the Labor Party would return to that position today, but they will not. The Labor Party did some other good things in the mid-eighties. They supported a broad based consumption tax but, when the time came to actually implement it, they opposed it. The Labor Party in the 1980s were interested in reducing marginal income tax rates. We put up a similar proposal in 2000 and, again, we are attacked for it. But it was this government that balanced

the budget. We have had seven surpluses, repaid \$70 billion of Labor debt, brought in the broad based indirect tax, continued with tariff reductions and put in place a statement of monetary policy. It is this government that cut the company tax rate, halved the capital gains tax rate and abolished the bank account debits tax, the stamp duty on shares and the bed tax. It is this government that reformed Commonwealth-state financial relations, which will deliver the abolition of the bank account debits tax on 1 July next year. It has already delivered the abolition of the financial institutions duty. As the budget papers show, the Commonwealth tax to GDP is not rising; it is falling. The budget papers show that in the historical tables. And it is falling across the forward estimates.

Dr Emerson—We always forget about the GST.

Mr COSTELLO—I am going to come to that in a moment, Member for Rankin. The poor old Labor Party, who do not like that outcome, say, ‘We don’t like that outcome, so we will count GST as a Commonwealth tax.’

Dr Emerson—What did the Auditor-General say?

Mr COSTELLO—We will go through this argument. Labor say, ‘We will count GST as a Commonwealth tax, but count the taxes that it abolishes as state taxes.’ Mr Deputy Speaker, the way in which you do this arithmetic is by saying that, when the GST abolishes \$1 billion of financial institutions duty and when the states have not actually lost a dollar, the outcome is that Commonwealth tax to GDP has risen and state tax to state GSP has fallen. There has been a unilateral tax reduction from the states, even though they are not receiving one dollar less. On 1 July next year, when the bank account debits tax is abolished because the GST will fund it, the Labor Party will say, ‘Count the

GST, which funds that tax reduction as a Commonwealth tax, and count the abolition of the bank account debits tax as the abolition of a state tax.’ So even though the states will be receiving more revenue on 1 July of next year, they are engaged in unilateral tax reduction.

Let us look at it another way. As we show in this budget, the states move ahead of their financial assistance grants, because of the GST bonus, by a package of \$1.1 billion, I think. I have it in one of these diagrams here. The Labor Party say that the states are in fact receiving no money, because that is Commonwealth revenue. That is what they are saying. The GST goes up and the entire bonus is received by the states, but it is the Commonwealth that has more revenue. You can see why you would be putting that argument, because the one thing they want to cover up is the boom to state revenues that is occurring from the fact that the GST system has been implemented and is probably going a long way to keeping Labor governments in power. So because the Australian Labor Party do not like the facts and because the budget papers show unequivocally that the tax to GDP ratio is reducing, they try to move state revenues back onto the Commonwealth balance sheet and count the taxes that are abolished on the state account. Of course, the GST funded not only the abolition of bed tax, stamp duty on shares and a reduction in gaming tax but also the abolition of the 7c petroleum franchise fee which the Commonwealth used to collect on behalf of the states and was always shown as a state tax. When we move from collecting it on their behalf through the petrol system to collecting it on their behalf through the broad based indirect tax system, somehow it moved from one account to the other. That can be abolished too.

So where did we get at the end of the day? We got to this proposition from the member

for Hotham: that the government was going to give a huge bribe to the public and, what is more, the public would not get any benefit. The one thing that does happen when a bribe occurs is that the money passes. You can either have it the way the member for Lilley says, where it never passes—he says you never get a benefit—or you can have it the way the member for Hotham says—that is, you are getting the money—but you cannot have it both ways.

Mr Deputy Speaker, the opposition's budget response started off with the proposition—and you heard it in the first question and you saw it in their press release last night—that '8.5 million forgotten Australian families don't receive a single cent.' There it is, as said by Simon Crean. There is one problem: there are only 4.9 million families in Australia. This is the way in which the modus operandi of the Australian Labor Party has developed. Because there is no economic understanding, somebody gets a phrase, which is mindlessly repeated until they start believing it themselves. What I say to the Australian Labor Party is this: you need someone who can do analysis. You need to deal with facts. You need to find out that, if there are only 4.9 million families, 8.5 million families cannot be worse off in Australia. You need to come to grips with policy. The member for Hotham would not be the spokesman that would help manage an economy if the Labor Party were ever elected. This requires detailed understanding and constant management, and that is what this budget is all about. *(Time expired)*

Dr EMERSON (Rankin) (3.55 p.m.)—John Howard's battlers have become the people who John Howard forgot. When the Prime Minister designed his tax cuts, he forgot Australia's nurses, police constables, cleaners, child-care workers, shop assistants, taxi drivers, receptionists, call centre operators, waiters, waitresses and factory workers.

The fact is that four out of five Australian families and single people get no tax cut under this government. Yet their plight was dismissed by the Treasurer in his statements last night on the *7.30 Report* when he said:

You asked me about low income earners.

Last year we did it across the board.

Low income earners pay less tax.

So he is saying that they got their milkshake and sandwich tax cut last year and that is all they deserve. He is saying, 'Let them eat cake'—or, more particularly, 'Let them eat their sandwich and have their milkshake,' because that is all they are getting out of this government: a miserable milkshake and sandwich tax cut from last year.

So why is there no reward for effort, Treasurer? Why is there no reward for effort for child-care workers, cleaners, shop assistants, taxi drivers and receptionists? Why is there only reward for effort for those who are on incomes above \$52,000? Even then, the tax cuts are clawed back through bracket creep. It is a government that gives with one hand and takes with the other. The fact is that after three years the average household will be paying \$12,000 more in income tax than when the Howard government came to office—and that is after the tax cuts. That shows the extent to which this government is failing to give back bracket creep. Even after the tax cuts, and no matter what the Treasurer said, the government maintains its record as the highest taxing government in Australia's history.

The government tries to pretend that people on incomes below \$52,000 will still get relief from the budget, but only two million families are eligible for the increased family payment—only two million families out of 10½ million families and single people. Of those two million families, fully 600,000 of them are caught in the debt trap. So they may not get any relief. In fact, they may end up

owing money after they get their two lots of \$600, depending on the size of the debt. What does that all mean? It means that one in five Australian families and single people will get a tax cut and one in five Australian families and single people will get an increase in family payment, leaving three out of five Australian families and single people who get nothing—not one red cent. So 60 per cent of Australian families and single people will get not one red cent under this government.

In 1942 the Prime Minister's hero, Bob Menzies, gave a radio interview called 'The forgotten people', in which he said the forgotten people 'represent the backbone of this country'. I say that the police constables, nurses, cleaners and child-care workers represent the backbone of this country. I say that the shop assistants, taxi drivers and receptionists represent the backbone of this country. But they are the forgotten people. They are forgotten in this budget. In the 2004 budget, the Prime Minister has created a new class of forgotten people—six million Australian families and single people.

Australia wide, 60 per cent get nothing, but in my state of Queensland it is much worse, because incomes generally are lower in Queensland, which means that there are more Queenslanders below that \$52,000 cut-off point. The calculations I have done—and I have been very generous to the government in the assumptions I have made in those calculations—show that 67 per cent of Queensland households and individuals get nothing from this budget, because of those lower incomes. That means two-thirds of Queenslanders get no tax cut and no increased family payment. This budget discriminates against Queensland. It discriminates against the forgotten people of Caboolture, Bundaberg, Gladstone, Townsville, Logan City in my electorate, Redcliffe, Wynnum, Algester,

Coopers Plains, Salisbury, Pine Rivers and Ipswich, to name just a few.

But the forgotten people are not only in Queensland. The forgotten people are all around Australia. They are the lower-income people, earning below \$52,000, without children. They are the forgotten people of the Latrobe Valley, Geelong, Bendigo, Ballarat, Burnie, Devonport, Launceston, Queens-town, the north-west coast of Tasmania, Elizabeth in South Australia, Katherine, Darwin, Alice Springs, Cooma, Queanbeyan, Wyong, Gosford, Murwillumbah, Ballina, Broadmeadows and, of course, Kalgoorlie.

We heard the member for Kalgoorlie admit that this budget leaves his people in the category of the forgotten people. He said that it is enough to make him spit. The people of Kalgoorlie have been forgotten in this budget. To make matters worse, there is no boost in services. You would think that the government would have said, 'We won't give the sort of tax cuts that the Australian people deserve and should get as reward for their effort; we'll boost services.' Have they done that? Have they done that with training? No, not a red cent for training. This government is absolutely committed to taking Australians down the low road to low skills and low wages. Therefore, it has not applied one cent of government spending to training in this budget. Of course, in Medicare, where bulk-billing continues to decline, and in health generally, there is almost nothing. There is almost nothing new in the health budget.

I turn now to the most disgraceful decision that this government made in this budget—that is, the decision not to fund the pneumococcal vaccine. The government is spending \$52 billion to get re-elected—as the shadow Treasurer said—and this government, disgracefully, has refused to fund the pneumococcal vaccine. The Prime Minister is quoted in the media as having de-

scribed the funding of the pneumococcal vaccine as 'middle-class welfare'. I say that all Australian children should be protected from this deadly disease that takes so many lives and causes so much harm in this country. On that matter, the president of the AMA agrees. When he realised that the government was not going to fund it, he called on the government to urgently reconsider its decision. Dr Michael Rice from the AMA's child and youth health committee said a healthy budget surplus could pay for the vaccines. He said: 'It's not only a poor decision, it's a stupid decision.' I say it is a stupid and a callous decision and the Treasurer and the Prime Minister should be ashamed for not funding the pneumococcal vaccine.

The fact is that this budget is not a plan for the future; it is a plan for an election. It is a plan for an election—to get re-elected—but even then it is a flawed election plan, where 60 per cent of Australian families and single people get nothing. In my state of Queensland, two out of three Queensland families and single people get not one red cent out of this budget. It is an unfair budget. It is a typical Liberal budget. Can anyone remember a more typical Liberal budget than this one, where they are only funding tax cuts for high-income earners and where they are depriving the forgotten people of Australia of any benefit at all? This election will determine the very character of our nation. It will determine whether we revive that great Aussie notion of a fair go for all or whether we descend into a dog-eat-dog mentality where there is no such thing as society and no such thing as community. This election will determine whether access to decent health care depends on how much money you have to buy health care or whether we return to a universal health care system where Medicare is available for all Australians. Labor built Medicare and only Labor will save Medicare.

This election will determine whether the sons and daughters of the working men and women of Australia are able to go on to university and develop their talents or whether we return to the pre-Whitlam era where the entry card into university was marked 'privilege', not 'talent'. In 1996, the government pledged to govern for all of us, but it has forgotten six out of 10 Australians and almost seven out of 10 Queenslanders. This is a callous government. When Ben Chifley observed the light on the hill, he said, 'These things are worth fighting for.' Labor will fight this election for all Australians. We will fight this election for those six out of 10 forgotten Australians, and we will fight it for all Australians. The Australian people deserve a better government than this mean, cynical Howard government that has no plan for them, just a plan for an election. We will replace this government, this mean, cynical government, with a Latham Labor government. It will be a creative, compassionate Labor government that will fashion for the Australian people a prosperous, fair, tolerant and compassionate Australia.

Mr ROSS CAMERON (Parramatta—Parliamentary Secretary to the Treasurer) (4.04 p.m.)—We have had occasion now to get the first real insight into the opposition's critique of this budget, and it has led off with three largely self-inflicted wounds. The opening salvo from the Australian Labor Party tells us that there are over eight million families in this country. After their detailed study, it has taken them this period of time to do the research to discover over eight million families in Australia who have been left out and forgotten. I want to spend a few moments on that statement, because when I heard it being made I was, frankly, somewhat stunned. I did the basic maths in my mind. There are roughly 20 million people in Australia, and I figured it was a pretty bold effort—to manage to leave eight million fami-

lies out, if there are only roughly 20 million people in the whole population. So I thought to myself, initially, 'This must be a breathtaking error—just a sort of subediting failure, just a complete lack of quality control.' I thought it must have been a misstatement.

Then I thought that I really ought to check and see how it was possible that, at the level of the office of the Leader of the Opposition, a statement could go out in response to one of the more significant moments in the Australian political calendar. How could one of the most senior opposition ministers get a fundamental piece of data like that so wrong? I thought that perhaps the figure was lifted out of an American speech somewhere which had been referring to some other nation's collection of families. I thought maybe it was lifted out of a Clinton speech, but I thought, 'Arkansas could not have over eight million families'—and probably the United States would have well over eight million families—'so maybe there is some other source. Maybe it came from Bangladesh, which has about 50 million people in its population.' Maybe that was it. I did not know. I was trying to work it out. But, as it turns out, right at the very bottom of page 2 of the first press release that went out there is a little footnote, which one could easily miss reading through page 1. The footnote says that the statement relies on the NATSEM definition of families, which includes single adults. It includes married couples—married couples with children and married couples without children—and it includes single adults.

You would have to scour every lexicon, every dictionary and every think tank around the globe to come up with a definition of families that included single adults. But the shadow Treasurer has discovered this definition. Initially I thought this reflected a breathtaking error of fact and failure of quality control, but now I think it reflects a delib-

erate attempt to misrepresent the situation. I think that was largely confirmed by the second press release—that was the one that I understood was released in a corrected form, the earlier one having been airbrushed.

Then, of course, we go to the shadow Treasurer's mastery of the detail of the budget: he leapt to his feet mid-question time, following a question about a teacher from Queensland on \$48,000, to demonstrate to the world that he had not yet comprehended the most basic mechanics of the operation of the government's superannuation co-contribution scheme. The Treasurer was kind and patient enough to correct and educate him on that occasion. The simple fact is that the government's co-contribution operates at 150 per cent of the voluntary contribution of the individual concerned—on \$48,000 or whatever the figure may be—but with a tapered rate applying to the amount of contribution that can be made under the scheme at each level of income.

These are fairly basic mechanics of a public policy instrument. They are the sort of thing that any junior Treasury official will have mastered in economics 101. The Treasurer has demonstrated that this is an issue of financial literacy. The government under this budget is making significant allocations for financial literacy, and we will be delighted if the opposition cares to make use of that, because we want to have an informed public debate in this country. We accept that there are matters of principle at stake here, but we would like to be arguing over the facts, rather than over whatever bit of text was lifted out of some other leader's remarks or over a fundamental misunderstanding of the basic mechanics of the way in which the budget operates.

We move then to the final element of the opposition's response to this budget, which is the rather extraordinary statement by the

Leader of the Opposition on Howard Sattler's program this morning. I do not know exactly what Howard Sattler's audience is, but one assumes it must be in the tens of thousands. When, on the morning after the budget, the Leader of the Opposition is being questioned as to his response to the budget, one would assume that he would bring to bear the same level of care that we expect of members in this place, who bear an obligation to immediately correct the record where they have made an error of fact. Errors of fact happen from time to time. We are all human. We can make allowances for them. On this occasion I do not believe there has been any correction of this bit of text, which I will record for the benefit of the House:

Sattler: Have you worked out with Mrs Latham over the phone at least how much more money Peter Costello is going to give you?

LATHAM: I don't think we get anything.

Sattler: Must be something?

LATHAM: We're part of the 60 per cent of the country that's been forgotten in the budget. There's over six million Australian families and singles—

so we have gone from eight million under the shadow Treasurer to six million under the Leader of the Opposition; the ABS is saying 'four point something,' and I see the shadow spokesman for transport at the table, so perhaps he wants to add a fourth or fifth figure—

who do not get a single cent in tax cuts or increased family benefits.

So the Leader of the Opposition said to Howard Sattler and the tens of thousands in his radio audience that he will not receive a single cent in tax cuts.

Every now and again as a member of parliament you have the experience of getting a 6 a.m. phone call from a particularly industrious journo who wants to run something on a morning drive program. You are sort of

bleary eyed, you are just waking up and you have not quite got your stuff together. But when the Leader of the Opposition, responding to Howard Sattler the morning after the budget—when it is incumbent upon him to bring together the opposition's critique of the most significant act of any government in any calendar year—says, on an income of over \$100,000, 'I won't get a single cent in tax cuts,' and then fails to correct the record, what you have is a degree of policy on the run; a degree of having a guess; a degree of making it up as you go along; a degree of sticking your jaw out and hoping for the best.

Mr Sidebottom interjecting—

The DEPUTY SPEAKER (Hon. I.R. Causley)—The member for Braddon seems to be unhappy unless he is warned every day in this parliament.

Mr ROSS CAMERON—It reminds me of the 'bring the troops back from Iraq by Christmas' policy, announced likewise to a radio announcer without discussion with his colleagues. It is a clear factual error on a fundamental issue. So many of those tens of thousands of listeners to Howard Sattler's program will assume, 'If Mr Latham is not getting a tax cut, I must not be getting a tax cut. Who is getting the tax cut, if Mr Latham is not getting the tax cut on an income more than double the point at which the benefits kick in?'

I want to conclude by making a couple of points. We believe that a person is entitled to the fruits of their labour. That is our starting assumption. Where there is an overwhelming community need, we ask Australians to make a contribution in this egalitarian society to look out for health and education costs, the needs of pensioners and the needs of those—for example, the profoundly deaf needing a cochlear implant—provided for in this budget. The Jews have an expression: 'Don't muzzle the ox that pulls the plough.' The

productivity of this economy relies on incentive; it relies on reward for effort; it relies on giving encouragement to those prepared to take a risk. That is what this budget does, and I commend it to the House. (*Time expired*)

The DEPUTY SPEAKER—Order! The discussion is now concluded.

COMMITTEES

Public Works Committee

Reference

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (4.14 p.m.)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Mid-life upgrade of existing Chancery building for the Australian High Commission, Wellington, New Zealand.

The Department of Foreign Affairs and Trade proposes a midlife upgrade and refurbishment of the existing chancery for the Australian High Commission in Wellington, New Zealand. The Commonwealth leased the site for the chancery for a period of 99 years in August 1974, and the building was completed and first occupied in 1978. Other than previous works completed in 2000 addressing facade issues, including the rectification of glazing and roof leaks, there has been no major architectural or services refurbishment undertaken on the building.

Several of the Commonwealth departments and agencies that originally occupied areas in the building have relocated their operations to Auckland. This reduction in occupation has not been compensated by growth in other areas, thereby leaving the building considerably underutilised at present. Nevertheless, the building continues to serve Australia's representational and other interests in New Zealand very well. The De-

partment of Foreign Affairs and Trade and the Department of Defence currently occupy the building and have existing long-term lease arrangements. The majority of existing building services are in excess of 25 years old and have reached the end of their useful and economic life. Replacement of these elements is required to ensure that major plant breakdowns do not occur, with subsequent negative impacts on the operation of the facility.

This proposal is to undertake a comprehensive midlife upgrade of the existing chancery to modernise the facility and to ensure compliance with the current building codes of Australia and New Zealand. A key objective of the refurbishment is the consolidation of the accommodation arrangements of the High Commission, mainly on the second floor. The first floor will then be made available for future Australian government use. The ground floor will include a multi-use facility capable of providing official receptions, exhibitions, trade displays, meetings, lectures and business missions. It will also accommodate the consular services section of the Department of Foreign Affairs and Trade. The project also includes, within a fenced compound, full support services, emergency power, potable water, fire-fighting, a staff recreation area, a controlled access car parking area and fully landscaped grounds.

Subject to parliamentary approval, refurbishment of the chancery is expected to begin in March next year, with practical completion and occupation in the first half of 2006. The estimated cost of the works is \$9.309 million, including \$2.809 million for a new tenant fit out. I commend the motion to the House.

Question agreed to.

Procedure Committee**Report**

Message received from the Senate informing the House that the Senate has adopted the recommendation of the third report of 2003 of the Senate Procedure Committee in relation to addresses by foreign heads of state and transmitting a resolution agreed to by the Senate relating to the matter.

BILLS RETURNED FROM THE SENATE

The following bill was returned from the Senate without amendment or request:

Veterans' Entitlements Amendment (Electronic Delivery) Bill 2004.

COMMITTEES**Selection Committee****Report**

The DEPUTY SPEAKER (Hon. I.R. Causley)—I present the report of the Selection Committee relating to the consideration of committee and delegation reports and private members' business on Monday, 24 May 2004. The report will be printed in today's *Hansard* and the items accorded priority for debate will be published in the *Notice Paper* for the next sitting.

The report read as follows—

Report relating to the consideration of committee and delegation reports and private Members' business on Monday, 24 May 2004

Pursuant to standing order 331, the Selection Committee has determined the order of precedence and times to be allotted for consideration of committee and delegation reports and private members' business on Monday, 24 May 2004. The order of precedence and the allotments of time determined by the Committee are as follows:

COMMITTEE AND DELEGATION REPORTS**Presentation and statements****1 AGRICULTURE, FISHERIES AND FORESTRY—STANDING COMMITTEE:**

Inquiry into future water supplies for Australia's rural industries and communities – Interim report.

The Committee determined that statements on the report may be made—all statements to conclude by 12.40 p.m.

Speech time limits—

Each Member—5 minutes.

[Proposed Members speaking = 2 x 5 mins]

2 AUSTRALIAN PARLIAMENTARY DELEGATION TO REPUBLIC OF INDONESIA AND INDEPENDENT STATE OF PAPUA NEW GUINEA:

Report of the Australian Parliamentary Delegation to Republic of Indonesia and Independent State of Papua New Guinea, 7-19 December 2003.

The Committee determined that statements on the report may be made—all statements to conclude by 12.50 p.m.

Speech time limits—

Each Member—5 minutes.

[Proposed Members speaking = 2 x 5 mins]

3 FOREIGN AFFAIRS, DEFENCE AND TRADE—JOINT STANDING COMMITTEE:

Report on the Parliamentary Delegation to the Solomon Islands, 17-18 December 2003.

The Committee determined that statements on the report may be made—all statements to conclude by 1 p.m.

Speech time limits—

Each Member—5 minutes.

[Proposed Members speaking = 2 x 5 mins]

4 AUSTRALIAN PARLIAMENTARY DELEGATION TO THE PARLIAMENTARY ELECTIONS IN INDONESIA:

The Parliamentary Elections in Indonesia – 5 April 2004: Report of the Australian Parliamentary Observer Delegation.

The Committee determined that statements on the report may be made—all statements to conclude by 1.10 p.m.

Speech time limits—

Each Member—10 minutes.

[Proposed Members speaking = 1 x 10 mins]

PRIVATE MEMBERS' BUSINESS

Order of precedence

Notices

1 Mr ORGAN to present a bill for an act to ensure people in same sex relationships receive the same rights as people in heterosexual relationships in all areas of the law, and for related purposes. (Same Sex Relationships (Ensuring Equality) Bill 2004)

Presenter may speak for a period not exceeding 5 minutes —pursuant to standing order 104A.

2 Mr NEVILLE to move:

That this House:

- (1) commends the role of pharmacy as an integral sector of the Australian health system;
- (2) recognises the high professional standing of Australian pharmacists as the primary and responsible purveyors of dispensed and restricted medicinal and health aids;
- (3) calls on all governments to uphold the independent status of pharmacists and their professional advice to health consumers;
- (4) questions whether further deregulation of pharmacy is in the community interest; and
- (5) reiterates its view that pharmacy ownership should reside with duly trained and qualified pharmacists. (Notice given 11 May 2004.)

Time allotted —remaining private Members' business time prior to 1.45 p.m.

Speech time limits —

Mover of motion —10 minutes.

First Opposition Member speaking —5 minutes.

Other Members —5 minutes each.

[Proposed Members speaking = 1 x 10 mins, 4 x 5 mins]

The Committee determined that consideration of this matter should continue on a future day.

3 Mr DANBY to move:

That this House:

- (1) notes that:
 - (a) this year is the 10th anniversary of the Rwandan genocide in 1994;

- (b) around 800,000 Rwandans were killed in 100 days in April, May and June 1994 after President Juvenal Habyarimana's plane was shot down over Kigali;

- (c) the United Nations has designated 7 April 2004 as International Day of Reflection for Rwanda and in 2004 hosted a conference on the prevention of genocide and a week of memorial services; and

- (d) Rwandan officials asked all countries to hold a minute's silence on 7 April to mark the anniversary; and

(2) calls on the Government to officially recognise 7 April as International Day of Reflection for Rwanda. (Notice given 11 May 2004.)

Time allotted —30 minutes.

Speech time limits —

Mover of motion —5 minutes.

First Government Member speaking —5 minutes.

Other Members —5 minutes each.

[Proposed Members speaking = 6 x 5 mins]

The Committee determined that consideration of this matter should continue on a future day.

4 Mr BAIRD to move:

That this House:

(1) commends the Government and the Treasurer on the strong performance of the Australian economy, in particular:

- (a) the strong rate of growth of the Australian economy which is currently running at 4%;

- (b) the low rate of inflation, currently just 2.4%; and

- (c) the low unemployment rate, currently just 5.7%; and

(2) recognises that the Government has, through careful economic management, given the Australian economy the strength to withstand:

- (a) the Asian Economic Crisis of 1997-1998; and

- (b) the slowing of the world economy and the recession in the United States of America in 2001-2002; and
- (3) understands that the Government has, through effective government policies:
- (a) overseen the creation of more than 1.3 million jobs since this government came to office;
- (b) achieved a massive reduction of mortgage interest rates, which were 17.1% under Labor and are currently just 6.5% under this government; and
- (c) has achieved the repayment of more than \$67 billion of Labor's debt. (Notice given 1 April 2004.)

Time allotted —remaining private Members' business time.

Speech time limits —

Mover of motion —5 minutes.

First Opposition Member speaking —5 minutes.

Other Members —5 minutes each.

[Proposed Members speaking = 6 x 5 mins]

The Committee determined that consideration of this matter should continue on a future day.

BANKRUPTCY LEGISLATION AMENDMENT BILL 2004

Report from Main Committee

Bill returned from Main Committee with amendments; certified copy of the bill and schedule of amendments presented.

Ordered that this bill be considered forthwith.

Main Committee's amendments—

- (1) Schedule 1, page 48 (after line 22), after item 191, insert:

Corporations Act 2001

191A Section 9 (paragraphs (d) and (e) of the definition of *insolvent under administration*)

Repeal the paragraphs, substitute:

- (d) a person who has executed a personal insolvency agreement under:

- (i) Part X of the *Bankruptcy Act 1966*; or
- (ii) the corresponding provisions of the law of an external Territory or the law of a foreign country;
- where the terms of the agreement have not been fully complied with.
- (2) Schedule 1, page 48, after proposed item 191A, insert:

191B Subparagraph 53AB(b)(iv)

Omit "deed of assignment, deed of arrangement, or composition," substitute "personal insolvency agreement".

191C Paragraph 53AB(c)

Omit "deed of assignment or arrangement, a person acting under such an authority or a person administering such a composition", substitute "personal insolvency agreement or a person acting under such an authority".

- (3) Schedule 1, page 48, after proposed item 191C, insert:

191D Subsection 206B(4)

Repeal the subsection, substitute:

- (4) A person is disqualified from managing corporations if:
- (a) the person has executed a personal insolvency agreement under:
- (i) Part X of the *Bankruptcy Act 1966*; or
- (ii) a similar law of an external Territory or a foreign country; and
- (b) the terms of the agreement have not been fully complied with.

Note: The heading to subsection 206B(3) is replaced by the heading "*Bankruptcy or personal insolvency agreement*".

The DEPUTY SPEAKER (Hon. I.R. Causley)—The question is that the amendments be agreed to.

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Mr IAN MACFARLANE (Groom—Minister for Industry, Tourism and Resources) (4.19 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

BANKRUPTCY (ESTATE CHARGES) AMENDMENT BILL 2004

Report from Main Committee

Bill returned from Main Committee without amendment; certified copy of the bill presented.

Ordered that this bill be considered forthwith.

Bill agreed to.

Third Reading

Mr IAN MACFARLANE (Groom—Minister for Industry, Tourism and Resources) (4.20 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

HEALTH LEGISLATION AMENDMENT (PODIATRIC SURGERY AND OTHER MATTERS) BILL 2004

Report from Main Committee

Bill returned from Main Committee without amendment, appropriation message having been reported; certified copy of the bill presented.

Ordered that this bill be considered forthwith.

Bill agreed to.

Third Reading

Mr IAN MACFARLANE (Groom—Minister for Industry, Tourism and Resources) (4.21 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

AGRICULTURAL AND VETERINARY CHEMICALS LEGISLATION AMENDMENT (NAME CHANGE) BILL 2004

Report from Main Committee

Bill returned from Main Committee without amendment; certified copy of the bill presented.

Ordered that this bill be considered forthwith.

Bill agreed to.

Third Reading

Mr IAN MACFARLANE (Groom—Minister for Industry, Tourism and Resources) (4.22 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

PARLIAMENTARY SUPERANNUATION BILL 2004

Cognate bill:

PARLIAMENTARY SUPERANNUATION AND OTHER ENTITLEMENTS LEGISLATION AMENDMENT BILL 2004

Second Reading

Debate resumed.

Mr CIOBO (Moncrieff) (4.23 p.m.)—In continuation on the **Parliamentary Superannuation Bill 2004** and the **Parliamentary Superannuation and Other Entitlements Legislation Amendment Bill 2004** debate, I am pleased to make some observations on the mechanics of this legislation. On 12 February 2004, the Prime Minister announced that the government would seek to close the **Parliamentary Contributory Superannuation Scheme** to new MPs joining parliament from the next election and replace it with an ac-

cumulation scheme that attracts a government contribution at the community standard rate of nine per cent. The reality is that this legislation delivers on the commitment by the Prime Minister and the Howard government and will bring superannuation arrangements for our parliamentarians and opposition parliamentarians into line with current community standards. This is certainly something that I know MPs applaud.

The introduction of this legislation comes on top of substantial government changes that were made to the Parliamentary Contributory Superannuation Scheme in 2001 to more closely align MPs' superannuation with the superannuation arrangements for the majority of Australians. The 2001 changes that were introduced required that MPs entering parliament after the November 2001 election would have their pensions deferred between leaving parliament and the age of 55, which placed a higher standard of preservation on MPs than applies to other Australians who receive pensions. Nonetheless, it was community expectation and a move in the right direction that received broad support.

The 2001 changes to the Parliamentary Contributory Superannuation Scheme, as well as those that are incorporated into this bill, are not retrospective. There are a variety of reasons for that. Principally, of course, there is the fact that, if we allowed MPs to change into the new scheme, you could have a situation where existing MPs who are still contributing 13 per cent of their gross salary in after-tax earnings into their superannuation yet not receiving an enhanced benefit would then be able to swap across to the new nine per cent accumulation scheme and in fact be better off than currently—staying in the defined benefit fund which exists at present.

Overall, the bills before the House today constitute a package to close the Parliamen-

tary Contributory Superannuation Scheme and make new accumulation arrangements for persons who first become members of the federal parliament or return to the parliament after a previous period in parliament, from the next general election. The new arrangements will involve a nine per cent government contribution payable into a superannuation fund that is chosen by the senator or member.

The Parliamentary Superannuation Bill 2004 provides the framework for the new accumulation arrangements. The new arrangements will apply only to MPs joining the parliament who are not currently sitting MPs, including MPs who return to the parliament after a break. Existing MPs will not be able to transfer, as I mentioned. New MPs will be able to choose the complying superannuation fund or retirement savings account to receive their government contributions. However, that fund must not be a self-managed superannuation fund. A default fund will be nominated by the Minister for Finance and Administration to receive the contributions in the event that an MP does not make a choice. The government contribution of nine per cent will be calculated on total parliamentary salary.

In the final few minutes I have available with respect to these two bills, I seek to make a couple of comments about some of the debate that we have heard in this chamber regarding them. I seek to draw people's attention to one fundamental fact. I sat in this chamber and heard the Leader of the Opposition, who expounds that he is, and holds himself up to be, someone who is in some way in the pursuit of higher principles, someone who in public life is willing to stand for principles and someone who believes himself to be—and certainly likes to characterise himself as—someone who is willing to fight for what they believe to be the right thing. The Leader of the Opposition

likes to allege that he is in fact concerned with what is in the best interests of Australian taxpayers.

However, with respect to these bills, I would make one key comment. That is, every time a leader of the opposition or a member of the opposition speaks about these bills and holds out that they are doing this because they believe in principles or because they believe in better public interest, or if they hold themselves up as doing so because they believe that it is in the best interests of Australian taxpayers, and every time that one of the opposition members says, 'Why doesn't the government endorse and agree with the opposition's proposed amendments so that we can put more taxpayers' funds into a dental scheme, Medicare or schools?'—any of these kinds of things—I would highlight one point: every time you hear that claim from the Labor Party, consider Centenary House.

Every time that you hear the Labor Party talk about how they are the people upholding common decency, how they are the people concerned with principles, consider Centenary House. The reality is that, until the Labor Party deals with the \$27 million rort that is Centenary House, they will never, ever appropriately meet the threshold that they imply they are concerned with holding themselves up to meet. Until the Labor Party agrees not to increase and ratchet up the rent from Centenary House, which siphons money directly from Australian taxpayers, they will never meet the threshold that they claim they are concerned with. That is the reality.

Mr Sidebottom interjecting—

Mr CIOBO—I notice that the member for Braddon commented that no-one is listening. At least it is on the public record. At least on the public record all Australians will

see the fact that the Labor Party displays 100 per cent hypocrisy—

Mr Sidebottom interjecting—

The DEPUTY SPEAKER—The member for Braddon is warned!

Mr CIOBO—that the Labor Party does not stand for principle and that the Leader of the Opposition does not stand up for what he believes in. He does it because he believes there are a few votes in it. That is the reason for the Labor Party's stand. If it was not the reason for the Labor Party's stand, if the Labor Party were generally concerned about what is decent, proper and principled, the Labor Party would end the \$27 million rip-off each year of Australian taxpayers. That is the point I make. Let all Australians, every time they hear the words 'principle' or 'decency' or hear how the Labor Party stands up for these things, every time they hear that, let them think of two words: Centenary House. As long as that anchor is around its neck, it will never amount to anything more than being a party of opportunistic hacks who are attempting to win a couple of votes out of this issue.

The reality is that all of us can unite in the belief that it is good to bring parliamentary superannuation into line with community standards, and we do. All parliamentarians recognise the benefits that flow from bringing parliamentarians' superannuation into line with community standards. It is a principle that we all support. But the difference is that the Howard government made the decision because we knew it was what the community wanted, and we did it because we believed it was the right thing to do. We do not stand here, though, with the double standard that the ALP stands with. Unlike the ALP, we do not stand in this chamber and hold ourselves out as being concerned with principle but say, 'Don't look too closely behind us,' because of a \$27 million ugly

stain that exists. That is the key and fundamental difference between the Liberal-National Party and those who sit opposite us, the Australian Labor Party.

The reality is that these are good bills. They are certainly worthy of support from all sides of the House. They are bringing parliamentarians' superannuation into line with the community standard, but I urge caution on all Australians: 'Don't listen to what the Australian Labor Party says. Concern yourselves with what the Australian Labor Party does.' Until it stops the rent rort of Centenary House—\$27 million a year of Australian taxpayers' funds being siphoned directly into the coffers of the Australian Labor Party—it will always have the reek of hypocrisy when it speaks on motions such as this.

Mr COX (Kingston) (4.32 p.m.)—The [Parliamentary Superannuation Bill 2004](#) and the [Parliamentary Superannuation and Other Entitlements Legislation Amendment Bill 2004](#) to change parliamentary superannuation entitlements are long overdue. It has been the case for many years that the parliamentary super scheme has been held in contempt by the Australian public because of its generosity. The reason that the Labor Party proposed that the current parliamentary super scheme be closed was for good policy reasons and its relativity with other superannuation schemes available to the rest of the community.

The Labor Party has had a magnificent record of improving superannuation arrangements for our country. It is a process which started in the early 1980s, when Labor was last in opposition. I can remember attending, as a staffer, lengthy discussions at caucus committee meetings considering proposals for a national superannuation scheme. It was a long time before we had compulsory superannuation in this country for most people. Prior to that, superannuation was something

that was generally enjoyed by management, professionals, people who had jobs in government, whether local, state or federal, and employees of organisations like universities. They were treated very generously. In that environment, the parliamentary super scheme, which has only been in existence in its present form since the 1940s, came to take on the characteristics of those rather more elitist superannuation arrangements. The cynicism that people have had about it has grown, as they have seen a number of anomalies in relation to it. Some of those anomalies have come and gone over the years, and some of them have come and gone and have come again.

When somebody retires, or it is speculated that somebody will retire or lose their seat at an election, how much of a benefit they will subsequently receive from the scheme has always been something of a cause celebre. For years I worked for a minister for finance who had policy responsibility for this area. For privacy reasons, when those sorts of issues came up, you were required not to tell the press what the superannuation entitlements of a particular individual might be. I used to have a large red folder on my desk that had all the components of the scheme, and I was quite adept at going through those components to explain, usually to journalists and occasionally to members of the public who were interested, precisely how parliamentary superannuation entitlements were built up. If they had a hypothetical case and knew how long that person had been in the parliament and knew what higher offices they had held—all of which are matters on the public record and in the *Parliamentary Handbook*—they would be able to come to a very accurate assessment of what that person's entitlements were.

One of the things that really surprised me was that they never seemed to be able to do that, no matter how clearly it was spelt out

for them. In fact, I really came to doubt my powers of explanation, because I usually found that people's entitlements were exaggerated by a factor of three. I often felt that it probably would have been better to just give them the information, then at least the person who was retiring would have their entitlements accurately recorded in the newspaper or broadcast on the TV or the radio. I think that was almost never the case. In fact, I cannot remember a case when somebody's entitlements were accurately reported. That is one of the things that has helped to bring the scheme into disrepute.

One of the deficiencies of the current parliamentary scheme—which is very generous in terms of the equivalent of salary contribution that goes into it on average for each parliamentarian—is, of course, that those benefits are not equally distributed amongst the beneficiaries. In fact, many people who serve in this place do not become entitled to a parliamentary pension because they do not serve long enough. I think that, when I came to this place, the average length of service was about eight years. There would have been a number of people who had served one or perhaps two terms who did not qualify. They got their contributions back with a small factor and were not significant beneficiaries of the scheme.

The scheme was in fact most beneficial for people who had been in parliament for a very long time and who had served in a number of higher offices. I have to reflect that I have noted on occasion that, over the years, people have retired from this place on the day that their parliamentary pension was maximised. They can do that in the Senate without causing a by-election. It is a reflection on what some people's goals might have been. It is also in the lore of this place that having those generous parliamentary entitlements available to people is one of the things that ultimately causes them to leave if

they are in a relatively safe seat and have a comfortable degree of tenure. If they have been in a high public office it is entirely possible, when their pension has maximised and they are no longer required to make a full contribution—and, of course, I would be careful to make the point that parliamentarians do contribute to their superannuation the amount of 11 per cent of salary—once they have ceased to hold a higher public office, and have been here for a long time, that their parliamentary superannuation entitlement might exceed the salary that they would otherwise have received by remaining in this place. That might be another encouragement for people to leave when they have perhaps been here long enough. But those cases have been very few.

It always struck me throughout the 1980s, when I was required to give advice on these matters after we had set up the current system of superannuation for the community, that it would have been much more beneficial for politicians to have been given the option of joining any scheme of their choosing—which is one of the components of the bill that we are now debating today—having the Commonwealth contribution to their superannuation paid into that scheme; having their own contributions, whether compulsory or voluntary, also paid into that scheme; and then being subject to the same rules and market risks as everybody else in our community. That always struck me as being a very reasonable thing. For people who were here for only a relatively short amount of time, it would be a more beneficial situation than the one that prevailed with the existing scheme, where, if you lost your seat without achieving an entitlement to a pension, you received very little benefit for having contributed your super and a maximum amount of disruption to possibly an otherwise successful career elsewhere.

I would characterise putting this scheme on a level footing with other community schemes as part of a process which the previous Labor government was involved in in the early 1990s, when it changed the Commonwealth Superannuation Scheme for public servants and the Defence Force Retirement and Death Benefits Scheme for military personnel. The reason that those schemes were changed was that they had some of the characteristics that I have just been critical of in the parliamentary scheme in that they benefited people who served for very long periods enormously and they did not benefit adequately the bulk of people who served for more normal lengths of time. So the Commonwealth Superannuation Scheme—the old CSS—was closed off and replaced by the Public Sector Superannuation Scheme and the Defence Force Retirement and Death Benefits Scheme was closed off and replaced by the Military Superannuation and Benefits Scheme. People who served for relatively short amounts of time were therefore able to obtain superannuation benefits that were commensurate with their service and they could keep them for their ultimate retirement.

The changes that we are debating today effectively provide that situation for future members of parliament. There will be some scepticism from the public about why these things are prospective. I understand that the reason for that is a constitutional one—the Commonwealth is not able to expropriate people's property or rights without just compensation, and that is the reason this bill and the new arrangements are prospective. As a matter of practicality, we have to accept that, and I think people do in this place.

I am enormously pleased that this bill is finally being dealt with. It was a fine judgment by the Leader of the Opposition—the member for Werriwa—when he announced that the Labor Party in government would

pursue this course of action. There is no doubt that the Prime Minister, on seeing the community reaction to that, realised that he had no other course but to respond. In the committee stage I will be moving an amendment which has been foreshadowed by the Leader of the Opposition. That amendment places a cap on the benefits that people can get out of the existing scheme. This only applies to people who are in an office which receives remuneration which is higher than that of a minister in the cabinet. It therefore applies to the Prime Minister and his deputy, the leaders in the other place, the President of the Senate and the Speaker of the House of Representatives. Their entitlements to benefits in relation to their higher office will all be limited under this amendment to those of a minister in cabinet. That at least will put some kind of a cap on the rather extreme benefits that can be enjoyed by somebody who serves in very high office for a significant length of time. That is appropriate and starts to deal with some community concern about the existing scheme. I commend the bill to the House and I look forward to moving the amendment.

Mr ANDREN (Calare) (4.48 p.m.)—I would have liked to have congratulated the government and opposition for these two bills, the [Parliamentary Superannuation Bill 2004](#) and the [Parliamentary Superannuation and Other Entitlements Legislation Amendment Bill 2004](#), ending the taxpayer funded rort that is the Parliamentary Contributory Superannuation Scheme—the PCSS—but I cannot, because they do not. I must, however, commend the member for Kingston on the frankness of his remarks a moment ago and his recognition of the generosity of this scheme, which is quite remarkably outside anything that applies to anything that we expect and devise for our constituents.

The PCSS continues because new retirement arrangements contained in the bills ap-

ply only to new members and senators who come to this place after the next election and former members and senators who return to parliament after retiring or having lost their seat. The outrageously overgenerous and fully protected PCSS remains for currently sitting MPs and senators. So, despite the fact we have these bills recognising how out of touch the retiring benefits of elected representatives are when compared with those of the rest of the Australian community, most members and senators on both sides have made it perfectly clear that applying the new retirement arrangements to themselves is well and truly off the agenda. The great disconnect between the people and their parliamentarians will therefore continue while the existing benefits are still applicable.

I hope to restore some confidence amongst the electorate that some politicians do not seek to place themselves outside and above the laws they make for the rest of the community by moving amendments in the consideration in detail stage allowing all MPs the opportunity to opt in to the new superannuation arrangements under the nine per cent super guarantee. I invite members on both sides to support my amendments. I will expand on these later in these remarks, but first I will look at the new arrangements contained within these bills.

Prior to that, I will make a few comments on the speech of the Leader of the Opposition. It is true it took his initiative to bring us to the point we are at today, debating this legislation, and for that he must be praised. It is something none of his predecessors—along with leaders of government on both sides of politics over many years—had the fortitude to touch. It is true that it would take such a move from a government or opposition leader before any substantial political imperative was established to force these changes.

The Leader of the Opposition says this legislation is a result of Labor's policy announcement. But, before anyone tries to climb to the high moral ground on this issue, let me remind the House of the words of a man who could really be said to be the architect of this long-belated reform. Ted Mack, the Independent member for North Sydney from 1990 to 1996, was a man who twice retired from parliaments—first the NSW parliament and then this one—to avoid accessing the parliamentary superannuation scheme.

Let me quote from the *Hansard* of this House from 9 June 1994, when the member for North Sydney stood a few seats behind where I stand now in this chamber and spoke in the second reading debate of the Superannuation Laws Amendment Bill, which was ironically a bill to give members and ex-members of parliament the option to take improved superannuation benefits. By such improved benefits the parliamentary superannuation scheme has over the years been transformed from a scheme for which its maker, Ben Chifley, had honourable intentions, a scheme honestly designed to attract and secure a wide range of parliamentarians from career paths into the uncertainty of politics. The scheme today bears no resemblance to the scheme Chifley introduced, yet MPs have themselves improved a scheme over the years that completely cocoons eligible recipients from the realities of the real world, a world that today has job uncertainty as a fact of life.

They are my words, but the words of Ted Mack, when he was one of only three speakers—it was not unlike this debate—on that June day 10 years ago were these:

If there is one thing that brings parliamentarians and the institution of parliament into disrepute it is the enormously generous unfunded parliamentary superannuation schemes that exist for federal parliament and also for the state parlia-

ments. It is interesting that the Superannuation Laws Amendment Bill is getting very minimal attention, because I think most people in here are really aware of the situation.

Mr Mack went on:

Further expanding the benefits for members and ex-members on top of the recent salary and benefit rises is quite unjustified and is guaranteed to bring this institution and all of us in here into contempt.

Speaking of his constituents later in that speech, Mr Mack said:

Most of them have to pay—

into superannuation, that is—

... for around 40 years and get far less in benefits than we can get after eight years.

How relevant those words still are today.

It was Ted Mack's long campaign from the mid-1980s that brought us to this point, not necessarily the recent moves by the Leader of the Opposition and the government. My two private member's bills, in the previous parliament and last year, were designed to obtain the outcome built into the amendments I will move in the consideration in detail stage. My argument was and remains simple. We should have superannuation arrangements with employers' contributions no more generous than we legislate for the rest of the community—our constituents.

I have consistently argued that parliamentary salaries should be a separate debate and subject to proper independent inquiry. We have allowed superannuation entitlements and other overgenerous allowances to grow as a de facto salary compensation for parliamentarians too afraid to debate payment but quite happy to self-manage a host of arrangements, including super, whose benefits, until exposed by non party members, have been a mystery to most people. Indeed, it was not until I included the Government Actuary's assessment of the nominal employer—that is, the taxpayer—contribution

to the parliamentary scheme at 69 per cent in the explanatory memorandum to my 2001 bill that the public knew just how outrageously generous this scheme is.

Those private member's bills also served to focus public attention on this issue in such a way that almost 3,000 public submissions were lodged with the Senate inquiry into my 2001 private member's bill and there was widespread media coverage and interest taken by programs, especially *A Current Affair*. The public hostility generated by decades of inaction by the major parties was the message the Leader of the Opposition heard before he made his policy announcement in February, and which was recognised by the announcement by the Prime Minister at a later date. Had there not been that exposure and those committed efforts over almost 20 years by non major party members of parliament, particularly Ted Mack, we would not be here today—it is as simple as that. It has been an absolute no-go zone for the Labor and coalition parties until the opposition leader quite correctly read the extent of the public hostility.

I will move on to this legislation. The Parliamentary Superannuation Bill 2004 establishes the new superannuation arrangements for members and senators elected at the next federal election, which could be sooner than we think, given last night's budget. New members and senators will receive employer contributions of nine per cent of salary, in line with the superannuation guarantee, paid into a complying fund of their choice. In the absence of the member nominating a fund, the nine per cent will be paid into a default fund determined by the Minister for Finance and Administration. However, there is little detail available as to the process by which the default fund is to be selected and I would be grateful if the minister could provide any information in this regard in the summing up of this somewhat minuscule debate.

The accompanying bill, the Parliamentary Superannuation and Other Entitlements Legislation Amendment Bill 2004 provides for the closing of the PCSS to new members after the next election and suspends pensions being paid to former members and senators who re-enter parliament at the next federal election. These former parliamentarians will be subject to the new superannuation arrangements for their service from that election onwards. This bill also provides the means for new members and senators to salary sacrifice up to 50 per cent of their parliamentary salaries to their superannuation, which could deliver an advantage of bringing them in under the marginal tax rate of 30 per cent. Of course I welcome this legislation, but it needs further amendment and I will be listening carefully to the arguments in support of the amendments to be moved by the opposition and the member for Cunningham.

I am persuaded, after a lot of advice, of the difficulty of drafting, let alone moving, amendments that would wind up the scheme for existing members, and of the political impossibility of seeing this place pass such amendments. Yet we are putting in place a two-tier system, which in some respects is a beautiful irony because the very parliamentary super scheme we are debating here has been a two-tier system for many years with MPs, federal and state, enjoying benefits far in excess of those enjoyed by their constituents who are lucky enough to have superannuation arrangements.

While I am mentioning the states, it is interesting to see how quickly they fell into line like a pack of cards the moment this issue was brought into the open by the Leader of the Opposition. I acknowledge he kicked open the door to expose this issue, or not to expose it—that had already been well done by non party members over many years—but to acknowledge and reinforce the strength of the message that he was hearing from the

electorate. It has not only happened since he has been opposition leader. I must acknowledge that he has mentioned it at various stages during his backbench career and, indeed, his opposition frontbench career. He has been consistent on this matter and I commend him for that, but we must go further. There are amendments on the table and I will listen to the arguments carefully.

We are weaving a tangled mess in setting up a two-tier system—a mess of the political system's own making. It could have been sorted out years ago by having an honest and proper debate—an independent inquiry on parliamentary salaries that are attached to a superannuation scheme that is properly funded. Preferably it would be a marketplace scheme at arms-length from the interference of members as trust members and the influence of the government of the day—a scheme matching that available to our constituents.

All along we should have suffered the rises and falls of the marketplace and the battering that superannuation has suffered over recent years, as any of us who happen to have small superannuation savings and our constituents in the marketplace have recognised. There has been an absolute gutting of some people's savings in recent years because of the vagaries of the marketplace. If we are such disciples of the free market then why haven't we all along—in those 20-odd years of ecorationalism, where we have argued so strongly for the virtues of the marketplace in this post-Thatcher era—placed our own entitlements at the mercy of that very market that we go to the altar and pray to so regularly in this modern economic era? We could have done it but we did not.

That debate about parliamentary salaries needs to be held soon, with all current entitlements on the table. With all the privileges, and I deliberately say 'privileges' and not

'entitlements' of office, put on the table—including travel, car, phone, phonecard, cab card and study tours, and for ministers and prime ministers there is even more, including housing—let us have a proper debate about salary. That is the debate we always should have had, out of which, and only out of which, comes the super guarantee of the day. If we do not think that that is good enough to guarantee long-term retirement benefits then we are in there with the rest of our constituents—we can adjust it, we can argue for it, we can suffer the pain and consequences of whatever legislation we put in place, and we are therefore party to the same standards that we apply to our constituents.

Many—including some commentators and business leaders—disagree that we should make the changes, saying that the existing scheme provides fair compensation. Let us have the debate, once and for all, about what we are worth. Let us have an honest debate about what we are worth. It may be that our Prime Minister, according to an independent assessment, is worth a million dollars or half a million dollars—whatever the figure might be. Let us not have this argument being used to justify hidden entitlements and accoutrements—entitlements that should be called privileges—that top up what are argued to be inadequate salaries. Let us have the proper debate. Maybe we could look at the Singapore example or some other constituencies around the world. Let us look at their schemes and their payments. Let us come up with a proper figure. Let us separate the debates and, once and for all, bring this largesse to an end, because it is the great disconnect between us and those we represent.

Mr ORGAN (Cunningham) (5.04 p.m.)—I welcome the opportunity to speak on the [Parliamentary Superannuation Bill 2004](#) and the [Parliamentary Superannuation and Other Entitlements Legislation Amendment Bill 2004](#). I welcome these bills because they

cover a subject which the Greens have long held concerns about and which the wider community is deeply critical of—namely, the present federal parliamentary superannuation scheme.

As the Parliamentary Secretary to the Minister for Finance and Administration so boldly declared in his second reading speech: The package of bills delivers on the Prime Minister's commitment to bring superannuation arrangements for parliamentarians in line with current community standards.

That is right: 'in line with current community standards.' If only! In the very next sentence the parliamentary secretary goes on to tell us: The new arrangements will have no impact on the existing superannuation arrangements for sitting senators and members.

So once again we have the government saying one thing and doing another: spin doctoring, mistruths—whatever you want to call them. It is no wonder the public is cynical about politicians.

I will address this glowing anomaly between what the government says and what the government does later in my speech. However, before talking about the merits or otherwise of these bills, let us just consider some of the historical context. The starting point here, of course, is section 48 of the Australian Constitution. Section 48 states:

Until the Parliament otherwise provides, each senator and each member of the House of Representatives shall receive an allowance of four hundred pounds a year, to be reckoned from the day on which he takes his seat.

Since the time of the writing of that constitutional decree—which looks decidedly frugal and sexist in today's terms—the parliament has seen the introduction of a seemingly never-ending set of bills, acts, regulations and Remuneration Tribunal determinations which have increased the allowances that federal politicians have received and im-

pacted on state parliamentary schemes as well. These include the Parliamentary Retiring Allowances Act 1948, introduced by none other than Ben Chifley; the parliamentary retiring allowances acts of 1952, 1955 and 1959, all of which increased the allowances that politicians received; and the Parliamentary Retiring Allowances Act 1964, part of which was deemed to come into effect in 1948—a whole 16 years before its enactment. On top of that, there were changes to the parliamentary superannuation regime in 1965, 1966, 1968, 1973, 1978, 1979, 1981, 1982, 1992, 1994, 1995, 1996, 1997 and 2001.

It is fair to say that parliamentary superannuation is an issue close to politicians' hearts—so close in fact that the parliament continuously legislates about it. As a result, current members of parliament receive what many in the community consider to be massive taxpayer funded superannuation entitlements. There is no doubt about that. These entitlements are clearly out of step with community standards and have been for a long time now. For instance, who could forget the furore surrounding the former Queensland senator Bill O'Chee, who received a \$45,000 per year pension, indexed for life, at the ripe old age of 33? This was when most other Australians could not get access to their super until at least the age of 55 or, more normally, 60 or 65. Michael Wooldridge, Peter Reith and Gareth Evans, to name a few, were all major beneficiaries of the current overly generous parliamentary superannuation scheme and are all now leading successful corporate lives with a nice little leg-up from the Australian taxpayer.

The nice little earner is the 69 per cent of a \$100,000-plus per year salary—a taxpayer funded superannuation contribution scheme—which politicians receive for every year they hold office. That contribution towers alongside the nine per cent superannua-

tion contributions that the vast bulk of Australian workers receive. That is right: a 69 per cent contribution as opposed to nine per cent for ordinary Australians. On top of the superannuation tower, politicians receive other benefits, like the gold travel pass—a rort which I moved to abolish last year with the help of the member for Calare, and which has since been dutifully ignored by the government and the opposition.

From all that, it is clear that the two bills before us today should be treated with a healthy dose of scepticism—even more than is typically warranted when we receive legislative proposals from this government. I hope the media pays as much attention to these bills and the issues dealt with here as the Australian Greens and the member for Calare and others have. In fact, there is a great story in these bills—a story that is repeated throughout history when people are allowed to make up rules for themselves. It is a classic case of 'feathering the nest' and 'an applied conflict of interest' rolled into one. The result is that parliamentary superannuation in Australia delivers millions into the pockets of retired politicians for our particular, special and exclusive brand of public service. In fact, the Department of Finance and Administration's 2002-03 annual report points out that parliamentary superannuation was provided for by the taxpayer to the extent of over \$504 million during that year. That is a lot of university places, medical services, books and resources for our schools, and poverty alleviation, in anyone's language.

It is no wonder, then, that any discussion that concerns the size of politicians' superannuation is a sensitive one to politicians and that it hits a raw nerve out there in the wider community. In fact, it is largely taboo amongst politicians, with few, but notable, exceptions. These include Ted Mack, the former member for North Sydney, who, I

understand, resigned from the parliament so that he would not be entitled to the parliamentary pension, which he strongly disagreed with. Likewise, the member for Calare and Greens Senator Bob Brown have been staunch advocates for change over recent years.

The attitudes which gave rise to the present system stand in stark contrast to the views of the community, who often see politicians in a bad light as a result in part of just such so-called 'lurks and perks'. I will not express some of those public opinions here, but there is no doubt that many Australians perceive politicians as being in it for themselves and as pale silhouettes of civic duty, enjoying excessive superannuation payments. I have been a participant in this chamber for over 18 months now, and I believe that the vast majority of politicians in this place are hardworking, if not extremely hardworking. Whether we all agree with the actual work that various politicians do, right or wrong, it has nevertheless been argued over time that this kind of hard work deserves extra recognition in the form of extraordinary superannuation benefits.

But whether it is hard work, right work or wrong work, the Australian Greens believe it does not require a 69 per cent publicly funded superannuation contribution in order for the fund to be fair and reasonable. As such, I will be seeking to amend these bills in the consideration in detail stage because I believe they do not go far enough in bringing federal parliamentary superannuation in line with community standards. Simply put, the view of the Australian Greens is that all politicians should get nine per cent funded superannuation—just the same as the rest of the Australian community. These bills do not achieve this.

The particular policy genesis of these bills has been hinted at by previous speakers, and

it came about on 12 February this year, just two days after the Leader of the Opposition announced he would move to cut superannuation for politicians, the Governor-General and federal judges, should he win government. The Leader of the Opposition has been in here today, claiming credit for this legislation. Reacting to the member for Werriwa's announcements and following publicity surrounding my own bill to abolish the gold travel pass—and following the work of the member for Calare and others over previous years—the Prime Minister finally responded with what can only be described as lukewarm fury. He announced his own parliamentary superannuation legislation in an attempt to suffocate the gasps of relief permeating throughout the Australian community that perhaps at last this issue was going to be put to bed.

What a surprising turnaround! The community has been crying out for this kind of reform for decades. In fact, as he has previously indicated, the member for Calare first raised this issue in 1998 in the House and introduced his own private member's bill in 2001 and again in 2003. None of this received a peep of support from the government or the opposition—until now. If we fast-forward to 12 February 2004 we see that, when the Leader of the Opposition mentions it, two days later the PM does it. Is this the Prime Minister's new approach to governing in 2004 perhaps? Is it government by addressing community concerns or, rather, does the Prime Minister now take his orders from the opposition leader?

These bills were obviously created to counter the support the opposition was receiving in the community for its belated, and I do mean belated, embrace of a more egalitarian parliamentary superannuation scheme—and all smack-bang in the context of an election year. That is why the government is proposing this legislation now. There

is really no other reason, particularly when the government has had ample time to do so since 1996. In turn, it seems that both bills were cobbled together just in time to be buried amongst the 2004 federal budget circus. How convenient that is. Is the government hoping to minimise the analysis of the rort that is our current parliamentary superannuation scheme? As the member for Calare has pointed out, there needs to be more detailed investigation into the whole issue of remuneration for parliamentarians.

'Let's get on with the show,' says the government. But a rort is a rort is a rort. That is why the Australian parliament should close down excessive parliamentary superannuation for all parliamentarians. Instead, though, the Parliamentary Secretary to the Minister for Finance and Administration in his second reading speech reminds us:

The new arrangements will have no impact on the existing superannuation arrangements for sitting senators and members.

That is not good enough. These bills are a mirage and, if they are enacted in their current form, members of the parliament will continue to be labelled as rorters. No-one should be fooled by this. Once again, greed and self-interest come into play. If these bills are passed, there will be three different schemes of superannuation applying to members of the federal parliament, based on when the member was elected. If that is not policy on the run, it is certainly discriminatory.

Firstly, there will be arrangements for politicians elected prior to 2001, who will also be able to obtain their pensions prior to the age of 55. Secondly, there will be arrangements for politicians elected after 2001, who will not be able to receive superannuation until after they turn 55 but will stay on the higher 69 per cent rate. Finally, the new stream of politicians elected at the next elec-

tion and subsequent elections will receive nine per cent funded superannuation. Frankly, it is a policy mess, and it is a clear demonstration of what happens when politicians protect their own.

This is not a new theme. In fact, debates surrounding the introduction of the first statutory parliamentary superannuation scheme encompassed in the Parliamentary Retiring Allowances Act 1948 reveal that history is once again repeating itself. The *Hansard* of 9 December 1948 reveals that one member of the House was concerned that the effect of one provision of the bill, as it then was, would be to:

... extend to present members who are defeated at the next general election a degree of favouritism which will not be extended to others in the Parliament in the future.

And who was that member, who was so right to champion the injustice for future members of parliament? It was none other than the then member for Wentworth and acting opposition leader, Liberal Mr Eric Harrison.

That is exactly what is happening with these bills. Current members are untouched by these bills and, frankly, it is just not good enough. Politicians should be treated in the same way as the rest of the community—period. That means closing down the 69 per cent taxpayer funded contribution scheme now. Accordingly, in the consideration in detail stage I will be moving the amendments circulated in my name, which seek to bring all politicians' superannuation entitlements in line with community standards. As the parliamentary secretary so proudly declared:

Having three different remuneration systems running at the same time is simply ludicrous.

Parliamentary superannuation can only be judged by what it achieves. Therefore, until it is reduced across the board, it is bound to be seen as a rort by the community—and this needs to be rectified.

Mr SIDEBOTTOM (Braddon) (5.18 p.m.)—I rise to speak in support of the **Parliamentary Superannuation Bill 2004** and the **Parliamentary Superannuation and Other Entitlements Legislation Amendment Bill 2004**. Together, these bills close down the comparatively overgenerous parliamentary contributory superannuation scheme and open a new superannuation scheme for all new federal members elected at or after the next general election. Judging by the number of electoral bribes dished out last night in what I predict will be the Treasurer's final budget speech one way or another, the election might be closer than many previously thought. I first must congratulate the government for adopting a comparatively fairer and more just policy on politicians' super. But let me point out that everyone is well aware that it was not a move of principle but a move of fear—fear of a loss of credibility with the electorate. And, I point out, it was fear which underpinned last night's high-spending, short-term budget.

It took the Howard government only two days back in February to execute one of the most monumental backflips in Australian politics, described aptly by one notable political commentator as a backflip of the order that would do the Howard family's bedtime story character, Mr Flip-Flop, proud. This backflip came only after one of the most vitriolic internal conflicts faced by this government—a conflict that almost turned into a coalition party room revolt. Even a non-cynic like me could see that this policy backflip occurred because the Leader of the Opposition, in the rise and rise of Mark Latham, had the leadership bottle to tackle what had become in the public's mind an unacceptable practice in comparison with the superannuation entitlements and schemes affecting so many other Australians. Quite simply, the motivating factor for the Leader of the Opposition was that it was well and truly time

to change the system. For the Prime Minister, however, it became time to change the system because the Leader of the Opposition moved to change it.

The Leader of the Opposition has already reflected on some of the comments of the Prime Minister and his colleagues who rushed to defend the existing scheme, so I will not repeat them here. Let us face it: Prime Minister Howard in all his long 30 years in parliament—a very long 30 years, I must add—has never shown any intention of closing the parliamentary superannuation scheme, with its comparatively extravagant benefits. In fact, soon after being elected to this parliament in 1998—and, like all new members, I had little knowledge of what was involved in the parliamentary superannuation scheme—I remember the Prime Minister being highly irritated by a question from a member, who is currently in the House, on this issue. It was the first time I laid eyes on the good-looking member for Calare.

Mr Andren—Thank you.

Mr SIDEBOTTOM—No interest, no need, no go—that was the Prime Minister's reply to your very irritating question about this contribution scheme. Whilst remembering this occasion, as one does when procedures and environments are novel and strange, I recalled that when the member for Calare asked his question not only was the Prime Minister irritated but so too were many members—indeed, even my colleagues. You could hear a pin drop as the Prime Minister rose to respond to this irritating question.

Immediately prior to the question being asked, there was the general low-level talking that sometimes occurs in question time, but it certainly stopped soon after the question. Needless to say, the Prime Minister's negative reply to the honourable member's request to change the superannuation scheme

soon saw the general hubbub return—I suggest probably more in relief than through habit in this case. As I have noted before and as many observers were quick to point out, John Howard's decision to close the scheme was nothing more than knee-jerk politics—not a reasoned decision. It was a decision taken in the hope that jumping on the bandwagon would somehow help an arrogant but tired and fading government regain lost political ground in the light of the rise and rise of Mark Latham.

But let me return to the legislation in hand. The existing parliamentary superannuation scheme was set up in 1948, as some other members have mentioned, by, of course, the Labor government—who else would create revolutionary innovative policy?—led by Ben Chifley. The reasons given for the establishment of a scheme for parliamentarians were an acknowledgment that at that time entering parliamentary service often had the effect of reducing a parliamentarian's opportunity to re-establish a career. Often existing superannuation rights from previous employment were lost when the parliamentarian left an employer prior to retirement age, and it was felt that some sort of compensation was needed to encourage people of high calibre to enter parliament. As Ben Chifley stated in his second reading speech to the bill in 1948:

In its general purpose the scheme aims to meet the situation, long recognised by members of all parties, that men or women who serve in parliament often sacrifice opportunities to provide against the day when their parliamentary careers come to an end.

Chifley pointed out that most of those who were likely to benefit from the introduction of retiring allowances were 'not drawn from the wealthy classes' and had 'no substantial private means'.

Let us recall the situation of the day when this issue was being debated in Chifley's

parliament. Members were generally older when they entered parliament and, on losing their seats, age would often prevent them obtaining further employment. Many were in occupations that would be very difficult to return to if they lost their seats. Unlike today, when professionals dominate our parliamentary ranks, many parliamentarians of Chifley's day were tradesmen or semiskilled workers who could only with great difficulty return to their original occupation and were unlikely to have accrued assets that could support them and their families in their post parliamentary lives.

The scheme was generous for its time—although it was, I would like to point out, much less generous than it probably is today. It recognised that the nature of parliamentary service—service that could be ended by a vote—was somewhat different to employment in the wider community, which was at that time largely permanent in nature. As the then Deputy Leader of the Opposition, Queensland Liberal Senator the Hon. Neil O'Sullivan, stated during the debate:

People in private industry, occupying positions carrying salaries equal to the allowances of honourable senators, cannot be sacked overnight without due compensation.

But Australia has come a long way since 1948 and much has changed in both the workplace and superannuation. Superannuation is now universal, as a consequence of Labor's visionary move to introduce the compulsory superannuation guarantee, starting with an initial three per cent contribution level in 1987 and rising to the present nine per cent in 2002-03—a move, I would remind this House, that the Liberal Party vehemently opposed from opposition. Until 15 years ago, only relatively privileged and mainly male employees—those working for government or some more generous large employers—had access to superannuation.

Today 88 per cent of employees have superannuation, thanks to Labor.

Today, parliamentarians enter parliament at a relatively younger age and more than often have professional qualifications. On leaving parliament, many former members are employed by both private industry and the Public Service for consultancies. Others—for instance, lawyers—can more easily re-enter their former professions. The general work force is now more transient. Suddenly departing the parliament at an election is no longer so different to being made redundant with little or no notice—which is, unfortunately, the fate of many Australians. Superannuation is not lost if a person leaves one employer for another or, more specifically, to enter parliament, and parliamentarians are far more likely to own assets than their predecessors in Chifley's day. Consequently, the public cynicism about the generosity of the existing scheme is understandable, although it is probably accurate to say it is not guided by the history of the initial circumstances surrounding the introduction of the parliamentary superannuation scheme in 1948.

The community standard today for superannuation is Labor's nine per cent superannuation guarantee in an accumulation fund. Comparatively speaking, parliamentarians' superannuation benefits are some seven times the level of benefit of most Australians. In addition, it is a fund with benefits that are provided largely from public moneys. Labor decided that it was only right to change this situation. The time has come, and the Labor leader and our caucus adopted our policy to do just this. This was a Labor decision, not a Howard government policy. So today, although these are government bills, in reality it is Labor making law from opposition with, might I say, the support of the Independents in this House. One Independent in particular has put this case before

this parliament for several years now, and I do recognise the work of the member for Calare. But so be it.

Labor does not believe the government's bills go far enough. There has been, and no doubt will be, argument as to whether the scheme should be closed down completely. Indeed, we have heard arguments previously for this case. The existing scheme is a defined benefit scheme—that is, it provides a guaranteed outcome, regardless of the fund's earnings, rates and fees. This does differ dramatically from the accumulation fund which gives no guarantee of a final savings figure. Defined benefit funds were not just confined to politicians. In the past, they were widespread in the public sector and at management levels in the private sector. However, they have been declining rapidly in recent years, for various reasons—not least because they are costly to fund. Nevertheless, the trend has been to close the funds to new members. Whether or not this was in the public service, it has resulted in state parliaments throughout Australia closing funds—but they have not done that retrospectively. The reason for this is that the closure of the schemes would generate rights to substantial compensation by the members, because of the impact retrospective closure would bring in these circumstances.

Allowing the existing scheme to remain for current members and former members, Labor recognises that the scheme is, in general, comparatively generous to all beneficiaries, but even more generous to ministers and other office holders. Consequently, Labor is moving an amendment to cap the amount of a minister's or office holder's allowances that can be included in the calculation of retirement benefits under the existing scheme. Ministers and other office holders are paid substantial allowances in recognition of the additional workload they must carry. The Parliamentary Contributory Su-

perannuation Scheme, using these allowances in a complex formula to calculate retirement benefits, results in retiring ministers and office holders being rewarded even more generously than other retiring parliamentarians. The differences are indeed substantial. Labor does not say that the role of ministers and other office holders should be completely ignored, but it does believe that some of the more senior office holders are comparatively over-compensated in relation to superannuation benefits.

Therefore, Labor proposes to cap the level of allowance that can be used in calculating the superannuation benefits of all office holders appointed after the next election—to the level of a cabinet minister. Once again, I commend the government for adopting Labor's policy on politicians' superannuation, even though the reasons for its doing so are thoroughly dishonest—much like the motives for the government's pork-barrelling in the 2004-05 budget announced last night.

Mr PRICE (Chifley) (5.32 p.m.)—I rise in my place, as the member for Chifley, to support the [Parliamentary Superannuation and Other Entitlements Legislation Amendment Bill 2004](#) and the [Parliamentary Superannuation Bill 2004](#). I am particularly pleased that a number of speakers have referred to the former Prime Minister, Ben Chifley, as the instigator of a parliamentary scheme. Chifley, of course, had very strong views on the role of members of parliament and he had views about their remuneration. I think it is fair to say that at the time that Chifley rose in the House to institute a parliamentary scheme, members of parliament were held in far higher and greater esteem than perhaps they are currently. That is something, I think, that both sides of the House need to address. This bill, as others have explained, is closing off the current scheme to any new entrant, subsequent to the next election. We are proposing a scheme

whereby nine per cent of salary will be paid into an accumulation fund rather than a defined benefit scheme.

The member for Braddon mentioned the universal superannuation that was introduced in the Hawke-Keating years. I am often asked, 'What do you think was the best thing that occurred in those 13 years of government?' It is true that there were a lot of good things, but extending superannuation to everyone—stopping it being just the preserve of public servants and senior executives in private enterprise and extending it to all working men and women—was, I think, a great achievement.

What was our vision? As the honourable member for Braddon has said, currently the superannuation contribution rate stands at nine per cent. But we did not want it to be just nine per cent. We have been mocked so many times in this House for the fact that we wanted the government to contribute another three per cent into people's superannuation—to lift the rate to 12 per cent. It was a decision this Treasurer, Peter Costello, took to not honour that commitment. He scrapped it. We could go into a lot of what-ifs and what-might-have-beens but, clearly, Labor losing the 1996 election made a huge difference to the people of Australia in terms of their superannuation entitlements—and we were looking, again, for a further contribution of three per cent from individuals, because we always believed our universal scheme should have been set at 15 per cent. As a member of the party in this place in those times, I have never lost that vision, and I hope, as a member of parliament, that I will see all Australians being entitled to 15 per cent.

For new members of parliament, the rate is going to be nine per cent and under this legislation they are going to be allowed to salary sacrifice up to 15 per cent. Quite honestly, I have some reservations about this.

This is not a principle that the Labor Party normally embraces, because we have found in these matters that there often needs to be a compulsory contribution, not a voluntary contribution.

To my mind, this legislation has a flaw, and that is the fact that there is no compulsory contribution. I do not want to argue about whether that contribution should be set at five per cent or 10 per cent, but I have the feeling that there should be a compulsory additional element to it of some percentage. The Liberal Party always say, 'Leave it up to the individual. They will make the right decisions.' We have always said, 'There are always good reasons for families to spend money. Unless we make it compulsory, it won't be saved.'

Let me further reinforce this view. There is a lot of mythology about parliamentary superannuation. Myth No. 1 is that all members of parliament get a pension. That is wrong—they do not. In fact, in this place the average service is seven years. The average service for a member of the House of Representatives is seven years. They do not qualify for a pension; they have never qualified for a pension. What would happen to them is that they would get their contributions back, plus interest—and not a lot, I have to say. The current scheme was biased towards those who served sufficiently long to get a pension. All members pay 11½ per cent compulsorily into the current superannuation scheme. The government is going to put nine per cent in and a new member after the next election can put zero salary sacrifice in, or up to 50 per cent salary sacrifice in. I do not particularly like that principle.

I do not often take issue with the honourable member for Calare, but his remarks were perhaps ungenerous when it came to the setting of salaries for members of parliament. I think we ought to pay tribute to

Gough Whitlam. Even though he was unsuccessful, he wanted to change the system whereby members of parliament—or, more correctly, I guess, the government of the day—would rush a bill into the parliament that meant a salary increase for members of parliament. It would be voted on and passed, and thereby members would get a salary increase. The member for Calare was accurate when he said that historically some of those allowances we receive, like electoral allowances, have been made by a remuneration tribunal, which Gough set up. Gough said it was wrong in public policy for members of parliament to be passing bills to determine their own salary and that having an independent remuneration tribunal was going to stop the public angst about our salaries.

I think the tribunals have been independent. I would not wish to cast any aspersion on members of the tribunal, whether they have been appointed under coalition governments or Labor governments. I think the individuals on those tribunals have honestly tried to serve the public interest in their deliberation. I do not believe that they have improperly recommended anything or done anything other than uphold the best traditions of public service. We tried to have this independent salary setting mechanism. Frankly, it did not work. It did not lessen the public angst about salaries being set or members of parliament being given an increase.

Later under Labor we attempted again to find a new mechanism to try and avoid this public criticism, by tying the salary of members of parliament to the level of a principal executive officer in the Public Service. The state governments, I might say, have all very cleverly set their own salaries at \$500 below that of a federal member, so there is an automatic mechanism built in for them, and they can point the finger at the federal mechanism as the reason for increases in salaries.

But I want to go back to Ben Chifley, because when he started to appoint new arbitration conciliators he valued their role and the contributions that they would make as conciliation commissioners so much that he said their salary should be set at the salary of a member of parliament. I have not recently looked at what that group of people get, but I think it is in the order of \$50,000 or \$60,000 more than members of parliament get.

Where is all this leading? I think that we do need to have open processes about determining parliamentary salaries. Notwithstanding the fact that the public still continue to criticise us, I think we do need institutions like the remuneration tribunal that is at arm's length. It is independent. It can make its own decisions and recommendations to the government of the day and it can make its own determinations.

I will say something about the press, who often fire away bullets about what members of parliament receive and do not receive. I do not particularly have a problem with that at all; I just wish that they would be more accurate in their comments or in what they allege is the factual situation. But that is what we have a free press for. However, I think the great irony is that, when you introduce a private member's motion here that members of the press gallery should have the same disclosure obligations as members of parliament to ensure transparency in the process, there is terrible outrage about them being subjected to the same thing. That is somewhat of a double standard.

In finalising my contribution, I want to reiterate that this was a proposal announced by our leader, Mark Latham, the Leader of the Opposition and the member for Werriwa. I am supporting this legislation. As a Labor member I have honestly expressed my angst that, whilst salary sacrifices can be made by incoming members at the next election, there

is not a compulsory component to it. In terms of community standards for those people, for example, who served in this place for seven years or less and did not get a pension, they certainly did not get a redundancy package—and you are entitled to one, and it is demanded by law, quite rightly. They did not get a severance package. And I would have to say that, if I now tried to go back to my former area of employment in Telstra, the technology has changed so much—

Mr Organ interjecting—

Mr PRICE—Yes, I would not be let loose on the public. I know Telstra has its problems, but it would not want to magnify them any more. Notwithstanding the fact that we are facing what I call a shareholders meeting of the people of Australia, I have not yet contemplated what I might do if I were not re-elected or if I should resign at some future point. But I would like to think that I would have some options other than having to lobby. There are some members of parliament who actually think, 'Yes, we've done a good job for our electorate. We've really fought hard—won some and lost some.' But should becoming paid lobbyists be the only thing that members of parliament can look to and aspire to when they leave this place?

I will finish on this point: in terms of members on this side or that side of the House, I am impressed, by and large, with the quality of new members coming in—you included, Mr Deputy Speaker Wilkie. Notwithstanding that we do a public service and that we value the public service that we try to do on behalf of our constituents, I think sometimes we ought to bear in mind the impact that we have on our families. We are not in a unique profession in terms of negative impacts on families, but this is a high-impact job as far as families are concerned.

Mr WINDSOR (New England) (5.47 p.m.)—I would like to speak briefly about

the [Parliamentary Superannuation Bill 2004](#) and [Parliamentary Superannuation and Other Entitlements Legislation Amendment Bill 2004](#). Rather than go through the issues that have been raised by other members, I would like to make a couple of comments about some of the things that the member for Calare raised and to introduce a couple of other arguments into the debate.

Obviously, as most members would know, I am one of those members who have served in another parliament—I was in the state parliament of New South Wales for 10 years—and to that extent I have qualified for superannuation under the New South Wales parliamentary remuneration arrangements. That is not to say that I am receiving any benefits from that, because serving as a federal member precludes you from receiving the benefits of superannuation at the state level. But there are a number of others in this parliament who have served in other parliaments as well. One issue that is raised from time to time is the issue of members of parliament perhaps receiving superannuation remuneration from two parliaments. As I understand the federal regulations, you have to be here for something like 12 years to qualify. To my friends in The Nationals I would probably suggest that I probably will not be here in 12 years time, if that is of any significance to them.

The issues that I would like to raise are serious, and they follow on from the previous speaker's remarks to a certain extent. In terms of the value that our communities put on members of parliament and the costs, not only in a financial sense but the family related costs and other costs in being a representative, no-one makes us be a representative, and there are plenty of others who are quite happy to be representatives if we move out of the way. But I do think that one of the reasons that the superannuation issue has been raised over the years and does—as the

member for Calare said—set us apart from those whom we represent is the fact that parliamentarians have tended in some ways to sell themselves short. They do not like to go to the people and say that they are actually worth more money.

One of the things on which I agree with the member for Calare is that we do need some sort of independent inquiry into parliamentary entitlements and salaries that actually looks at what value the community puts on members of parliament. I think that once this legislation is passed the salary levels are going to have to be reviewed. Irrespective of which area they represent, most members of parliament that I know at both a state and a federal level work extremely hard. It is not only ministers and prime ministers who work extremely hard; backbenchers work extremely hard as well. If we looked at an hourly rate for the hours that members of parliament put in, ours would have to be one of the lower paid jobs in those terms.

Having said that, we do it because we love it and we feel as though we are making a contribution to the community and the national good. Most of us believe in that, and most people do a good job in representing their constituents at a whole range of levels, not only in the parliament but obviously by way of other communications as well. But I do think it is time that we had a look at the salary issue, the entitlement issue, and—if at all possible—made it much more transparent than it has been in the past. I do not think there is anything to be ashamed of in being a member of parliament, and I do not think it is anything to be ashamed of to say, if you are the Prime Minister or Treasurer of this country, that you deserve a financial package that compensates you for the job that you have done. If we look at the remuneration packages that some of our senior executives

in business get, that of the Prime Minister, for instance, really pales into insignificance.

The other thing that I agree with the member for Calare about—and I will be supporting his amendment—is giving people the option to make their own decisions in relation to their superannuation arrangements. I think there should be a process where, if a person feels that they do not want to accept the arranged superannuation entitlements, or for that matter other entitlements—and this might be because of a person's own financial position or it might be for other reasons they have—there should be a process where they can opt out of those arrangements. I do not see any problem in doing that. I do not think it applies any undue pressure to those who decide to opt in. But I think it gives a choice to those people who, for their own reasons, may want to decide to opt out of a particular package. Obviously they could possibly do it in other ways by making donations to various charities and other organisations as well.

I just wanted to make my view plain. I will be supporting the amendment put forward by the member for Calare. I will not be supporting the amendment put forward by the member for Cunningham. I will listen with interest in a moment to the debate being put by the Labor Party in relation to remuneration of the Prime Minister and others, to see what that actually means in terms of precedent and recognition of the scale and the magnitude of the jobs that they actually do.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (5.54 p.m.)—At the outset, the government would like to thank all those honourable members who participated in the debate—particularly the honourable member for Moncrieff, who made a very thought-provoking and worthwhile contribution. It will not come as a surprise to honourable

members opposite that the government does not intend to accept the amendment moved by my friend the member for Kingston or indeed the other amendments proposed by the Independents.

The legislation currently before the chamber is the [Parliamentary Superannuation Bill 2004](#) and also the [Parliamentary Superannuation and Other Entitlements Legislation Amendment Bill 2004](#). The first bill is part of a package which will put in place new superannuation arrangements for members who join the federal parliament at or after the next general election. This will involve a government contribution of nine per cent of the parliamentary salary of a member or senator paid to a complying superannuation fund or retirement savings account chosen by the senator or member or, where no choice is made, to a default fund. Honourable members would be aware that the government has brought this legislation into the chamber very quickly to deliver on the Prime Minister's commitment to align parliamentary superannuation with superannuation for the general community. The member for New England in his speech outlined some of the rather complicated issues in relation to parliamentary superannuation.

These changes build on the substantial changes that the Howard government made to parliamentary superannuation in 2001, which defer the payment of pensions in the existing parliamentary scheme until age 55 for new members and senators elected at or after the November 2001 election. That change imposed a higher standard of preservation on parliamentarians than applies to other Australians who receive pensions. These changes will not affect the superannuation arrangements for sitting members and senators, who will not be able to transfer to the new arrangements.

The government does not support retrospective changes to accrued superannuation. Of course, retrospectivity in most circumstances is a most undesirable thing. Such changes would not be in line with the superannuation arrangements applying generally in the community, which protect accrued superannuation entitlements. Existing senators and members will have made financial arrangements and commitments based on the expectation of continued membership of the current scheme. It would be unfair and inequitable to reduce their entitlements retrospectively.

The accompanying bill—that is, the Parliamentary Superannuation and Other Entitlements Legislation Amendment Bill 2004—is also part of the package that delivers on the Prime Minister's commitment to bring parliamentary superannuation in line with current community standards. This bill amends the Parliamentary Contributory Superannuation Act 1948 to close the Parliamentary Contributory Superannuation Scheme to new members from the next election. The bill also provides for the suspension of a pension being paid to a former member or senator who rejoins the parliament from the next general election. The senator or member will receive superannuation for his or her new term of parliamentary service under the new arrangements to be provided for in the parliamentary superannuation act. The suspension of the pension will be lifted after the completion of that new parliamentary term.

The bill also amends the Remuneration and Allowances Act 1990 to provide a salary sacrifice facility to members and senators covered by the new arrangements. This will enable them to supplement their superannuation through salary sacrifice. I listened with interest to the comments made by the honourable member for Chifley in relation to the

valuable role carried out by the Remuneration Tribunal.

The government, as I said before, does not support the amendments moved by the opposition to retrospectively reduce the accrued entitlements under the PCSS of any existing MP or senator. The government does not support retrospective changes to accrued superannuation, and such changes, as I indicated before, would not be in line with the superannuation arrangements applying generally in the community which protect accrued superannuation entitlements. Also, existing senior ministers and office holders who would be affected by the opposition's proposed amendments to the bill have contributed a significant portion of their ministerial or office holder salary towards their accrued entitlements. I think most Australians would agree that it would be completely unfair and inequitable to retrospectively reduce their entitlements.

In the time available to me, I would like to turn to some of the individual remarks made by various honourable members, including the Leader of the Opposition, in this debate. The Leader of the Opposition claims that the government adopted Labor's policy on reducing an overgenerous parliamentary superannuation scheme. He referred in his speech to Labor's proposal to cap the benefits of the Prime Minister, senior ministers and senior office holders to the level of benefits payable to cabinet ministers. The member for Werriwa actually suggested that his own benefits would be reduced by something between half a million dollars and \$1.9 million.

Let us look at the facts. The member for Werriwa's proposal was to close the parliamentary superannuation scheme and refer the matter of a new scheme to the Remuneration Tribunal. The Prime Minister in his announcement indicated that the government was going much further than this and has

committed itself to bringing parliamentary superannuation into line with community standards by introducing legislation for a nine per cent accumulation scheme. Also under the proposal outlined by the Leader of the Opposition, any change would not occur until the election after next—that is, in 2007—whereas the amendments being proposed in these bills will take effect from the time of the next election. And you do not have to be a mental genius to be aware that it is highly likely that the next election will be held sometime during calendar year 2004.

The government has been particularly mindful of the concern expressed in the community and has acted immediately to bring about change to the current arrangements before the next election. As the Prime Minister has said, the government is always prepared to listen to a good idea, and I would like to thank the Leader of the Opposition for his support in facilitating the passage of these bills through the parliament in a timely way. However, in relation to his proposal to amend the current superannuation scheme to reduce the benefit entitlements of the Prime Minister, other senior ministers and office holders, the government does not support these amendments. The arrangements proposed by the government would ensure that all members of parliament, both existing and new, in future parliaments have their superannuation benefits based on their total parliamentary salaries, regardless of the amount of those salaries. When the Prime Minister announced that the government would close the PCSS and establish the new arrangements, he made it clear they would not be retrospective. This is why the bills are as they are: to implement the Prime Minister's commitments. Consequently, all existing MPs will remain under the existing arrangements.

The member for Kingston would be well aware that this is consistent with past prac-

tice. When an Australian government closes an existing superannuation scheme for its employees and establishes a new scheme, such as occurred when the Commonwealth Superannuation Scheme was closed to new members in 1990, the accrued entitlements of the remaining members of the closed scheme are not reduced retrospectively. Of course, the CSS was closed during the time of a Labor government, when the member for Kingston may well have been an adviser to a senior minister in that government.

The Prime Minister, senior ministers and senior office holders entered parliament on a particular remuneration basis, and they have contributed their entitlements on that basis. Thus, it is not fair that people, just because they have obtained a very high level of office, should be prejudiced in the way that the member for Kingston and his leader would like to see them prejudiced. It would be unfair and inequitable to retrospectively reduce their entitlements when some senior parliamentarians have organised their financial affairs on the basis of their accrued entitlements, which is not an unreasonable thing for anyone to do. Because of the superannuation industry supervision rules that protect the accrued benefits of members of superannuation schemes, this form of reduction would be prohibited in most other superannuation schemes.

It also raises the question as to whether past excess contributions based on those higher salaries should be refunded and whether ongoing contributions should be reduced. I think most people listening to this debate would agree that the amendment moved by the Leader of the Opposition is nothing more than a cheap stunt on the part of the opposition. It is just playing politics. Surely, if the opposition believes that it is appropriate that the Prime Minister should be paid a higher salary than a minister, it is entirely appropriate that the salary for superan-

nuation purposes of that member should also reflect that differential. It is an absolute nonsense to say otherwise. The argument of the opposition is further weakened by the fact that it is only intending to apply the principle retrospectively. By not applying the same principle to the new scheme, the opposition is acknowledging that it is appropriate for the superannuation contributions of members to reflect their total parliamentary salary.

Any future Prime Minister, senior minister or senior office holder who joins the new arrangements will be treated exactly like any other new or returning MP. His or her nine per cent government contributions will be calculated on the basis of their total parliamentary salaries. Not to allow the Prime Minister, senior ministers and senior office holders to continue to contribute to superannuation and to receive superannuation benefits based on their total parliamentary salaries would therefore be inequitable. It would also be inequitable not to allow existing MPs who in the future may become the Prime Minister, a senior minister or a senior office holder to contribute to superannuation and receive benefits based on their total parliamentary salaries under the PCSS.

In relation to the comment made by the Leader of the Opposition about sacrificing his own superannuation, it is just farcical to suggest that the Leader of the Opposition would in some way, shape or form save the Australian taxpayer \$1.9 million. A simple calculation of the facts indicates that, for the Leader of the Opposition to save the Australian taxpayer \$1.9 million—in other words, for his own benefits to be cut by that amount—he would have to be Prime Minister for a very long time. It is not certain at all that he will ever be Prime Minister, and it would be a very unfortunate state of affairs if at the election later this year the people of Australia were to elect the Leader of the Opposition to the most important office in the

land, which has been very well carried out by the current Prime Minister.

I always listen very carefully to the thoughtful contributions of the member for Chifley, who has been here for a long time. He brings to this place a reflection on life's experience. We all are, of course, the collection of our life's experiences. I was interested to hear that the member for Chifley said that the bills should require a compulsory superannuation contribution from MPs covered by the new nine per cent arrangements. The new arrangements are the same as those applying generally in the community, which do not require compulsory member superannuation contributions.

The member for Calare, who disagrees with the government—although he did give the government credit for the extent that the bills currently traverse—welcomed the bills but said they did not go far enough and referred to his claim that existing members should be able to opt in to the new superannuation arrangements. He will be disappointed to know that the government is not going to support that particular amendment.

Mr Andren—Why not?

Mr SLIPPER—When you speak to it, I will certainly be giving you the government's response. The member for Cunningham also welcomed the bills but claimed that they did not go far enough. He had a point of view that no-one else in the parliament would share, and I suspect that no-one in the community would share, namely that the current scheme is a rort and should be closed down. What we have at the moment is a reform of superannuation arrangements in accordance with community expectations. I think it would be entirely inappropriate to suggest that this bill in some way is a rort. When the Prime Minister announced that the government would close the existing scheme and establish the new arrangements, he made

it clear they would not be retrospective, and I think most people would accept that that is a pretty fair point of view.

There has been a good debate in relation to these bills. There has been some politicking and misinformation, particularly on the part of the Leader of the Opposition, but I am pleased that there appears to be sufficient consensus to ensure a speedy passage of these bills through the House after the opposition and Independent amendments are disposed of. I would like to commend to the chamber, on that basis, both of these two important pieces of legislation which deliver on the Prime Minister's commitment.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr ORGAN (Cunningham) (6.08 p.m.)—by leave—I move:

- (1) Clause 5, page 4 (line 29), omit “becomes”, substitute “is”.
- (2) Clause 5, page 4 (lines 31-32), omit paragraph (1) (c),

The amendments change clause 5 of the **Parliamentary Superannuation Bill 2004** to ensure that all federal politicians gain access to a community standard nine per cent funded parliamentary superannuation scheme and that the present 69 per cent contribution scheme is shut down. The aim of these amendments is clear: to bring the scheme into line with community standards. This is about the equity of the current system so that the perceptions out there among the community are that it is an equitable system for politicians and it is in line with community standards.

As I mentioned in my previous speech, if these bills are passed as they stand we will

have a very complicated superannuation scheme in existence. There will be arrangements for politicians who were elected prior to 2001 and arrangements for politicians elected after 2001 who will continue on the 69 per cent funded scheme. We could see, for another 25 or 30 years or more, politicians in this place being eligible for the 69 per cent funded scheme. With it will come concern in the community about this whole issue. Despite what the parliamentary secretary has just said, I have had people in the community say to me that this current system is a rort and should be closed down. I am not alone in this. I think there is real cause for concern out there about so-called rorts. The adoption of these amendments will clearly bring this place into line with community standards. Therefore I commend the amendments to the House.

Mr ANDREN (Calare) (6.10 p.m.)—I have just a few words in support of the member for Cunningham. Although, as I said in my speech in the second reading debate, I have had substantial advice on the problems connected with the amendments that the member for Cunningham has moved, I did say that we are creating a double, two-tiered system here and I sense, given the lack of speakers on the government side, that there is intense discomfort around this legislation and the fact that we are here debating the issue at all.

We have an opportunity to seriously look at the just compensation issue. The issue has been forced onto the agenda in recent months by the somewhat precipitate action, I would say, of the Leader of the Opposition. The Prime Minister, I would suggest with very much a lack of will, has had to follow suit in the lead-up to the election. The conundrum and the problems have been created by the political imperative in this debate. That is why the amendments that the member for Cunningham has moved are as reasonable as

the lack of proper debate of this whole issue has been quite unreasonable. I will be supporting these amendments notwithstanding the difficulties that need to be sorted out to bring them into effect.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (6.12 p.m.)—As I indicated in my summing-up speech, the government does accept that it is necessary to bring about changes to the way in which superannuation arrangements for members of parliament exist but, for the reasons I outlined earlier, we do not support retrospectivity. We believe that the rule that applies when superannuation arrangements are changed in other spheres of human activity should also apply to parliamentary superannuation and that the accrued benefits and the arrangements under which people entered into parliament at the time they did ought to remain. That is why we accept that there have to be changes to parliamentary superannuation. I do respect the point of view of the members for Cunningham and Calare, but we believe that it is inappropriate to, in effect, retrospectively change the basis on which existing members are paid.

The DEPUTY SPEAKER (Mr Wilkie)—The question is that the member for Cunningham's amendments be agreed to.

A division having been called and the bells having been rung—

The DEPUTY SPEAKER—As there are fewer than five members on the side for the ayes, I declare the division resolved in the negative in accordance with standing order 204. The names of those members who are in the minority will be recorded in the *Votes and Proceedings*.

Question negatived. Mr Organ and Mr Andren voting aye.

Mr ANDREN (Calare) (6.18 p.m.)—I move:

Clause 5, page 4 (lines 31-32), omit paragraph (1) (c), substitute:

- (c) the person;
 - (i) was not entitled to a parliamentary allowance immediately before that time, or
 - (ii) if the person was entitled to a parliamentary allowance immediately before that time, the person has given to the administering authority a notice in writing signed by the member stating that the member has elected to cease to make contributions to the scheme established by the Parliamentary Contributory Superannuation Act 1948 and to become instead subject to the scheme established by this Act.

My amendment is to the **Parliamentary Superannuation Bill 2004**. In moving my first amendment, which provides for any sitting member, if re-elected, to opt into the new arrangements, I would like to put on the record that much has been made of the idea of re-establishing trust and confidence in the electorate, yet neither major party is prepared to apply these new super arrangements to themselves. This hardly re-establishes the trust that we want to achieve. In fact, it reinforces the opinion of many that there is no will to bring parliamentary entitlements into line with normal community standards.

There have been backbench revolts on both sides, as I understand it, making the application of the new arrangement to all MPs politically impossible—as we have seen in the most recent division. They are supported by plenty of technical arguments, as I said earlier, and the advice I have had is that, with just compensation and such, it may be impossible. But again, as I said, this imbroglio is being created by the precipitate way in which this whole thing has been brought on in recent months. I propose to amend this legislation to allow sitting members and senators the choice to opt in to the new

scheme, consistent with my two private member's bills on MPs' superannuation. A voluntary 'opt in' clause will negate the need for just compensation and the natural justice argument that members cannot be forced to accept a retirement scheme that is less than the one they currently have.

It also has a strong precedent in the Western Australian parliamentary superannuation scheme, which successfully incorporated a clause—I think it was the Carpenter clause—to allow Western Australian state members to transfer from their outdated pension scheme into a new one, which also applies only to new members of that parliament. I understand the opposition is of a mind not to support my amendment, and yet they are seeking support for their own amendments to cap the entitlements of senior office holders in this place. I suggest that, if they really want to achieve any sort of acceptance in the general community around the issue that they are arguing, they should look at their own colleagues in Western Australia and the precedent set there in that parliament by members of their own party to provide for members who wish to opt in to the new arrangements or, as the tenor of my private member's bills suggested, enable any member to make a choice of superannuation in accordance with the sorts of policies that we are attempting to put into the general legislative framework for the community.

It is possible to include my amendment with no impediment to the intended function of the new federal parliamentary superannuation scheme. As I said, I anticipate this will not receive any support by members who wish to avoid this opt in, because I understand it may be regarded as more of a 'shame in'. It has not achieved that in Western Australia; it has been accepted as part and parcel of the human rights of any member, any individual, to make their own arrangements according to their own savings.

The DEPUTY SPEAKER—Order! The member for Calare will resume his seat for a brief period. Will those members on my left please either leave the chamber for discussions and conversations, or hold them quietly. The member for Calare has the call and is entitled to be heard.

Mr ANDREN—There is no shame in receiving fair remuneration for your work. If members consider the superannuation component of their remuneration fair and just, there is no shame to them in accepting it. But, if members feel they will be shamed into giving up their retirement bounty, they recognise that there is something seriously wrong with their retirement allowances under the current system. The fact we have these bills before us is recognition enough that the PCSS is not only no longer relevant in today's working environment but glaringly outrageous in comparison to community standards.

I wrote to the Prime Minister in November last year, before both sides of politics rushed to join in our efforts to reform parliamentary superannuation, asking him about the likelihood of my private member's bill being debated in this place. I received my answer, with apologies, from the Minister Assisting the Prime Minister in April this year. The Prime Minister had by this time announced his new plans for MPs' super, following of course the lead taken by the Leader for the Opposition, who in turn, as I said, took the lead from several decades of effort, particularly by the honourable Ted Mack. But his answer made clear that there would be no retrospective alteration. There is no explanation as to the reasons. I will listen with interest to the parliamentary secretary. I say that there are no acceptable reasons for the government's, and indeed the opposition's, stand against an 'opt in' clause. I urge both sides to accept my amendment allowing members who disagree with the MPs' super

scheme the choice to remove themselves from it. I commend the amendment to the House.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (6.25 p.m.)—The member for Calare has essentially answered the matter raised in his amendment in his own speech. The government is not prepared to accept any level of retrospectivity with respect to this matter. The Prime Minister, when he made his announcement, said there would be no retrospectivity and that all existing members and senators would remain under the existing scheme, and that is what I said in my initial contribution. It is in keeping with general practice. When superannuation schemes have been altered in the past, existing members have been grandfathered. I think there is a longstanding principle that entitlements ought not to be fiddled with in a retrospective way, and these bills are all about the future. There was an acceptance that there needed to be some change in the way parliamentarians are superannuated following their retirement; however, the feeling was that what is usual practice should be usual practice in this case. The whole idea of course is to bring parliamentary superannuation more in line with community norms, and the way that there is no retrospectivity is in keeping with community norms. In the way that schemes have been altered in the past, existing members have simply not been affected.

Mr ANDREN (Calare) (6.26 p.m.)—I just want to comment on the parliamentary secretary's statement. This is not about retrospectivity, in the sense that it is an arrangement that has been made in an Australian parliament. As I understand it, without any challenge, there is no just compensation involved in the process and there are no legal ramifications. There is an acceptance under the procedures I have set out in my second

amendment—which I will be moving in a moment—that quite clearly establishes the procedure to enable a member to opt in to new arrangements or indeed opt in to a super scheme of his or her own choice. For the parliamentary secretary to argue that there are problems with retrospectivity and, by inference, with just compensation is a nonsense.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (6.27 p.m.)—Without wanting to traverse the areas I have already covered, the fact that a parliament in a state takes a certain course of action does not make it right, does not make it proper and does not make it equitable. The fact is that, when this announcement was made, it was intended to be prospective; thus all existing members will remain under the arrangements made at the time they commenced their parliamentary service. There will be no retrospectivity.

The DEPUTY SPEAKER—The question is that the member for Calare's amendment be agreed to.

A division having been called and the bells having been rung—

The DEPUTY SPEAKER—As there are fewer than five members on the side for the ayes, I declare the question negatived in accordance with standing order 204. The names of those members who are in the minority will be recorded in the *Votes and Proceedings*.

Question negatived. Mr Andren, Mr Organ and Mr Windsor voting aye.

Bill agreed to.

Third Reading

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (6.32 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

**PARLIAMENTARY
SUPERANNUATION AND OTHER
ENTITLEMENTS LEGISLATION
AMENDMENT BILL 2004**

Second Reading

Debate resumed.

The DEPUTY SPEAKER (Mr Wilkie)—The question is that this bill be now read a second time.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr COX (Kingston) (6.34 p.m.)—by leave—I move amendments (1) and (2) as circulated in my name:

- (1) Schedule 1, page 3 (after line 14), after item 3, insert:

3A At the end of subsection 18(9)

Add:

- (c) The rate of additional retiring allowance in accordance with paragraph (9)(b) shall not exceed the rate set from time to time by the Remuneration Tribunal in accordance with subsection 6(1) of the *Remuneration Tribunal Act 1973* for an other Minister in Cabinet.
- (d) The application of paragraph (c) is limited to the rate of additional retiring allowance of any person who serves as a Minister of State for that period of service as Minister of State that commences after the 40th Parliament.

- (2) Schedule 1, page 3 (after line 14), after item 3, insert:

3B After subsection 18(9)

Insert:

For the purposes of subsection (9), an other Minister in Cabinet is a Minister in Cabinet other than the Prime Minister, the Deputy Prime Minister, the Treasurer, the Leader of the Government in the Senate or the Leader of the House.

The purpose of these amendments is to cap the benefits received by office holders in the Parliamentary Contributory Superannuation Scheme to those of a minister in the cabinet. The purpose of this is to bring benefits closer to a community standard than would otherwise be the case for higher office holders. Higher office holders are, of course, the Prime Minister and Deputy Prime Minister, the Leader of the Government in the Senate and Deputy Leader of the Government in the Senate, the President of the Senate and the Speaker of the House of Representatives. This is a significant move because the additional benefits enjoyed by higher office holders are quite extraordinary by community standards. It is incumbent on us to demonstrate some restraint in relation to the Parliamentary Contributory Superannuation Scheme. I commend the amendments to the House.

Mrs Crosio—Short and sweet. That's what we like.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (6.35 p.m.)—I thank the Chief Opposition Whip for her encouragement and support. I actually outlined in my earlier speech why the government do not accept the amendments moved by the member for Kingston. Briefly, we reject the attempt to amend the current superannuation scheme to reduce retrospectively the benefit entitlements for the Prime Minister, other senior ministers and office holders, and thus the government do not support the amendments. The new arrangements proposed by

the government will ensure—and I do want to assure all honourable members of this—that all MPs, both existing and new, in future parliaments will have their superannuation benefits based on their total parliamentary salaries, regardless of the amount of those salaries. We do not support the opposition amendments. We do not think this is fair. It is a stunt. What the government are suggesting is fair and reasonable. I ask the House to reject the amendments moved by the member for Kingston.

Question put:

That the amendments (**Mr Cox's**) be agreed to.

The House divided. [6.41 p.m.]

(The Deputy Speaker—Hon. I.R. Causley)

Ayes.....	64
Noes.....	<u>70</u>
Majority.....	6

AYES

Adams, D.G.H.	Albanese, A.N.
Andren, P.J.	Beazley, K.C.
Bevis, A.R.	Brereton, L.J.
Burke, A.E.	Byrne, A.M.
Corcoran, A.K.	Cox, D.A.
Crean, S.F.	Crosio, J.A.
Danby, M. *	Edwards, G.J.
Emerson, C.A.	Evans, M.J.
Ferguson, L.D.T.	Ferguson, M.J.
Fitzgibbon, J.A.	George, J.
Gibbons, S.W.	Gillard, J.E.
Grierson, S.J.	Griffin, A.P.
Hall, J.G.	Hatton, M.J.
Hoare, K.J.	Irwin, J.
Jackson, S.M.	Jenkins, H.A.
Kerr, D.J.C.	King, C.F.
Latham, M.W.	Lawrence, C.M.
Livermore, K.F.	Macklin, J.L.
McClelland, R.B.	McLeay, L.B.
McMullan, R.F.	Melham, D.
Mossfield, F.W.	Murphy, J. P.
O'Byrne, M.A.	O'Connor, B.P.
O'Connor, G.M.	Organ, M.
Plibersek, T.	Price, L.R.S.
Quick, H.V. *	Ripoll, B.F.

Roxon, N.L.	Rudd, K.M.
Sawford, R.W.	Sciacca, C.A.
Sercombe, R.C.G.	Sidebottom, P.S.
Smith, S.F.	Snowdon, W.E.
Swan, W.M.	Tanner, L.
Thomson, K.J.	Vamvakinou, M.
Wilkie, K.	Zahra, C.J.

NOES

Anderson, J.D.	Andrews, K.J.
Anthony, L.J.	Bailey, F.E.
Baird, B.G.	Baldwin, R.C.
Bartlett, K.J.	Bishop, B.K.
Bishop, J.I.	Brough, M.T.
Cadman, A.G.	Charles, R.E.
Ciobo, S.M.	Cobb, J.K.
Downer, A.J.G.	Draper, P.
Dutton, P.C.	Elson, K.S.
Entsch, W.G.	Farmer, P.F.
Forrest, J.A. *	Gallus, C.A.
Gambaro, T.	Gash, J.
Georgiou, P.	Haase, B.W.
Hardgrave, G.D.	Hartsuyker, L.
Hawker, D.P.M.	Hull, K.E.
Hunt, G.A.	Johnson, M.A.
Jull, D.F.	Katter, R.C.
Kelly, D.M.	Kelly, J.M.
Kemp, D.A.	King, P.E.
Ley, S.P.	Lindsay, P.J.
Lloyd, J.E.	Macfarlane, I.E.
May, M.A.	McArthur, S. *
McGauran, P.J.	Moylan, J. E.
Nairn, G. R.	Nelson, B.J.
Neville, P.C.	Panopoulos, S.
Pearce, C.J.	Prosser, G.D.
Randall, D.J.	Ruddock, P.M.
Scott, B.C.	Secker, P.D.
Slipper, P.N.	Smith, A.D.H.
Somlyay, A.M.	Southcott, A.J.
Stone, S.N.	Thompson, C.P.
Ticehurst, K.V.	Truss, W.E.
Tuckey, C.W.	Vale, D.S.
Washer, M.J.	Williams, D.R.
Windsor, A.H.C.	Worth, P.M.

* denotes teller

Question negatived.

In division—

Mrs Crosio—Mr Deputy Speaker Causley, I raise a point of order. While appreciating that the member for Parramatta

and the member for Dunkley are not being counted because they have done the right thing, I question how the member for Deakin, who pushed through the doors at the same time, can be counted.

The DEPUTY SPEAKER—I would uphold that point of order and say that the member for Deakin should not be counted.

Honourable members interjecting—

Mr Lloyd—Mr Deputy Speaker, on a point of order, in my opinion, the member for Deakin was within the chamber when the door was closed.

The DEPUTY SPEAKER—No, I am sorry. When the order was given for the doors to be closed they were not within the chamber.

Mr Lloyd—In my view, the member for Deakin was within the chamber before the doors were closed.

The DEPUTY SPEAKER—The chair has ruled that they were not in the chamber.

Mr Sercombe—Mr Deputy Speaker, in the light of your ruling, could the member for Deakin now withdraw?

The DEPUTY SPEAKER—The tellers have the message.

Mr ANDREN (Calare) (6.48 p.m.)—Before moving my amendment, I want to say, for the convenience of members in the House, that I will not be seeking a division. I move:

Schedule 1, page 12 after item 18 (after line 21) add:

19 Assessment of benefit payable in respect of Member who has elected to leave the scheme

- (1) This clause applies in respect of a person who has made an election under subparagraph 5 (1) (c) (ii) of the Parliamentary Superannuation Act 2004 to cease to make contributions to the scheme established by this Act and to become instead

subject to the scheme established by the Parliamentary Superannuation Act 2004.

- (2) As soon as practicable after the Parliamentary Superannuation and Other Entitlements Legislation Amendment Act 2004 receives the Royal Assent the Remuneration Tribunal shall inquire into and report on:
- (a) a formula for calculating any benefits payable with regard to contributions made under this act to or in respect of a person who has made an election under subparagraph 5 (1) (c) (ii) of the Parliamentary Superannuation Act 2004 (**termination benefits**)
 - (b) when and in what circumstances termination benefits shall be paid;
 - (c) to whom termination benefits may be paid;
 - (d) the portability of termination benefits;
 - (e) the legislative amendments necessary to give effect to, and authorise payments in respect of, termination benefits, and
 - (f) any other matter relevant to the calculation or payment of termination benefits that the Tribunal thinks fit.

This amendment is necessary to provide the legislative mechanism for the earlier amendment that I moved. It provides for the mechanisms by which members and senators who elect to opt into the new parliamentary scheme would have an equivalent termination benefit determined and transferred to a fund of their choice. The tribunal will be directed to inquire into and report on a formula to calculate those benefits. As I said earlier, the Western Australian parliamentary superannuation scheme provides the strongest of precedents in support of my amendment for an opt-in clause to be included in the legislation.

Under the WA scheme, the state Salaries and Allowances Tribunal was empowered to determine the conditions under which members could elect to remove themselves from

the Western Australian parliamentary pension scheme and it has done so successfully, despite what the Parliamentary Secretary to the Minister for Finance and Administration might argue in negating and opposing this particular process. The inclusion of this option clause for the federal scheme is not only possible but workable.

For the record, my option would allow an amount to be determined by the Remuneration Tribunal to be transferred to the scheme of new members should I be re-elected. Should I not be re-elected, I have made arrangements for at least the lump sum component of any pension benefit I receive to be used for public benefit. I urge the government and opposition to support the inclusion of this amendment in the bill.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (6.50 p.m.)—The amendment to the previous bill, the Parliamentary Superannuation Bill 2004, moved by the member for Calare was defeated by the House. This amendment to the **Parliamentary Superannuation and Other Entitlements Legislation Amendment Bill 2004** is clearly not going to get the support of the House. The government oppose the matters raised by the member for Calare, and we ask that the amendment moved by the member for Calare be rejected by honourable members.

Question negatived.

Bill agreed to.

Third Reading

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (6.51 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

TRADE PRACTICES AMENDMENT (PERSONAL INJURIES AND DEATH) BILL (No. 2) 2004

Consideration of Senate Message

Bill returned from the Senate with amendments.

Ordered that the amendments be considered at the next sitting.

POSTAL SERVICES LEGISLATION AMENDMENT BILL 2003

Consideration of Senate Message

Bill returned from the Senate with amendments.

Ordered that the amendments be considered at the next sitting.

ANTI-TERRORISM BILL 2004

Second Reading

Debate resumed from 31 March, on motion by **Mr Ruddock**:

That this bill be now read a second time.

Mr McCLELLAND (Barton) (6.53 p.m.)—The **Anti-terrorism Bill 2004** makes changes to four pieces of legislation: the Crimes Act 1914; the Crimes (Foreign IncurSIONS and Recruitment) Act 1978; the Criminal Code Act 1995; and the Proceeds of Crime Act 2002. In my contribution, I will discuss the relevant amendments. Significantly, when the bill was introduced it was referred to the Senate Legal and Constitutional Committee by the Attorney-General, who consulted me in that respect. I thank the Attorney-General for his call at that time and for being in the House today. I welcome the bipartisan report of Liberal and Labor members of the committee, which was tabled in the Senate yesterday.

I can inform the House that I have written to the Attorney-General today—he may not have seen the letter yet—indicating that Labor accepts those bipartisan recommendations of the committee and will support

amendments to the bill in the Senate to implement them. We will support the second reading of this bill, but we indicate our intention to move amendments along the lines of the Senate committee report, in the event that the government is not minded to do so. However, we encourage the government, obviously, to have regard to those bipartisan recommendations. We believe the committee is to be congratulated on its bipartisan approach to the legislation, which instinctively involves issues of some controversy. I strongly urge, as I have indicated, the government to support those recommendations.

I will first address the amendments to the Crimes Act that deal with police detention. In Labor's view, they are the most significant and controversial provisions of the bill. After the High Court case of *Williams and the Queen*, part IC was inserted into the Crimes Act in 1991. It enables police to arrest and detain without charge for up to four hours a person suspected of committing a Commonwealth offence, including a terrorist offence, for the purpose of investigating whether they have committed an offence. This is referred to as the investigation period. Part IC then enables the police to apply to a magistrate or justice for an extension to the investigation period of up to eight hours. For the purpose of determining how much of the investigation period has passed, part IC currently specifies times that are to be disregarded. They are known colloquially as 'dead time'. These include times during questioning when there are delays or a suspension of the questioning—while, for example, the person communicates with a lawyer, interpreter, relative or friend, while the person is allowed to rest or recuperate, or while a forensic procedure, such as fingerprinting or DNA sampling, is undertaken.

The bill would make two additional changes to part IC where a person is arrested and questioned for terrorism offences.

Firstly, it would enable a magistrate or a justice to extend the investigation period by 20 hours instead of eight hours, increasing the total maximum investigation period to 24 hours instead of 12 hours. The extension would not necessarily be for the total 20 hours; it would depend upon the request obviously and the decision of the magistrate or justice. Secondly, it would add to the list of times to be disregarded when determining how much of the investigation period has passed, to include:

... any reasonable period during which the questioning of the person is reasonably suspended or delayed in order to allow the investigating official to obtain information relevant to the investigation from a place outside Australia that is in a different time zone, being a period that does not exceed the amount of the time zone difference.

So the extent of the actual time zone is an absolute limit to that particular provision of dead time, and again it is not necessarily the absolute period, if the information sought is obtained in a shorter period.

I should note that the proposals to amend part IC to deal with terrorism are not new. For example, on 16 October 2002, following the Bali bombings, constitutional law expert Professor George Williams suggested at a vitals issues seminar hosted by the Parliamentary Library that a reform along those lines might be considered. Professor Williams raised the issue more by way of a question than necessarily as a submission, but he said:

The only element that arguably might be missing, I think, from that regime which might merit attention from the Prime Minister's review is that there is no longer detention period for terrorist suspects.

Later he said:

My own view is that a longer period of detention for terrorist suspects may well be appropriate in the climate after the Bali attack.

Professor Williams had regard, of course, to steps that had been taken in both Canada and the United Kingdom.

The proposal in this bill followed the issuing of a communique by Commonwealth, state and territory police commissioners on 18 March this year, which stated:

Discussion included the need to ensure that the Commonwealth Crimes Act allows for appropriate investigative processes and interviewing of persons suspected of terrorist-related offences.

The conference was of the view that the current Commonwealth legislation may undermine a successful prosecution of offenders engaged in significant terrorist activity. In fact, AFP Commissioner Mick Keelty indicated to the Senate committee considering this bill that the need for this reform was brought home to the AFP by the complexities it encountered during its investigation of the Bali bombings. The Leader of the Opposition is in fact on record as saying that we must respect suggestions advanced by our first response agencies—our state and federal police agencies. Indeed, Labor has carefully considered this proposal and balanced a number of considerations.

Prolonged detention of citizens without charge is certainly an extraordinary measure, which should only be sanctioned in exceptional circumstances where it is necessary to counter a demonstrated and urgent threat to the safety of the community. Labor has considered the cases put by the police commissioners—particularly AFP Commissioner Keelty in light of the AFP's actual experience of investigating the Bali terrorist bombings. We believe those submissions have made a case for these amendments—to deal with the unique challenges of international terrorism investigations, which, of course, may involve receiving information not only from jurisdictions within Australia but also from those overseas. In saying that, I should

indicate and emphasise that we do not see this as establishing a precedent for their future extension to other areas of criminal law enforcement.

We note that the bill preserves the comprehensive regime of safeguards contained in part IC of the legislation, including, most significantly, supervision of the extension of time by a magistrate or justice, who must not extend the investigation period unless they are satisfied, firstly, that further detention is necessary to preserve or obtain evidence or to complete the investigation, secondly, that the investigation is being conducted properly and without delay and, thirdly, that the detained person or their representative has been given the opportunity to make representations about the extension application. So the presumption is against extension. Those criteria are all cumulative—they are not in the alternative—and they do constrain the discretion that the magistrate or justice is required to exercise and the factors they are required to consider before granting an extension in their role in supervising the operation of the act. There are also additional safeguards for Aboriginal and Torres Strait Islander people, which are not changed by the bill. Similarly, there are safeguards in respect of the detention of young people.

It is worth pointing out that this proposal is separate from new powers granted by the parliament to ASIO last year, which of course in themselves were controversial, in that they involved a power to detain and question persons who have information—or who are reasonably believed to have information—about terrorism offences. Fundamentally, the powers given to ASIO and the powers given to the AFP in this case are for different purposes. ASIO's powers are for the purpose of gathering intelligence that may prevent a terrorist attack, while the police's powers are for the purpose of gathering evidence that would assist in a prosecution. In-

deed, on the one hand the information obtained in the ASIO process would not be for the purpose of admission into court, whereas that is very much the purpose of the questioning regime we are considering in this bill.

Liberal and Labor members of the Senate committee have recommended that the use of the new dead time provision relating to overseas inquiries also be subject to judicial oversight and only available upon successful application to a judicial officer. In my letter to the Attorney-General, I indicated that Labor believes that this is also a reasonable requirement which would not be unworkable and which would provide appropriate supervision of suspensions in questioning under the new provisions. That is not to say we believe the Australian Federal Police would request dead time lightly, but we believe from the point of view of the efficacy of the operation of the system that the continuation of judicial oversight is desirable all round.

Labor also believes it would be desirable to hold an independent review of the operation of these amendments after a period of three years. Labor is certainly committed to carrying out such a review. Again, we believe that if a review is undertaken on the basis of actual cases it can do a lot to improve the operation of the provisions—and indeed in some cases it can do a lot to remove concern or controversy within the community, when people are able to be satisfied that the provisions are operating effectively on the one hand and fairly on the other. Labor is certainly committed, as I say, to carrying out such a review, and we would urge the government to similarly commit themselves to it.

The second element of the bill that I will now discuss relates to amendments to the Crimes (Foreign Incursions and Recruitment) Act 1978. The bill would make four

main changes to the provisions of that legislation. Firstly, it would increase the maximum penalty for the relevant offence of engaging in hostile activity in a foreign state—increasing it from 14 years to 20 years imprisonment. Secondly, it would apply to persons who were present in Australia at any time before the relevant conduct—not just in the preceding year, as is currently provided in the legislation. Thirdly, it would remove the defence currently available to persons serving with foreign government armed forces, where the accused was engaged in the relevant conduct while in or with an organisation that was either, on the one hand, a terrorist organisation listed under the Criminal Code Act 1995—they are known generally as proscribed organisations, of which there are now a number—or, on the other hand, an organisation proscribed by regulations made under a new power in the Crimes (Foreign Incursions and Recruitment) Act, a power which would be given to the Attorney-General.

Finally, it would enable a minister to issue a certificate stating that an organisation was not part of the armed forces of the government of a foreign state, which constitutes prima facie proof of that fact. This adds to the three certificates the minister can currently issue to facilitate proof of difficult facts which may have implications for Australia's international relations. The basic purpose behind these amendments is to update the 1978 act to reflect the current reality of state-sponsored terrorism where there is a relationship between a government and a terrorist organisation, such as has been the case with al-Qaeda in Afghanistan—and, indeed, in the Sudan.

One flaw in the drafting of the bill, identified by Liberal and Labor members of the Senate committee, is the absence of criteria for the exercise of the proposed new power to make regulations proscribing organisa-

tions. We acknowledge those regulations are disallowable by the parliament and in that sense parliamentary oversight is retained. However, in the absence of any legislative criteria, there is little guide either to the Attorney or the parliament as to the proper exercise of the power. In my letter to the Attorney-General, I indicated that Labor would support amendments to include criteria that would clarify the purpose of the power. We understand that, in addition to the armed forces purportedly of a state, that would include instances where they are themselves effectively part of a terrorist network. In another instance indicated by the government, they could be used to list foreign armed forces which have engaged in gross violations of human rights or the laws of war. Again, those sorts of criteria would be appropriate, and Labor would certainly support criteria along those lines.

I also sought clarification from the Attorney-General of the government's understanding of the legal position of persons who make all reasonable attempts to withdraw from foreign hostile activity with an organisation proscribed under this power but who are unable to do so because of duress or compulsion—and, indeed, in some instances are possibly themselves facing severe penalty as a result of desertion. That would be a worst-case scenario. Clearly, I think most Australians would consider it undesirable for any Australian to be involved in hostile activities overseas, but if there were circumstances where criminality was attached to that conduct and circumstances where a person was the subject of extreme duress or compulsion then there would be factors that we believe should be considered in the operation of the legislation.

I will next deal with amendments to the Criminal Code Act 1995. In essence, the amendments to that legislation that would be effected by this bill would create or amend

the offence of being a member of a terrorist organisation. That offence would apply to organisations that are not listed by the Attorney-General. Currently there is an offence of belonging to such an organisation—one of those organisations that has been proscribed as I have indicated. In respect of these proposals, the offence would also apply to those organisations that a prosecution could prove in court were terrorist organisations—that is, any organisation, in the broad, that has committed, is committing or intends to commit a terrorist offence. I should indicate that the onus would still be on the Crown to establish beyond reasonable doubt the fact that the organisation was a terrorist organisation. Labor has consistently advocated in the context of an earlier bill that it is appropriate for courts to have a central role in determining, on the basis of evidence, which organisations are terrorist organisations. Accordingly, we can indicate that we support the amendment proposed by the government.

The amendments in respect of the training offences are slightly more complex. In summary, in the first offence, which carries a maximum penalty of 25 years, the prosecution would no longer have to prove that the accused knew they were involved with a terrorist organisation but instead that they were reckless as to that circumstance. The use of the language in the Criminal Code means that it would have to be shown that the accused was aware of a substantial risk that the organisation was a terrorist organisation and, having regard to the circumstances known to them, that it was unjustifiable to take that risk. In the second offence, carrying a maximum penalty of 25 years, the prosecution would have to establish that the person was dealing with a terrorist organisation and the accused would have to discharge an evidential burden, which means pointing to evidence that suggests a reasonable possibility for their conduct was in existence and that

they were not reckless as to the circumstances of that conduct.

We have carefully considered this amendment, as it does introduce a modified form of strict liability and certainly the penalty of 25 years is not insignificant, but we certainly acknowledge the concerns expressed to the Senate committee, including those expressed by the Australian Institute of Criminology, about the burden this places on an accused. We have weighed up the considerations. Indeed, we have weighed up comments by Commissioner Keelty after the investigations into the Bali bombings. He indicated the extent of training being provided by terrorist organisations in not only armed combat but also the use of electronic technology, detonations and so forth. Having regard in particular to advice from the first response agencies, we have indicated again that we will support these measures. I quote, for example, the words of ASIO Director Dennis Richardson in the report of ASIO to parliament in November 2003. He said:

ASIO is aware of a number of Australians who have received terrorist training since the late 1990s. The level of instruction received by these individuals ranges from basic military training to advanced terrorist tactics. Identifying other Australians who have undertaken terrorist training remains a priority.

Similarly, as I have indicated, Australian Federal Police Commissioner Mick Keelty specifically said that the significance of the training and the speed with which information is transmitted to potential terrorists through such training is of such significance that consideration should be given to the concept of criminal recklessness in terms of either providing training to terrorist organisations or receiving such training. We believe these statements highlight the real concerns of our front-line agencies about Australian involvement in terrorist training. Again, on balance, we are satisfied of the need for par-

liament to strengthen the training offences in the Criminal Code, and we will support these amendments, as I have indicated.

Finally, I turn to amendments to the Proceeds of Crime Act. The bill makes three main changes to this act. Firstly, the bill would specify that a literary proceeds order can be made where a person's notoriety results directly or indirectly from their commission of an offence. Secondly, where a foreign indictable offence is concerned, the bill would remove the requirement that the proceeds were derived in Australia and replace it with a requirement that the proceeds were either derived in Australia or were derived overseas and have been transferred to Australia. Thirdly, the bill would amend the definition of 'foreign indictable offence' to include conduct that was not an indictable offence under Australian law at the time of the conduct but had become such an offence by the time of the relevant application to the court—and obviously, in 2002, we introduced significant antiterrorism provisions and offences—and also to specify that offences against the law of a foreign country include offences triable by a United States military commission established under the United States President's military order of 13 November 2001.

It should be acknowledged that the Proceeds of Crime Act already covers a substantial portion of literary proceeds that could be derived from terrorist activity. The grave and unique nature of terrorism is already recognised in the act, which excludes terrorism from the statute of limitations which applies to all other offences—that is, a period of six years. The residual categories of terrorist literary proceeds that would not be covered are, firstly, those derived from overseas and transferred to Australia and, secondly, those derived from overseas terrorist activity which predated the enactment of antiterrorism legislation in Australia in mid-2002.

Again, it is appropriate that these loopholes be closed.

We are not opposed to amendments that result in closures of those loopholes, although we do agree with the unanimous conclusion of the Liberal and Labor members of the Senate Legal and Constitutional Legislation Committee that these amendments would have a retrospective operation. In this respect, the explanatory memorandum which asserts otherwise is incorrect, and we believe it should appropriately be corrected. We certainly agree that the independent review mandated by section 327 of the Proceeds of Crime Act should examine the impact of the retrospective operation of these amendments which I have described and, in particular, whether they have implications beyond the area of terrorist literary proceeds.

In considering these amendments, we have had regard to the fact that two key safeguards in the current act are maintained. The first safeguard of significance is that the civil burden remains on the prosecution to prove on the basis of evidence that the person committed a terrorist offence. For example, in the relevant cases of David Hicks or Mamdouh Habib, the court is certainly not obliged to recognise any conviction by a United States military commission as conclusive evidence of the issue, but rather the Crown would have a civil onus of proving that fact.

Secondly, the court retains the ultimate discretion of whether or not to make a literary proceeds order at all and, if it does make such an order, whether to confiscate all or only some of the profits. Under the act, the court must take into account a range of factors when determining whether or not to make such an order, including the nature and purpose of the product or activity, whether supplying the product or carrying out the activity was in the public interest, and the

social, cultural or educational value of the product. In considering those criteria, the members of the Senate committee have recommended that item 24 of the bill be amended to remove the words 'or indirectly' and that item 26 of the bill be amended to omit the proposed reference to the United States military commissions.

In my letter to the Attorney-General, I have indicated that Labor agrees with these bipartisan recommendations. Specifically, in relation to item 24, I have drawn the Attorney's attention to the Australian Law Reform Commission's 1999 report, *Confiscation that counts*, which formed the basis for the literary proceeds regime. That report stated:

... occasions may arise when the benefit gained by the person is property characterisable as attributable to the experience that the person has gained as a rehabilitatee and wishes to share with society. In such cases, it would seem inappropriate to mandatorily confiscate that part of the benefit, albeit that, ultimately, it is derived indirectly from the person's involvement in criminal, or prescribed unlawful, conduct.

Hence the reference to the public interest that I have previously referred to. We believe that, when that intention is considered, item 24 does go too far, and we would support an amendment either deleting the words 'or indirectly' or simply removing item 24 from the bill.

Regarding item 26, I share the view of Liberal and Labor members of the committee that proposed subsection 337A(3) is inappropriate. The term 'offence against a law of a foreign country' appears several times in Commonwealth legislation but is deliberately left undefined, leaving it to the courts to identify and recognise foreign criminal laws. Labor does not believe there is a case for creating an exception by specifically referring to offences triable by US military commissions—offences which are promulgated by a single lawyer employed by the US

Department of Defense in Military Commission Instruction No. 2.

We acknowledge that, while parliament recently agreed to a reference to United States military commissions in the International Transfer of Prisoners Amendment Act 2004, that legislation was to support a humanitarian purpose—namely, to enable Australian citizens detained without charge for more than two years to serve any future term of imprisonment closer to family members and support networks in Australia. Similarly, as recommended by Liberal and Labor members of the Senate committee, we will be supporting an amendment to remove that provision.

In conclusion, Labor supports the vast majority of measures in this bill and certainly supports the substance of those measures, and we will be supporting the passage of the bill through this House. As I have indicated in my letter to the Attorney-General, we intend to continue the bipartisan approach to this legislation demonstrated by Liberal and Labor members of the Senate Legal and Constitutional Legislation Committee and will be supporting amendments in the Senate to give effect to their recommendations. I strongly urge the Attorney-General to do the same on behalf of the government.

Mr DUTTON (Dickson) (7.23 p.m.)—It is with a great deal of pleasure that I rise to support the government's **Anti-terrorism Bill 2004** in this place today. It is an important bill—important not just to the Australian people but to the future of this country. Over the last eight years this government has been about protecting, building and securing the future of this country not just for the next eight years but of course for the next generation and many generations to come. In the last 24 hours, this government has demonstrated its economic credentials—how it is that we have provided to Australian families

and the Australian community through eight years of hard work since we were elected in 1996, how we have worked to provide, as I say, for the years to come—and demonstrated to the Australian community that we have the capacity as a government to build and secure the future for Australian families and for this country in general. This country will be remembered in decades to come for many aspects and many successes. One of those will be the economic successes of this government, as I said, with record low interest rates and the other economic factors—record low unemployment, which is now under six per cent, and low inflation. All of that makes for a positive and exciting future for the next generation of Australians.

But equally important to the Australian community at this point in time—and I think for the next three or four decades—will be the government's response to the issue of national security. I am very proud to be part of the Howard government, which has led the way in this country. Compare that to many other countries. It has led the charge in providing the framework for a secure and sustainable basis for this country. If we look around at some of the other examples of legislative changes in relation to terrorism, this country should be proud of the record that we stand by and the amendments that we have made over the last eight years by way of legislative change to provide that secure base for generations to come.

It is no mistake that this bill today goes further to extending the powers and the obligations that we bestow upon the law enforcement agencies and the intelligence agencies within this country. This government is very proud of the work the law enforcement and intelligence agencies do. If we are going to win the fight against terrorism, if we are about providing for the security of this country, make no mistake: we must defeat terrorism wherever its head may rise.

Through the process of creating this bill in the form in which it comes into the House today and through various other pieces of legislation, I think we have been able to demonstrate how serious we are about arming those intelligence and law enforcement agencies with the powers and the abilities to defeat that terrorism not just abroad but, specifically, wherever it may be present in this country.

I think many Australians have, over the last decade or so, been quite blind to the terrorist threat that has been posed to this country. Thank God we have not seen any serious terrorism incidents on Australian soil. But of course the events of 9-11 and the tragic circumstances surrounding the loss of Australian life on the soil of Bali, one of our very close neighbours in Indonesia, has brought home over the last few years how vulnerable we will continue to be over the coming years in relation to terrorism and the attacks that those people make on our Western way of life. The Australian people are at risk for no greater reason than the fact that we enjoy a Western style of life. So, when we are trying to combat those extreme elements within the Muslim community and within other groups that are represented and which form themselves into these terrorism groups, we need to be aware of—and I think that, quite sadly, the Australian people have realised it—the reality that faces us as the Australian people.

The bill that is before the House today has had much debate in many different forums. The honourable member prior to me spoke about the Senate report and the way in which the Senate has responded to the bill that has been proposed, quite rightly, by the Attorney-General. My understanding is that the government is of a mind to consider, as we quite reasonably always do, those recommendations which have been put forward by that Senate committee.

I want to speak in strong support of the bill as we have proposed it to the House today. In its current form, the bill proposes to change several areas of legislation—firstly, the Crimes Act. The bill seeks to redefine and extend the investigation period set out in the Crimes Act for terrorism offences. Primarily, the proposed amendment extends the period of arrest or the investigation time for a person arrested for a terrorism offence to enable law enforcement agencies to properly investigate the offence.

Sections 23C and 23D of the Crimes Act contain certain provisions in relation to persons arrested for Commonwealth offences and the periods for which those persons may be detained for the purposes of investigation. Quite interestingly, the proposal to increase the statutory time limit on an investigation seems to have come from the Victorian Police Commissioner. Of course it was mooted some time before that, I understand, by the Australian Federal Police and other Commonwealth agencies, who of course have been looking at the current legislative arrangements and proposing to government ways in which we can improve legislation to work hard towards a better legislative process to tackle terrorism.

Debate interrupted.

ADJOURNMENT

The SPEAKER—Order! It being 7.30 p.m., I propose the question:

That the House do now adjourn.

Melbourne Ports Electorate: Child Care

Mr DANBY (Melbourne Ports) (7.30 p.m.)—Last week, on a cold and dark night, I visited the Elwood Children's Centre to discuss with parents the state of child care in Melbourne Ports. I met Kate Ryan, chairperson; Cass van der Drift, centre coordinator; and committee members Sonja Hood, Kate Redfern, Emma Last and Carolyn Morris.

The meeting was packed with parents who were rightly agitated at the growing crisis of child care in the City of Port Phillip, which has 1,000 families waiting for child care. The problem is particularly acute for newborns to two-year-olds, for whom last night's budget does nothing. Expectant couples are putting their children's names on waiting lists before they are born, with waiting times of at least 12 months and longer in that part of my electorate.

In Elwood, the crisis has never been more acute, as the Scott Street Children's Centre, where I went to kinder and which still caters for 32 children, is due to close next year. I am going to appeal to the Presbyterian Church to reconsider that particular decision. The Elwood Children's Centre, which is financially viable and above all provides a delightful niche for the children of Elwood, has 35 places. In a rationalisation of child care in the City of Port Phillip, the city is considering an option to close the Elwood Children's Centre and to open a larger centre, at which hopefully the children of the Elwood Children's Centre would be incorporated. However, it does not take into consideration the fact that Elwood is operating with a great deal of pride and is financially viable. Frankly, the mayor Dick Gross and others present at the meeting, including 50 families, considered a resolution that, unequivocally, supported the centre staying as it currently exists—as I do, and I am sure as the local councillors will when they fully consider the matter.

In the past two years, there has been a 30 per cent increase in the cost of child care, and the median cost to families for a child in long-day care is now over \$1,800 a year. This is yet another example of the government giving with one hand and taking with the other. Last night's \$600 one-off offer will be nearly eaten up entirely by the increased cost of child care over the last two years. The

lack of places and the rising costs are in part due to the chronic shortage of trained child-care staff because of the very low wages in the industry. No action was taken to fix that in last night's budget. The government refuses to provide more money to ensure that the people taking care of society's greatest asset—our children—are decently paid and trained. In Victoria, before the recent living wage increases, the minimum wage of an adult childcare worker was \$11.99 an hour. Librarians are paid \$22 an hour; sales assistants, \$15.40 an hour; and gardeners, \$18.40 an hour. Surely our child-care workers should be paid more than our checkout operators.

The child-care union is currently running a work value case in the Industrial Relations Commission to ensure that child-care workers are paid more, commensurate with their skills. This claim is being opposed by many child-care companies. Today, in the second day of a hearing in the Industrial Relations Commission for child-care workers, one of the witnesses was a top manager from ABC child-care centres. It is one of the biggest commercial child-care companies, whose chairman is former Liberal candidate Sallyanne Atkinson. The company appears to oppose pay rises for its employees. The company also sponsors the Brisbane Bullets basketball team. The manager was asked under cross-examination how much its sponsorship of the Brisbane Bullets cost. He answered, '\$200,000 per year.' He was told that the pay increase asked for by the child-care union would cost his company around \$250,000 per year. He was then asked, given that his company was opposing the pay rise, if ABC child-care centres would consider dropping its sponsorship and use the money to pay the salary rise for its employees. The answer was no. This company values sponsorship of a basketball team above its own staff, as seen by their wages. Its management would rather

get flashy court side seats at a basketball game than pay its employees decent, respectable wages.

Paying higher salaries to child-care workers will eventually expand the number of places available by bringing more workers into the industry. In my view, this budget does not address this with its one-off payment. The shortage of child-care places all around Australia, like the shortage of university places, has not been addressed in this budget, and it is something that this government will regret when the next election comes.

Paterson Electorate: Pacific Highway

Mr BALDWIN (Paterson) (7.35 p.m.)—Tonight I rise to speak on a matter that is very close to my heart. On 5 March this year, there was a horrific road smash on the stretch of highway just south of Bulahdelah in my electorate, which claimed the lives of three very precious people. Sisters nine-year-old Rebecca and eight-year-old Jessica Campbell and their grandmother, 59-year-old Barbara Cheadle, lost their lives in that crash. This road crash occurred at the Keels Road intersection between Karuah and Bulahdelah.

In what could only be called a gut-wrenching experience, I met with the girls' parents, Kath and Greg Campbell, last Thursday. The pain and agony that Kath and Greg have gone through is not something that I will ever be able to express adequately on their behalf. Kath and Greg have a unique relationship. They were childhood sweethearts who met when they were 14 and 15. But there is no happily ever after for this family now; just loss and an empty space where three lives once featured so prominently.

This year Rebecca was to start playing soccer and was excited about being on the same team as her best friend, Zoe. Kath and Greg showed me pictures of Jessica, a keen

netball player. In one of these photos, Jessica is in her netball uniform giving her little sister a warm hug. Mr Speaker, as you know, I have three young children of my own, and yet I cannot imagine the extent of the heartache, the helplessness and the sadness that Kath and Greg are feeling. When I met them last Thursday, I was struck by how composed they were. It was obviously very difficult for them to talk about something so horrific and so fresh in their memory, but they opened their hearts to me and talked about their tragedy openly because they did not want to see another family hit with such a trauma.

Their story has touched the hearts of so many people who are just as horrified as I am about this accident. Allied Plant Services, the mining hire company in Newcastle that Greg works for, have been incredibly supportive of Greg and Kath. Their compassion and thoughtfulness has been outstanding and so has the assistance of so many people, some of whom Kath and Greg have never met. They have asked me to publicly thank the following people on their behalf: Qantas; the police and emergency services; Newcastle Knights player Robbie O'Davis; Principal Lance Marsh and, in fact, the whole school community at Floraville Public School; the Newcastle Crash Investigation Unit's Brad Dawson; Bulahdelah police officer Glen Grainger; the media at large; and all of those people of Newcastle and the Hunter who took the time to contact Kath and Greg because they were touched by the tragedy of their loss.

Before I talk about the Pacific Highway, I want to make one point very clear: this project is bigger than politics; it is about priorities. All levels of government must work together to fix this highway to provide dual carriageway for the entire route between Sydney and Brisbane. Yesterday in the budget, the federal government committed \$93.2 million to the Pacific Highway in New

South Wales for the next financial year. This \$93.2 million will be used to complete the Karuah bypass, start the construction of 11 kilometres of dual carriageway between Karuah and Bulahdelah in the Great Lakes region and duplicate almost 10 kilometres of highway south of Taree, including an overpass at Nabic.

For my part, I make no excuse that I am lobbying hard for a dual carriageway between Karuah and Bulahdelah in my electorate. I lobbied hard for this dual carriageway before I met Kath and Greg Campbell, and meeting them has solidified my determination to get this funding. The New South Wales roads minister last week announced \$1 million in funding to build a turning lane into Keels Road to make this intersection safer. While I welcome this funding, I would much prefer to see dual carriageway for the entire Karuah to Bulahdelah stretch. It should be the goal of all levels of government to strive to create dual carriageways quickly, efficiently and for the long term.

I do not really care who funds this upgrade, but I will be fighting for Kath and Greg Campbell and for the memory of their daughters, Jessica and Rebecca, and Greg's mother, Barbara Cheadle—in fact, for all those who have lost their lives—to make sure these funds are used quickly to fix the Pacific Highway to ensure road crashes like this are eliminated. There have been nine deaths along this stretch of the road since 2003. Other families have lost children, husbands, wives, mothers or fathers. I put it quite simply: let us get on with the job of making dual carriageway along the entire Pacific Highway and remove these deadly turn-offs for all motorists who travel on this important road.

Fuel: Prices

Mr RIPOLL (Oxley) (7.40 p.m.)—Warnings that petrol prices in Australia may

hit the \$1 mark shortly gives me an opportunity to raise a number of concerns regarding petrol pricing and the predatory practices of some in the oil industry. When researching this topic it becomes glaringly obvious that fuel and oil, unlike other consumer products, are almost impossible to dissect into their core cost components. This is important to know, because there seems to be no accountable and transparent guide to the breakdown of the cost of fuel, both wholesale and retail, and the cost components that go into the production and pricing of this product for consumers.

The other most interesting aspect of the oil industry is that, in essence, it is operated, and integrated both vertically and horizontally, in a manner which gives incredible control of production, distribution and final sale by only a few. This does not exclude smaller players from participating in the market, but it makes their ability to compete and survive very difficult and open to certain pricing strategies. The great fear I have is that, while the current climate of pricing regimes and cycles of petrol prices at retail outlets delivers reasonably priced fuel, this will no longer be the case in the future due to a lack of competition, with no possibility of reversal if the market becomes a full duopoly.

The approval by the ACCC of retailing of fuel by the major supermarket chains could in a few short years create an environment where no independent and small service stations will exist, as they will be driven out of business by so-called discount pricing strategies. I say 'so-called' because the lower price is cross-subsidised by higher retail supermarket prices. This means that the discount petrol prices at major fuel outlets are lower than the price at which independents can purchase fuel at the wholesale price. This creates a biased market, driving smaller retailers out of business.

The Senate committee inquiry into section 46 of the Trades Practices Act has delivered a bipartisan report on the failings of this section of the act to protect small fuel retailers from the predatory pricing policies of major retailers. The fact that the report findings are bipartisan demonstrates the understanding of the need that exists for reform in the law and in this industry. The government has now had some time to digest the report and its recommendations and to begin the reform. I am calling on the government to act now to end the predatory pricing policies of the major oil companies and restore fair play and competition in a complicated market.

A Latham Labor government will legislate to protect small business service station franchisees from being forced out of business, and will protect motorists from high petrol prices by ensuring the retention of competition in the petrol retail market. Labor is not prepared to leave the fate of dozens of small business operators and motorists solely in the hands of the courts. We will move to curtail the combined market power of Australia's biggest grocery retailers and oil companies.

Just one example of the behaviour of the major oil companies has led to Caltex service station operators taking out a Federal Court injunction to prevent the Caltex corporation from proceeding with its plans to force more service station owners out of business. A leaked memo which instructed Caltex staff to use tactics of 'fear, uncertainty and doubt' when negotiating with Caltex service station operators is the type of behaviour that needs to be eliminated in the industry. Labor is not prepared to sit back and allow the fate of service station operators and motorists to be determined by the Federal Court or by the oil companies themselves.

The current regulatory regime, designed to curtail the market power of the oil companies, is antiquated and needs reform. The

Howard government has had almost eight years to produce an acceptable reform plan but has failed to do anything in this critical area of competition. The emerging duopoly in petrol retailing and the demise of the many independent, particularly rural, service stations is the result. This is an industry that is using market power and its sheer size to determine price and competition. The ACCC should play a role in further investigating the long-term effect of allowing discounts and pricing policies that drive small businesses out of the industry and the reason this is taking place. My message to the government tonight in delivering these few short words on the oil industry is to remind them that they have an obligation to protect small business from larger corporations. They can do this through either legislation or the ACCC. We have had plenty of inquiries and reports. It is now time for the government to act in this vital industry.

Environment: Coastline Protection

Mr KING (Wentworth) (7.44 p.m.)—I wish to speak tonight about a matter of great concern to all Australians—the protection of that great natural asset: the Australian coastline. In recent weeks, several events have occurred that have caused me to wonder: do state governments really care about coastline protection? For years now, I have argued that there must be an integrated national plan involving all levels of government and members of the community to protect our coastline. I have not been alone in that crusade, and it is fair to suggest that most Australians want their coastline protected and, more importantly, conserved. It is a sensible and sound belief because our coastline is an asset of great natural beauty and ecological importance. It provides not only a refuge for native flora and fauna but also recreation amenities for our human population.

My argument for coastline protection is, I believe, more valid when one considers that the coastlines bordering our major state capital cities are ecologically stressed and, in some cases, facing environmental degradation. Bluntly, some areas of our coastline near our major cities are facing potential desertification. That is because the nearby human population is unwittingly trampling, polluting or bulldozing what natural vegetation still exists in some portions of city coastline areas into dangerously stressed remnant vegetative stands.

In Sydney, for example, one of the potentially worst offenders in this process is the Carr government. This government, which is headed by a coast-dwelling premier, is presently considering a proposal to turn the city's colonial-era quarantine station and its extensive grounds, containing native vegetation, into a commercial venture. The proposed venture will contain a hotel positioned within the station's heritage buildings, and a theme park a la Disneyland in the old quarantine station's grounds. The Carr government's quarantine station proposal is development planning gone mad. It must be opposed, and that is why I am alerting the House and the people of Australia to its existence.

In New South Wales, federal-state cooperation on the issue of coastal protection was also hampered by the Carr government last year. For a while, the New South Wales Minister for Infrastructure and Planning, Craig Knowles, stalled on concerns from the Howard government about New South Wales's then coastal management policies and cooperation in coastal management between the Carr government and the Howard government. Subsequently, the Carr government relented and signed the Natural Heritage Trust Extension Bilateral Agreement, which in Public Service speak is NHT2.

Let me repeat that, strategically and statistically, it has to be acknowledged that long-term damage to coastline areas is more likely to occur in areas with high human populations, like the coastline of Sydney, which borders my electorate and the electorates of several members of this House. On the coastline side of my electorate are three councils—Waverley, Woollahra and Randwick. One would think that, because of their positioning and the importance of the coastline amenity, these councils' past knowledge of coastline protection would count for something under the recently signed NHT2 bilateral agreement. It appears not to be so.

Professor Bruce Thom, a leading expert in the field of coastline protection and a constituent, says that the agreement's focus on regional catchment management authorities means that local councils participating in the catchment management authorities have to bid for funds as a partner in the new authorities. He says that the catchment management authority model 'will not meet the needs of local councils like Woollahra or Waverley, where they are seeking federal contribution to infrastructure works.'

Thom adds that the remediation of bays such as Parsley Bay in my electorate, in Vaucluse, just inside Sydney Harbour, would not occur under the catchment management model. That is because NHT2 has a basic flaw: there should be a tripartite agreement between local governments, state governments and the federal government. That there is no such agreement means it is difficult for local governments to individually access funds for urgently needed coastline work. Further, NHT2 funds are mostly going to rural, not urban or newly urbanising areas. For instance, only \$600,000 of NHT2 funds this financial year will go to the Sydney Catchment Management Authority, which covers the area of potentially greatest coastline damage risk in Australia.

Professor Thom's arguments for coastline protection are worthy of reflection and action. He says:

There are four components to my image for a better coastal future. ... a more comprehensive national cooperative approach or strategy which builds on the natural resource management framework process currently underway.

He says there is a need for the Council of Australian Governments to recommend to the federal government the need to enact a coastal zone management act. He says that within this legislation there should be enshrined an agreement between the federal and state governments about national objectives, guidelines, standards and financial assistance. I believe Professor Thom is talking good commonsense. I recommend his viewpoints, distilled from many years of experience in this area. They should be considered by all members of this House, and I believe they need to be seriously considered for adoption at some point in the near future, and the sooner the better. If we do not, I fear many good intentions to protect our coast will come to nought.

Scullin Electorate: Health Services

Mr JENKINS (Scullin) (7.49 p.m.)—In a week that is dominated by discussions about the budget—a budget that is based on short-term political expediency in an election cycle as against long-term vision—I want to return to a subject that I have raised on a number of occasions: access to after-hours primary medical care, especially in my electorate through the Northern Hospital at Epping. As I have indicated to the House before, some 60 per cent of presentations at the emergency department at the Northern Hospital are categories 4 and 5, which are categories which indicate that they could be serviced by attendance at a general practice. There are over 50,000 attendances at the emergency department at the Northern Hospital—it is the third busiest in Melbourne.

I am told that, characteristically, after-hours categories 4 and 5 at the Northern Hospital are young children with fever, minor lacerations and sporting injuries and adults with upper respiratory tract infections—the type of patient that could be serviced if they were able to go to a general practice that was accessible and open at the hours that these people are seeking medical attention.

In the budget of 2001 there was an announcement about the After Hours Primary Medical Care Program. It was indicated that \$43 million over four years was to be allocated to this program. Some two years into this program, I am told that only about one-quarter of that amount of money has been spent and much of that has been on seeding grants and the like. In fact, one of the interesting things about the Northern Hospital is that, despite the member for McEwen indicating that the Northern Division of General Practice had not approached the federal government about it, they actually did get a seeding grant under the AHPMC program of \$50,000, and it was to investigate the best model of after-hours care from a hospital based setting incorporating existing services and ensuring follow-up with the GP.

This is on top of the decision made by the Bracks state government to actually build a purpose-built after-hours GP clinic on the hospital campus. That building is there; ready to go, adjacent to the emergency department. But it is still not known what is going to happen and what proposals can be made about the ongoing funding of this after-hours GP clinic. In fact there is a proposal before the federal government which is still awaiting the go-ahead.

This is my real concern, because I have now discovered from discussions with another general practice division operating in the eastern suburbs of Melbourne that there

is a similar story there. That division was involved in putting forward an application. Applications, I am told, closed on 16 June last year. There was an expectation that an announcement about the funding would be made by September so that there could be a start-up date for this project of 1 November. Further research has indicated that the importance of the start-up date was that, as the program was only a four-year program—and will now finish in June 2005—there needed to be a length of time for proper implementation. Never mind the fact that if we got these services in place they would be of great service to the local communities—the one in my electorate, based at the Northern Hospital, and the one proposed in the eastern suburbs, which was a model akin to the Hunter Valley after-hours GP model. That model offers triage over the phone with a nurse who then refers people appropriately—either to specialised GP clinics, which can be funded and available or off to the emergency department if that is seen as the best fit.

My concern is people are getting the impression that what is likely to happen is that, in the run-up to an election, with great fanfare these announcements will be made—but they will be made six months, nine months, 12 months late so that the local communities who have worked up these solutions to their local problems will be without these services for that length of time. My concern is that the election is permeating the decision-making of the present government and that things are being done for political expedience. They are not being done for the long-term advantage of communities of the nation.

I hope that the Minister for Health and Ageing can look at these applications, which I understand have been sitting on his desk for months, and make the announcements under the After Hours Primary Medical Care Program that would be best suited to the local communities. The trials that have been con-

ducted and the services that have already been funded under this program have been absolutely successful. This is one of the ways in which the federal government can show its partnership with state governments and local communities in providing these much-needed services.

Blair Electorate: Tarampa State School

Mr CAMERON THOMPSON (Blair) (7.55 p.m.)—This evening I want to discuss one of the regular issues that come around for MPs, which is that you are invited to a local state school to discuss politics. Recently, I was invited to Tarampa State School. The first part of my visit involved the presentation of the national service medal and another service medal to Councillor Bruce McCallum, a local identity who was there in the lead-up to Anzac Day. He related some of his experiences as a serviceman to the students. It was quite an interesting gathering.

I was not invited to the school by the school principal, the staff or even by the school P&C; in fact, I was invited by the students themselves. These years 5, 6 and 7 students have decided to get involved in politics. Of course members do have regular invitations to discuss the responsibilities and duties of an MP and to discuss the role of government, and many local schools have shown an increased interest. I believe that in recent times the numbers of schools and students interested in the role of government have been on the increase, and I take that as a very positive thing.

Students love to conduct mock parliaments—to speak and pass their own bills as part of the education process. Topics such as reducing school hours or the need for a local skate ramp are always popular and always get up in the parliaments of local state schools. But at Tarampa it was a little bit different because the students there had a

very real issue that they wanted to promote, and they went about it in a very professional manner. The issue they were interested in was the Global Movement for Children's Big Lobby, and they set up a petition under the title 'Every child has a right to education.' When I went to the school, after the medal presentation ceremony the infants left and the years 5, 6 and 7 students gave me a PowerPoint presentation covering all the relevant issues. They read a poem outlining the concerns of children for basic human rights worldwide. They presented me with a petition with 140 signatures. These were gathered by visiting years 5, 6 and 7 classes in each of the six schools in the local school cluster. There, they discussed the issues and gave local children the opportunity to contribute.

I want to pass on my congratulations to the children of years 5, 6 and 7 at Tarampa State School and also to those who made the PowerPoint presentation on that day. They included Lucas Bird, Rachel Reid and Jessica Knightley, who were the speakers. The PowerPoint presentation itself was constructed by Acacia Stevens, Wade Ballard and Pearce Flint. While unfortunately the petition they gathered does not conform to the forms of the House, it is quite an effort by those students to have gathered 140 signatures and to have gone around gathering those names.

I would like to invite MPs who are interested in that issue, if they wish to, to come and peruse the petition and learn of the concerns of the students in that local school cluster and Tarampa State School, particularly the issues as raised under the Global Movement For Children's Big Lobby. I would like to once again commend them and everyone involved in the process—particularly the mums, who turned up with some lovely refreshments after the petition had been presented. It was a good day and

good fun was had by all. I hope those children will go on to maintain their interest in politics and to get actively involved once again.

Question agreed to.

House adjourned at 7.59 p.m.

NOTICES

The following notices were given:

Mr Abbott to present a bill for an act to amend the Medical Indemnity Act 2002 and the Medical Indemnity (Prudential Supervision and Product Standards) Act 2003, to repeal the Medical Indemnity (Enhanced UMP Indemnity) Contribution Act 2002, and for related purposes. (Medical Indemnity Legislation Amendment (Run-off Cover Indemnity and Other Measures) Bill 2004)

Mr Entsch to present a bill for an act to repeal the Australian Tourist Commission Act 1987, to deal with transitional matters arising from the repeal of that Act and the enactment of the Tourism Australia Act 2004, and for related purposes. (Tourism Australia (Repeal and Transitional Provisions) Bill 2004)

Mrs De-Anne Kelly to present a bill for an act to amend the Export Market Development Grants Act 1997, and for related purposes. (Export Market Development Grants Amendment Bill 2004)

Wednesday, 12 May 2004

The **DEPUTY SPEAKER (Mr Causley)** took the chair at 9.40 a.m.

STATEMENTS BY MEMBERS

Holt Electorate: Medicare Offices

Mr BYRNE (Holt) (9.40 a.m.)—I rise today to speak briefly about a street stall that I recently conducted in Cranbourne. Cranbourne is a fantastic area. It is a city that has a population of about 34,000. It is a city that has a lot of young families in it. It is a city which is going to grow to a population of about 100,000 people in about 10 years. It is on the outer fringes of Melbourne, about 38 kilometres as the crow flies but about 49 kilometres drive from the CBD of Melbourne. In conducting that street stall, a number of issues were raised. First and foremost was the provision of a Medicare office for Cranbourne. For too long, Cranbourne has done it very tough. Cranbourne, with that population and with the very large number of young families living in it and others who are shifting into it, does not have a Medicare office.

Cranbourne is part of the city of Casey. Until very recently the city of Casey had a population of 210,000 people but no Medicare office. Many young families in the city of Casey wanted a Medicare office in the FountainGate Shopping Centre because for 10 years they had been lobbying for one and for 10 years they had not actually received one. The people of Cranbourne have now noticed that the government has given FountainGate Shopping Centre a Medicare office. FountainGate borders the federal seat of La Trobe. It is no coincidence that, after being told for 10 years that they could not have a Medicare office, they are now being told that they can. That is fair for the people of the federal seat of La Trobe but there should be parity for the people of the federal seat of Holt. People in Cranbourne would like to have a Medicare office. I recently tabled in this place a petition containing some 4,000 signatures requesting a Medicare office for the people of Cranbourne. When I conducted the street stall, I found that that was a leading issue, along with STD rates in Cranbourne.

A number of people in Cranbourne wanted to know why the people in the city of Berwick, which is roughly the same distance from Melbourne as the city of Cranbourne, pay a local rate when they call Melbourne and why the people in Cranbourne have to pay an STD rate. This has been happening since the sixties, when a very strange boundary was drawn by Telstra. The people of Cranbourne, when looking at the budget that was tabled last night, are asking some questions: where is our Medicare office; why are we paying STD rates; why do we still have bulk-billing in free-fall; and when is the government going to do something for the people of Cranbourne, this great city with a lot of young families? They are sick of being discriminated against. I hope that we are elected at the next election, then we will be able to deliver the services that I have just mentioned and that the people of Cranbourne desperately need. (*Time expired*)

Education: University of Western Sydney

Miss JACKIE KELLY (Lindsay—Parliamentary Secretary to the Prime Minister) (9.43 a.m.)—Contrary to what the previous speaker has said, the federal government, due to sound economic management for eight years, actually has money to spend for families—\$19.2 billion in fact. This money has come about only because of strong economic management. This money would not be there to spend—whether or not the opposition thinks that it is more or

less or too little in the wrong areas—but for the strong economic management and the record of this government.

One of the things that have been missed in the enormous coverage of the budget and the many things that it does to assist Australia is the \$18 million for a medical school at the University of Western Sydney. That budget provision reflects the government's commitment to education excellence in Western Sydney. My Western Sydney colleagues, the member for Macarthur and the member for Parramatta, have lobbied the health minister, the education minister and the Prime Minister about funding a medical school at UWS. My vision for the university is that no Western Sydney student will go past UWS to get a degree. UWS should be the No. 1 choice for all students who have grown up in the west, gone to schools in the west and wish to live near their parents in the west.

I believe that anything else is not good enough. It is not acceptable to have our students travelling past UWS campuses to go to either the University of Sydney or the University of New South Wales when more than two million people live west of Parramatta. I am calling on the state government to pledge their financial support. Our financial support takes effect in the year 2005-06, with expected first enrolments occurring in 2007. The university has to take up this money, take up the challenge and get on with the job of providing a first-class medical school, with places at either Liverpool or Nepean hospitals. Obviously, I will be lobbying for the school to be at the campuses in my area. I have no doubt that the member for Macarthur will be lobbying for the campuses in his area to be the beneficiaries of this new school. Either way, I know that we support each other in delivering this facility to the people of the west.

I will continue to fight for these medical school places to be bonded to the Nepean region. This is a region in which over 60 per cent of the local GPs do not live in the area. The school will also help fight the doctor shortage in the west. I will continue to fight for a dental school and a number of other university schools that need to be established on the UWS campuses to match the great eight sandstone universities. I will continue that campaign. However, this first \$18 million is a down payment on our commitment to Western Sydney. (*Time expired*)

Health and Ageing: Ambulance Services

Ms HALL (Shortland) (9.46 a.m.)—Today I would like to raise an issue that should be of great concern to members on both sides of this parliament: cover for ambulance services for pensioners. Centrelink currently advertises in their publication that all pensioners are covered for ambulance services no matter where they travel in Australia. The fact is that that is not quite true. There has been a problem with agreements between the states in relation to ambulance cover for pensioners. That has resulted in some pensioners being hit with very large bills when they have had to seek treatment in another state. In the ACT, New South Wales pensioners are fully covered, as they are in South Australia and Victoria. In the Northern Territory and Western Australia they are covered only for emergencies, and in Tasmania they are covered for emergency situations only by state ambulance. However, in Queensland they do not have any cover whatsoever.

I am currently dealing with some constituents who may have to sell their house to pay for the ambulance service that they received in another state in an emergency situation. Centrelink has been contacted. They were unaware of this. I think the government is beholden to advertise through the Centrelink publication that pensioners are not covered for ambulance services when they are travelling in Queensland. A lot of the private health funds will not ac-

cept ambulance contributions from pensioners because they argue that they are covered for ambulance services by their pension card. NIB says that they believe that pensioners are fully covered by their health card. MBF says that there is no need for extra cover. HCF says a similar thing. This is getting the wrong information out to pensioners.

I encourage the government to include something in the Centrelink publication that says that pensioners do need to get extra cover and that they are not covered when they are travelling interstate. If they do not know this it can result in a very nasty situation where pensioners could even be forced to sell their house to cover the bill they receive. I am sure that the Minister for Health and Ageing will take this up and make sure that pensioners throughout Australia are made aware of this situation. (*Time expired*)

Forde Electorate: Eagleby State School

Mrs ELSON (Forde) (9.49 a.m.)—Today I want to inform the parliament of a very special event I attended in my electorate last month. I have had the great pleasure and privilege of being patron of the Eagleby State School for many years now. It is a remarkable public school that is doing a fantastic job and setting standards in many respects, including in boys' education, literacy and numeracy. We hear so many negative stories about public schools, largely due to the false and negative media campaign being waged by Labor and the unions, but I have to say that this school is truly remarkable. There are many other public schools in my electorate, and it really annoys me when I see Labor continue to perpetuate the myth that public schools are not as good as private schools and public schools do not get the same degree of funding.

Before I speak about the special event I attended at Eagleby State School, I want to place on record the simple fact that when it comes to school funding the 2.2 million students who attend state schools get about \$19.9 billion of total public funding and the 1.04 million students who attend Catholic and independent schools receive a total of \$6.2 billion in public funding. So private schools teach about half the number of students but get less than a third of the funding of public schools. I state this simply to make the point that the campaign that Labor and the unions are running is simply wrong. Worse than that, I believe that they denigrate the public school system. They try to portray them as some poor second cousin, and in doing so they are sending the message that private schools offer a better education than public schools. I see in my electorate that that is just not the case. Certainly Eagleby State School is a case in point.

The special assembly I attended last month included presentations to the school's sporting and house captains. The children delivered wonderful speeches they had written themselves on leadership, and one day I am going to take the opportunity to read them out in this House but I do not have the time this morning. I want to commend Aislinn Spencer and Kye French on their inspirational speeches. We certainly need leadership like that of Aislinn and Kye in the future, and no doubt they will inspire many other Eagleby State School students to do their best and take on leadership roles, both in school and hopefully in the wider community. The values that these children are learning at Eagleby State School are quite remarkable, due largely to the support, guidance and examples they receive from their teachers. I take the opportunity to thank and congratulate all teachers at Eagleby State School on the excellent job they are doing. The leadership programs you have in place and the excellent curriculum are clearly reaping benefits at the school.

In the short time I have left I want to quickly congratulate one particular teacher, Mrs Sharon Dwyer, who is one of a handful of teachers selected out of over 1,800 nominations around Australia for the national Excellence in Teaching Award. It would take much more time than I have to list all the excellent work that Sharon has done. I sincerely congratulate her on her achievements. *(Time expired)*

Rankin Electorate: Budget 2004-05

Health: Pneumococcal Vaccine

Dr EMERSON (Rankin) (9.52 a.m.)—The vast majority of Logan residents will get nothing from last night's federal budget. The income tax cuts are available only to those earning more than \$52,000 a year and the increased family payments are for people with children. The fact is that four out of five Logan City residents will get no tax cut because they are not on high incomes—they are certainly not earning more than \$52,000 a year—and three out of five will get nothing at all from the budget. Logan's residents are the forgotten people in this budget. John Howard used to call lower income people the Howard battlers; they are now John Howard's forgotten people.

Sixty per cent of Logan residents will not get one red cent out of the budget. When asked why so many people miss out in this budget, Treasurer Costello said on budget night that they got a tax cut last year. That was the \$4 a week 'sandwich and milkshake' tax cut that now the Treasurer is saying is more than enough for 60 per cent of Logan residents. It was a derisory tax cut given last year and is one that is taken back as this government gives with one hand and takes with the other. In fact, average Australian households will be paying \$12,000 more in income tax in a couple of years time than they were when the Howard government first came to office.

I also condemn the government for its appalling decision not to fund the vaccine for the deadly pneumococcal disease. I am incensed that the government has described this vaccine as middle-class welfare, which is what John Howard described it as in a discussion. It is not middle-class welfare at all. Families in Logan City do not have a spare \$500 lying around for each child's vaccination. For the Howard government to describe immunisation against this deadly disease as middle-class welfare is disgusting and shows just how out of touch this government is.

I have now tabled more than 5,000 petitions in the federal parliament calling on the government to fund the vaccine for pneumococcal disease. Mr Costello, as is evident from the budget that was released last night, will get a \$42 a week tax cut but he is too mean to protect vulnerable children against pneumococcal disease. That will force parents to make a terrible choice between whether they pay the \$500 that many residents of Logan City cannot afford or leave their children exposed to and at risk of developing this deadly disease. It is a mean government. It is a government that has excluded many residents of Logan City from the tax cuts and from the family payments, which means that the vast majority of my constituents will miss out altogether—they will not get one red cent. It is a derisory budget for the people of Logan City. That is very disappointing but I do not think that you could expect much more from this mean and tricky and out-of-touch government.

Budget 2004-05

Mr KING (Wentworth) (9.55 a.m.)—Tuesday's budget delivers a trifecta for working mothers. It delivers on taxation reform, on superannuation reform and on aged care. It also addresses national security issues which have been of long-term concern to many Australians. There are aspects of the budget in relation to youth services and self-funded retirees which perhaps need further addressing, but let me come back to the trifecta for working mothers. The most important reform in that regard is threefold. Firstly, there is the maternity allowance of \$3,000, rising to \$5,000 in 2008 for each newborn baby. In addition, the government will spend \$19.2 billion on increased family assistance over a five-year period, including the family tax benefit part A, which will include a lump-sum payment of \$600 per child plus an annual \$600 increase. Secondly, there are the 30,000 child care places, which I know are close to the heart of the minister involved and indeed will be welcomed in my electorate. The third important reform is the tax cut for working mothers, especially if they work part time and could do with those extra dollars in their pocket.

I have mentioned other aspects which I consider to be important for my electorate, and of course taxation reform is one of the foremost. The cut in the 42 per cent rate, so that the threshold is lifted from \$52,000 to \$58,000 from 1 July and then to \$63,000 from July 2005, will be very welcome for middle-income families. The threshold for the top rate of 47 per cent, jumping from \$62,500 to \$70,000 on 1 July and then to \$80,000 a year later, is also very welcome for middle-income families who have been suffering in the last few years.

I have mentioned aged care. I have an aged care forum in my electorate. We have pressed for reforms such as those that were brought in by the budget last night, and they are welcome. Apart from the surplus, of course, there are a number of measures which small business will welcome through the small business advisory forum which I conduct. Youth have expressed concern about HECS and self-funded retirees have mentioned the benefits that could flow from a readjustment of the pension. In that regard I commend the budget. (*Time expired*)

The DEPUTY SPEAKER (Hon. I.R. Causley)—I remind the member for Wentworth that there is a convention of the parliament that newspapers are not to be brought into the chamber. In accordance with standing order 275A the time for members' statements has concluded.

BANKRUPTCY LEGISLATION AMENDMENT BILL 2004

Cognate bill:

BANKRUPTCY (ESTATE CHARGES) AMENDMENT BILL 2004**Second Reading**

Debate resumed from 24 March, on motion by **Mr Ruddock**:

That this bill be now read a second time.

Ms ROXON (Gellibrand) (9.59 a.m.)—The **Bankruptcy Legislation Amendment Bill 2004** contains all of the substantial amendments in this area, and the **Bankruptcy (Estate Charges) Amendment Bill 2004** has consequential amendments. So it does make sense, for the use of time in the House, to deal with these two matters together. Labor are supporting both of these bills. We are pleased that the government is taking action in this area, but I might say that we have expressed serious reservations for a number of years and have been calling on the government to act in this area, particularly in reforming the way that part X agreements are used

under the Bankruptcy Act. There is quite a significant history; in fact, some of the concerns go back to the days when Labor was in government and the first reviews were undertaken. There has been significant delay on every government's part; it shows how slowly the workings of government can sometimes move in addressing these areas.

We welcome the changes that are proposed in this bill. However, I would like to take a little bit of time to explain some of the history and to acknowledge the work of my colleague Senator Ludwig, who has been pursuing this issue absolutely tirelessly for the last several years at least—although others before him have raised this issue consistently too. You might be aware, Mr Deputy Speaker Causley, that there were a number of reviews into the operation of part X of the Bankruptcy Act. The most recent reviews were instigated in March 2001, when the federal Attorney-General at that time, Mr Williams, established a task force. This was mostly in response to media pressure and issues that had been raised by Senator Ludwig and others, particularly about high-income earners such as barristers—and I think most of the media attention was in that area—declaring themselves bankrupt to avoid tax bills. Sometimes these tax bills were up to \$1 million or more, so a serious amount of public money was not being paid in tax and to other creditors. These people were able to remain employed within their chosen professions and use this as a way of avoiding the regulations that other people in our community have to comply with.

The task force's primary responsibility was to determine what changes were needed to both bankruptcy and taxation laws to ensure that people were prevented from filing for bankruptcy as a way of avoiding paying tax. It was in January 2002, more than two years ago, that Attorney-General Williams received the task force report, and there have been repeated calls since that time, from the opposition and from others in the community, to act upon the recommendations of that report. Since that time, two other reviews have been announced. Action was taken to look more closely at all sorts of matters that were raised in the task force report, but it was not until today—and obviously in the last sittings when this bill was introduced in the House—that we have finally seen action taken in this area that might provide some satisfaction to those who have been concerned about the way part X agreements have been used in the past.

It might be worth spending a brief moment describing what debt agreements are, as provided for in part X of the Bankruptcy Act, and some of the concerns that have been raised. I think that will then make sense of the amendments that are being proposed in this bill and provide satisfaction to those members of the community who have been concerned that others have been able to avoid their obligations under these arrangements. Part X arrangements are arrangements whereby a trustee or a solicitor, at the request of the debtor, takes control of the debtor's finances. The idea is simple enough: the solicitor or trustee calls a meeting with all of the person's creditors to sort out what debts are owed, how much they are, and to make arrangements to pay money back over time to the creditors or come up with some other proposal that creditors find acceptable.

The creditors' role at these meetings is to determine what the preferred course is by voting on various options of any proposal. It is true to say that whilst there has been much debate about how part X arrangements have operated, they have actually become much less popular in that time. I think there has come to be an understanding—particularly by many creditors—that these arrangements can be used to avoid proper payment of debts. So there has been a

decrease in the use of these arrangements, but they have remained, and there is an opportunity for us to ensure that a system that creditors can have confidence in can work. This might be an appropriate way forward for some people who find themselves in financial difficulties.

Way back in 1987, the Law Reform Commission identified a range of problems with the operation of part X arrangements, including debtors giving misleading or inadequate information to creditors—obviously meaning that the decisions that were made at the creditors meetings were not made with the full knowledge that would be required. Other problems have been debtors stacking meetings with persons who exercise, or purport to exercise, voting rights in favour of the debtor, and the controlling trustee convening meetings in inaccessible locations or having some sort of relationship with the debtor that has not been declared—so the impartial position of the trustee or solicitor has been threatened.

As I said, the most commonly known and discussed manipulation of these systems is where the bankrupt uses friendly creditors—high-income professionals, perhaps—to rig the outcome of a vote at these creditors meetings, perhaps by asking a friend or relative to become a creditor, or what is known as a fake creditor, who then attends the meeting of creditors and votes in favour of a proposal that the bankrupt is seeking to achieve.

Another variation of the process that has been used to get around the spirit and thrust of the part X arrangements is where a bankrupt asks a friend or relative to participate in a loan, the aim being, again, to get passed at the meeting a proposal acceptable to the debtor. Not everybody else at the meeting is aware of the particular arrangement that has been made with the friend or relative, but they are still bound by a majority vote. So the system really has not been working properly and has been subject to this sort of manipulation.

Because of this and a range of other issues, there has been a loss of public confidence in the arrangements. They have been used less, but the need for governments to take action to re-regulate this area has been high. For a long period of time, Senator Ludwig has been saying on behalf of the Labor Party that we need to boost creditor confidence in the part X arrangements, and he went so far as to submit a paper to one of the latest reviews, a review which concluded in January 2003. I am going to take the time to explain the four essential changes that were called for then, because I think it can be seen that most of these matters have now been dealt with in the bill, and it is for this reason that Labor is supporting the changes.

The first call was for part X arrangements to be made much more transparent and for the controlling trustee or solicitor to have sufficient powers to examine the full financial affairs of the debtor and ensure that the quality of information provided by debtors was improved. Secondly, the voting power at the meetings of creditors who were related to the debtor needed to be limited or restricted. Obviously this would go some way to countering the possibility of a debtor trying to stack a meeting with relatives or friends. In addition, Senator Ludwig has been calling for an appeal mechanism or other appropriate mechanism to allow an independent umpire to overturn decisions of creditors meetings where there was evidence of improper use of related creditors.

Thirdly, an important change that we have been seeking for a long time is to address the perception that some controlling trustees do not appear to be acting independently or in the best interests of all creditors and that controlling trustees should be compelled to declare any association they have with the debtor. Finally, for a long period of time Labor have been calling for the administration by ITSA of part X agreements and to have more effort put into it.

ITSA is well placed to gather a lot of statistical information that could be of use in the way the system is working and enable the making of judgments about how to allocate resources to ensure that creditors have confidence in the use of part X agreements.

We have been very disappointed that a range of other changes has been made to the Bankruptcy Act while this debate has been raging and that the government had not taken any steps to improve or maintain public confidence in part X agreements, but we are delighted that we are now in a position where the government is doing that. We wish it had been a little speedier, but that does not put us in the position where we would oppose any of the changes that we have been calling for for some time.

In his second reading speech, the Attorney-General dealt with the fundamental change of ensuring that the three types of different agreements that are currently found in part X are now all joined together so that there is only one type, called a personal insolvency agreement, instead of the range of options that there is under part X. That will simplify things for people who are involved in the system and for creditors, and there will be a simple and consistent method for the conducting of meetings, the declaration of interests and other things.

Most importantly, Labor is pleased that the amendments deal with the range of issues that it has been raising for a number of years: that the integrity of the process will be improved by increased disclosure requirements relating to the information that will be provided to debtors and creditors; that there will be prescribed information which must be declared; and that disclosure in respect of relationships and any sort of collateral agreements relating to voting will be required to be declared. Obviously it will take some time and I am sure that people who practise in this area will want to monitor the implications and operation of this change; it is quite a significant one, but it has been welcomed.

I do not need to go through the other changes in this House. They will be dealt with by others who are more specialised in bankruptcy matters. The parliamentary secretary will be pleased to know that I will not go through all of the changes that have resulted in these bills, but I would say that we are confident that the legislation does address many of the longstanding concerns that we have had relating to part X agreements and, as I have said, particularly those regarding the use of false friendly creditors, the streamlining of part X agreements into one category from three, the transparency provisions and providing an adequate time and place for creditors meetings. A number of people have been using these sorts of agreements to avoid their obligations both to pay tax and to their creditors. Nobody in this House could support that, and we are pleased that this issue has been taken up. Problems may be found in practice as the new provisions come into effect, and we hope the government ensures that we act more quickly in the future where we see people rorting the system. That will ensure that these provisions are ones in which the public can have confidence and that they are useful in our commercial and private dealings rather than being used to favour those on high incomes at the expense of other creditors. I commend the bills to the House.

Ms WORTH (Adelaide—Parliamentary Secretary to the Minister for Health and Ageing) (10.12 a.m.)—I thank the opposition for their support for this legislation and, more specifically, the member for Gellibrand for her contribution today. The **Bankruptcy Legislation Amendment Bill 2004** will make important changes to part X of the Bankruptcy Act 1966. These changes are part of a series that the government is making to bankruptcy laws to make them more effective and address avenues of abuse by unscrupulous debtors. They will provide

a better balance between the rights and obligations of debtors and creditors. In addition to these amendments to part X, the government has also announced changes to give effect to the report of the Joint Taskforce on the Use of Bankruptcy and Family Law Schemes to Avoid Payment of Tax and to allow bankruptcy trustees to recover excessive superannuation contributions made prior to bankruptcy.

The bill addresses concerns highlighted by a review of the operation of part X undertaken by the Insolvency and Trustee Service Australia and the Attorney-General's Department. The reforms generally have three objectives: to increase the disclosure requirements of debtors, creditors and trustees involved in part X arrangements; to simplify the process for establishing these arrangements by replacing the current three types of arrangements with a single arrangement to be called a personal insolvency agreement; and to provide a simpler and more consistent process for setting aside and terminating part X arrangements. These improvements will increase confidence in these arrangements and ensure that part X arrangements continue to have an important place in Australia's personal insolvency system. Part X arrangements provide a formal alternative to bankruptcy, allowing debtors to come to binding arrangements with creditors for payment or settlement of outstanding debts.

The bill proposes amendments which will reduce the complexity of part X and improve transparency. It achieves this by replacing the existing three types of arrangements with a single type of personal insolvency agreement and consolidating and streamlining the provisions for setting aside and terminating these arrangements.

Many of the issues which may undermine the integrity of part X arrangements can also arise in relation to post-bankruptcy schemes of arrangement and compositions under division 6 of part IV of the act. Therefore, this bill also includes amendments to those provisions, particularly in relation to the disclosure of obligations of debtors, creditors and trustees. Finally, the bill makes some minor and technical amendments to improve the operations of the Bankruptcy Act and correct a drafting error in the transitional provisions contained in the Bankruptcy Legislation Amendment Act 2002.

I will be proposing a government amendment to the bill which will make consequential amendments to the Corporations Act 2001. This amendment is necessary only because of the repeal of three types of part X arrangements and the introduction of personal insolvency agreements. It was not possible to include this amendment in the bill at the time of introduction as it was necessary to obtain the agreement of state and territory ministers for an amendment to the Corporations Act.

Question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Ms WORTH (Adelaide—Parliamentary Secretary to the Minister for Health and Ageing) (10.16 a.m.)—I present a supplementary memorandum to the bill. I ask leave of the Main Committee to move government amendments (1) to (3), as circulated, together.

The DEPUTY SPEAKER (Hon. I.R. Causley)—Is leave granted?

Ms Roxon—Mr Deputy Speaker, I raise for the information of the parliamentary secretary and the Attorney's staff here that we have not been given notice of those additional amendments. I am sure they are technical in nature and can be dealt with in the Senate, but it would be more appropriate if we were actually given notice of them ahead of time. Leave is granted.

The DEPUTY SPEAKER—I thank the honourable member for Gellibrand.

Ms WORTH—I will move the amendments as circulated. If the shadow minister does not have a copy of those, it is appropriate to provide them to her. I am sure that my colleagues will appreciate the fact that I am standing in for the minister this morning, but I have just been assured that the shadow minister's office was advised on Monday. I do understand how in busy offices these things can sometimes go astray.

Ms Roxon—It is the Attorney's officers who necessarily do that, but anyway—

Ms WORTH—I have been advised of that situation and with good faith I will stick to that unless shown to be incorrect. I move amendments (1) to (3) as circulated:

- (1) Schedule 1, page 48 (after line 22), after item 191, insert:

Corporations Act 2001

191A Section 9 (paragraphs (d) and (e) of the definition of *insolvent under administration*)

Repeal the paragraphs, substitute:

- (d) a person who has executed a personal insolvency agreement under:
- (i) Part X of the *Bankruptcy Act 1966*; or
 - (ii) the corresponding provisions of the law of an external Territory or the law of a foreign country;
- where the terms of the agreement have not been fully complied with.

- (2) Schedule 1, page 48, after proposed item 191A, insert:

191B Subparagraph 53AB(b)(iv)

Omit "deed of assignment, deed of arrangement, or composition," substitute "personal insolvency agreement".

191C Paragraph 53AB(c)

Omit "deed of assignment or arrangement, a person acting under such an authority or a person administering such a composition", substitute "personal insolvency agreement or a person acting under such an authority".

- (3) Schedule 1, page 48, after proposed item 191C, insert:

191D Subsection 206B(4)

Repeal the subsection, substitute:

- (4) A person is disqualified from managing corporations if:
- (a) the person has executed a personal insolvency agreement under:
 - (i) Part X of the *Bankruptcy Act 1966*; or
 - (ii) a similar law of an external Territory or a foreign country; and
 - (b) the terms of the agreement have not been fully complied with.

Note: The heading to subsection 206B(3) is replaced by the heading "*Bankruptcy or personal insolvency agreement*".

Question agreed to.

Bill, as amended, agreed to.

Ordered that the bill be reported to the House with amendments.

BANKRUPTCY (ESTATE CHARGES) AMENDMENT BILL 2004

Second Reading

Debate resumed from 24 March, on motion by **Mr Ruddock**:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Ordered that the bill be reported to the House without amendment.

HEALTH LEGISLATION AMENDMENT (PODIATRIC SURGERY AND OTHER MATTERS) BILL 2004

Second Reading

Debate resumed from 1 April, on motion by **Mr Abbott**:

That this bill be now read a second time.

Ms GILLARD (Lalor) (10.19 a.m.)—I say at the outset that an important thing to remember about the **Health Legislation Amendment (Podiatric Surgery and Other Matters) Bill 2004** is that, while one says ‘podiatrist’ with the accent on the second syllable, apparently one says ‘podiatric’ with the accent on the third syllable. I will try to get that right as I make a contribution on this bill. The bill amends the Health Insurance Act 1973 to enable private health insurance funds to pay accommodation and nursing costs from their hospital tables associated with foot surgery performed on admitted patients by accredited podiatric surgeons. There is no MBS item for these fees and this bill will not change that situation, but it will help patients with choice and out-of-pocket costs associated with foot surgery.

The legislation also addresses a number of other, minor issues. It corrects current anomalies with respect to data for private hospitals and day surgeries—that is, data that those institutions must supply to the department. It ensures that patients continue to have access to pharmaceutical benefits in the event of the death of a pharmacist—currently there is some confusion about the situation in that circumstance—and pharmaceutical benefits have to be supplied from the deceased estate. It corrects drafting errors in previous legislation. The stated purpose of the bill is to ensure greater competition among providers of foot surgery by allowing for greater recompense for consumers of private health insurance. Currently under the Health Insurance Act private health funds cannot pay benefits from their hospital tables for foot surgery performed by podiatric surgeons, as benefits can be paid only to medical practitioners. It is considered that this may be contrary to the competition principles agreement, and it was identified by the National Competition Council as a reform issue in its 2002 assessment. The definition of ‘professional attention’ in the act currently covers registered doctors, nurses with obstetric qualifications and dental practitioners, but not, clearly, podiatric surgeons. It is the aim of this bill to have them included.

As I am sure we are all well aware, podiatry deals with the prevention, diagnosis, treatment and rehabilitation of medical and surgical conditions of the feet and lower limbs. The condi-

tions that podiatrists treat include those resulting from bone and joint disorders such as arthritis and soft tissue and muscular pathologies as well as neurological and circulatory disease. Podiatrists are also able to diagnose and treat any complications of those conditions which affect the lower limbs, including skin and toenail disorders, corns, calluses and ingrown toenails. Foot injuries and infections gained through sport or other activities are also diagnosed and treated by podiatrists. A range of skills are employed by podiatrists to undertake this work. These include direct consultation, the composition of a clinical history, a physical examination, diagnosis, preparation of a treatment plan and provision of a range of therapies. Clinical assessment techniques are aimed at securing a diagnosis and prognosis and take into account clinical, medical and surgical history, footwear and occupational and lifestyle factors and may incorporate the use of diagnostic equipment such as vascular scopes or radiology. Gait analysis will often be undertaken through visual or computerised means and may include motion studies, postural alignment evaluation or dynamic force and pressure studies. Clinical services require the skilled use of sterilised instruments and appropriate infection control procedures, along with the appropriate application of pharmacological agents, specialist wound dressings and a variety of physical therapies. In-shoe devices may offer permanent solutions in the treatment and prevention of corns, calluses and other difficulties for people who want to redistribute their weight pressure. As a technique for providing consistent weight-bearing realignment, in-shoe devices are utilised in the treatment of acute and chronic foot conditions such as tendonitis, recurrent ankle sprain, chronic knee pain and stress fractures, to supplement and enhance clinical care.

There are over 2,000 podiatrists in Australia—about 11 per 100,000 of the population. The majority work in the private sector. Most work in their own practice or in a group practice. Nearly all the rest are privately employed in domiciliary care services, in nursing homes, in hostels and at sports centres and clinics. The most common public sector work environments for podiatrists are community health services and hospital outpatient settings. Six Australian universities offer courses in podiatry. University podiatry course commencements have stayed relatively stable over the past few years, at around 200 commencements per year. Older Australians are naturally more likely to consult a podiatrist, and most clients are female—one might speculate that that is because of inappropriate footwear, but that could take us down another track.

In contrast to podiatrists, podiatric surgeons in Australia are podiatrists who have then undergone postgraduate training in medicine and surgery and successfully completed the requirements for admission to the Australasian College of Podiatric Surgeons. Most podiatric surgeons have undertaken at least 10 years of training before qualifying for membership as a fellow of this college. A medical degree is not required. Local and regional anaesthetics are given by podiatrists when required. Accredited medical practitioners give other forms of anaesthetic. Perioperative drugs are utilised, as appropriate to the surgical procedure, by the podiatric surgeon and as permitted by state regulation. In Australia, podiatric surgery is most often performed in private hospital settings with full access to medical facilities, including specialist medical services. Podiatric surgery is also performed in other locations, including private consulting rooms, and in public hospitals. Procedures performed by podiatric surgeons include a wide range of soft tissue procedures, the full scope of which is determined by the relevant state or territory legislation. Some of the most commonly performed procedures are the correction of conditions like hammertoe, mallet toe or claw toe, ingrown toenail correc-

tion, removal of bunions, heel spur resection, plantar wart removal, nerve entrapment excision, cyst and ganglion excision, removal of foreign bodies, surgical treatment of bursitis, tendon lengthening and repositioning and the insertion and removal of internal pins.

There are currently about 25 podiatric surgeons in Australia—so, a very low number—who perform approximately 1,500 surgical operations per year in their rooms. Fewer than 10 of approximately 540 private hospitals and day hospitals have granted these podiatric surgeons admitting rights. As I stated before, currently under the Health Insurance Act 1973, private health funds cannot pay benefits from their hospital tables for foot surgery performed by podiatric surgeons, as benefits can only be paid to medical practitioners, and podiatric surgeons are not medical practitioners, though they are highly trained. It is considered that this may be contrary to the Competition Principles Agreement, and this was identified by the Competition Council as a reform issue.

The stated purpose of this legislation is to ensure greater competition. The issue has been canvassed with a number of professional groups. Some of the medical groups have raised concerns about the quality and training of podiatric surgeons. In general, medical groups see a role for podiatric surgeons in treatment but want a medical practitioner involved. Health funds are concerned that the amendment may set a precedent for allied health services, which may lead to more expenditure. State and territory health authorities are generally supportive, believing there will be little impact. As one would no doubt expect, podiatrists and podiatric surgeons themselves are supportive of the change. The Department of Health and Ageing argues that this bill makes no changes to Medicare and that the department would not extend Medicare benefits to this group. It should be noted that the allied health provisions in MedicarePlus include podiatry, but presumably this is more likely to refer to podiatrists than podiatric surgeons.

A further issue is that the driver of this change is the national competition policy rather than any health issue per se. It is not known what other areas of health might face similar changes. In weighing up those factors, clearly diversifying who can provide medical services and claim payment for them, whether that be from private health insurers or from Medicare—though in the context of this bill we are dealing with private health insurance—should only be done if there is no risk to the quality of patient care. In the example in this bill, it seems that patient care will not be compromised in any way. Podiatric surgeons are already caring for patients, and what is being proposed amounts to no more than enabling private health insurance funds to make payments to podiatric surgeons for procedures performed. Consequently, the Labor Party is prepared to support this change in relation to podiatric surgeons.

As I indicated at the outset, there are a few other issues dealt with in this bill. One deals with pharmacies and arises because under the National Health Act 1953 only approved pharmacists are entitled to be paid by the Commonwealth for the supply of pharmaceutical benefits to the public. When an approved pharmacist dies the community can be deprived of access to these benefits until the approval to supply benefits is granted to another pharmacist in the same pharmacy. Whilst it is possible for the legal representative of a deceased pharmacist to be approved so that they can supply the benefits while the estate is being wound up, this can be a lengthy and complicated process. In some cases the amount claimed is large and the ongoing viability of the pharmacy is jeopardised by having to carry the financial burden.

The amendments in this bill will enable a person who is or is likely to become an executor or administrator of a deceased approved pharmacist's estate to be granted permission to supply pharmaceutical benefits to the community and to receive payment for that supply. This obviously seems a sensible change and once again enjoys the support of the opposition.

Lastly, this bill makes minor amendments to the Health and Other Services Compensation Act 1995 and the Health Insurance Amendment (Diagnostic Imaging, Radiation Oncology and Other Measures) Act 2003 to correct drafting errors. All of these changes are unobjectionable. In those circumstances the opposition is prepared to support the bill in its entirety and will be doing so today—and in the other place after the bill is passed through the House.

Ms WORTH (Adelaide—Parliamentary Secretary to the Minister for Health and Ageing) (10.32 a.m.)—I thank the honourable member for Lalor for her contribution and for the opposition's support for the **Health Legislation Amendment (Podiatric Surgery and Other Matters) Bill 2004**. This is the sort of workaday legislation that does not get much public notice, but each part of this bill, in its own way, will do something to improve the quality of health care available to Australians.

Firstly, the amendments to the National Health Act allow, for the first time, private health funds to pay hospital table benefits in respect of podiatric procedures done by an accredited practitioner. There has been concern in some quarters that this is lowering professional practice standards by allowing podiatric surgeons, who generally are not trained medical practitioners, to perform minor foot surgical procedures. I can assure colleagues that this is not so. Podiatric surgeons have been around for a long time. They are accredited under state and territory legislation. They are highly experienced in their craft and are subject to rigorous professional and clinical standards. They are accountable for their work. In short, this bill simply allows podiatric surgeons to receive private health insurance benefits where they have not been payable before—for in-hospital services, nursing and accommodation.

We hope the opposition leader and the shadow minister will come out of the woodwork and state where they truly stand in relation to private health insurance. From their statements they promise everything and nothing, particularly around the 30 per cent rebate. The opposition may have a problem with this because it extends the reach of private health insurance. It makes private health insurance a product that is so much more comprehensive and attractive to the hundreds of thousands of Australians who need podiatric treatment at least once in their lives. It gives those people more choice in their treatment options. No longer will they have to be treated by a general surgeon simply because one practitioner attracts a private benefit and the other does not. In return, we expect podiatric surgeons to use their skills responsibly, ensuring that their privately insured patients receive the high standard of safe and quality care that they are entitled to expect.

Similarly, this bill improves the health system by improving arrangements for providing hospital casemix data to the Department of Health and Ageing. Good health care depends on good information. The extension of casemix data collection to day hospital facilities, a booming area of the private health sector where growth in new beds runs well ahead of overnight hospital stays, will fill a considerable gap in our knowledge.

The new and improved data collections, while involving some collection effort, will pay dividends in terms of better service planning and delivery, better budgeting, better payments

to hospitals and practitioners for their services and better accountability and management at hospital and system levels. This is mechanistic, but nonetheless very important.

The last major feature of this bill improves the health system by ensuring that the supply to the community of PBS medicines by a pharmacy does not stop because the approved pharmacist proprietor dies. It allows the executor of a deceased pharmacist's estate to keep the pharmacy running and provide PBS services to the community that it serves. These measures improve the health system by recognising that most pharmacies are small to medium businesses. Many are family or even intergenerational businesses, where sons and daughters follow fathers and mothers into the profession. For these pharmacists, their business is their legacy. These measures will assist pharmacists to plan for both the inevitable and unexpected, and ensure continuity of service to the community.

The Howard government has acted to ensure continuity of service to the community by reaffirming the great worth of the community pharmacy. That is why we have supported it against possible incursions into traditional roles by major supermarket operators. While the pharmacy will and must continue to reform and reposition to meet the needs of 21st century consumers, the government's decision in relation to competition balances common sense with continuing regulatory evolution.

I thank the shadow minister and the opposition for their support for this bill. I commend it to the Main Committee.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Ordered that the bill be reported to the House without amendment.

AGRICULTURAL AND VETERINARY CHEMICALS LEGISLATION AMENDMENT (NAME CHANGE) BILL 2004

Second Reading

Debate resumed from 24 March, on motion by **Mr Truss**:

That this bill be now read a second time.

Mr GAVAN O'CONNOR (Corio) (10.38 a.m.)—The **Agricultural and Veterinary Chemicals Legislation Amendment (Name Change) Bill 2004** changes the name of the National Registration Authority for Agricultural and Veterinary Chemicals, the NRA, to the Australian Pesticides and Veterinary Medicines Authority, the APVMA. The NRA is the authority responsible for the national system of registration and approvals of agricultural and veterinary chemicals.

The government has stated that the present title of the organisation does not adequately reflect its purpose and that the use of the acronym 'NRA' to refer to the authority has caused some confusion in the United States, where it is confused with the National Rifle Association. Many of us will recall Mike Moore's *Bowling For Columbine* and that celebrated interview with the American head of the National Rifle Association. Who would really want to be confused with that organisation? It is also inconsistent with current practice within the OECD. The bill also amends the Agricultural and Veterinary Chemical Code Act 1995, to protect the name and the logo of the organisation.

The current national registration system for agricultural and veterinary chemicals is one of many achievements of the Hawke Labor government and John Kerin and Simon Crean as primary industry ministers. Up until Labor established a national system in 1990, the registration of agricultural and veterinary chemicals was the responsibility of individual state and territory governments, with a level of coordination through the former Australian Agriculture Council.

John Kerin and the Labor government at the time saw the need for a national system and took the issue to a Special Premiers Conference in October 1990. In July 1991, with my colleague the current shadow Treasurer and member for Hotham, Simon Crean, as primary industries minister, the Commonwealth, state and territory ministers responsible for agricultural issues agreed on a format and structure for a national registration scheme. Under the agreement reached between the Commonwealth and the states, the Commonwealth would be responsible for the registration and the states would act on behalf of the Commonwealth in monitoring and controlling the use of these chemicals.

In 1993 the National Registration Authority for Agricultural and Veterinary Chemicals was formally established. The ability of previous Labor agriculture ministers Kerin and Crean to work through rather complex legal and technical issues with state coalition and Labor governments at that time really does stand in stark contrast with the failure of the current Minister for Agriculture, Fisheries and Forestry to work cooperatively with the states to progress important national issues and issues important to the rural sector, such as drought policy. We have seen a complete failure on the part of the current minister to implement agreements that were reached in 2000. That is spilling over into other areas where the minister seeks to blame state Labor primary industry ministers for his own inability to work through these issues. There, historically, we had a very complex issue, a very complex case, and federal Labor agriculture ministers were able to work with state and coalition primary industry ministers to get a better outcome for Australian agriculture, food consumers and, of course, the nation.

I understand that the amendments in this bill are not expected to have any financial impact on the Commonwealth's budget. The NRA has provided for the amendments to its letterhead and website, and the industry is not obliged to carry out a label change to accommodate the new symbols and name.

The Australian Pesticides and Veterinary Medicines Authority has an important role in evaluating the performance and safety of chemicals used on-farm and elsewhere and in protecting the health and safety of farmers, farm workers and all who come in contact with agricultural and veterinary chemicals. It has an important role in protecting our environment and in protecting our food supply from contamination. Mr Deputy Speaker Scott, you and I, coming from farming backgrounds, would recall the bad old days on-farm when you would load up the sprayer and not worry too much about which way the wind was blowing as long as it was not blowing hard. There was a use of chemicals on-farm that was not monitored, and of course that has led in the past to some very serious diseases to farmers and farm workers. Those practices also occurred in the value-adding chain where chemicals were used to 'clean' produce for market. The lack of monitoring and the injudicious use of those chemicals have led in many cases to very severe impacts on the health and safety of the workers involved.

Australian consumers have become increasingly concerned about contamination of food products. They are very keen now to consume food that is, as they perceive it, clean and

green. They certainly do not want increasing levels of pesticides in their food. This authority plays an extremely important role in that regard in monitoring the food chain. I commend the staff for the important role they play in this organisation. It is a very difficult and complex task. In the future we are going to have significant debates about the role of chemicals and residues in agricultural products. There is certainly a debate in the community at the moment about food safety, and this organisation will be very important in assuring consumers in the future about chemical residues in food products.

I note, Mr Deputy Speaker Scott, as you are from Queensland, that I was recently in banana-producing territory in the Tully region. The farmers there assured me that their chemical usage has declined dramatically. The use of pesticides has declined dramatically. As a big eater of bananas of a morning, to get the potassium intake and to get myself firing for the day, it is very heartening to know that the industry has taken this issue quite seriously.

On the other side of the coin, we have some quarantine issues before the industry. An import risk assessment has been published by Biosecurity Australia, and, with certain protocols in place, the importation of bananas from the Philippines is going to be allowed. The industry is contesting the science. As we know, we have to be very careful with pests and diseases because if we do happen to make a quarantine mistake it ends up costing the industry a lot. Those diseases are controlled by chemicals and pesticides which make their way into the food chain, so it is very important that we look not only to this particular organisation but also to farming practice and other areas of policy that might impact, ultimately, on food safety and the food chain. I wish the organisation well under the new name. As I said before, I commend the staff for the important role they play. Labor will be supporting this legislation.

Mrs MOYLAN (Pearce) (10.47 a.m.)—The **Agricultural and Veterinary Chemicals Legislation Amendment (Name Change) Bill 2004** has as its aims the following two points: the amendment of the name of the National Registration Authority for Agricultural and Veterinary Chemicals to the Australian Pesticides and Veterinary Medicines Authority; and the introduction of measures to protect APVMA's logo from inappropriate use. The NRA is the authority responsible for the national system of approvals and registrations underpinning the national agricultural and veterinary chemicals regime. For some extended period, the board of the NRA has expressed views that the title of the organisation does not adequately reflect its purpose, nor is it consistent with international nomenclature practised by other international chemical regulators and within the OECD, which sets the international standards and benchmarks for chemicals management. In addition, a survey in 1998-99 demonstrated that the name of the organisation was not well known beyond chemical manufacturers and was often confused with the National Rifle Association in the USA.

The NRA board promotes awareness of its role through a national and international communications program. The board acknowledges that it is an important ingredient of public awareness of the role of the NRA to change its name to one that readily indicates its role and area of focus. Where the name or the initials of the NRA appear in other Commonwealth legislation, it is intended to rely on the provisions of the Acts Interpretation Act 1901 to update references to the APVMA, rather than undertake specific and exhaustive legislative changes and burden other departments with the task of changing their legislation as a result of the technical changes in the Department of Agriculture, Fisheries and Forestry legislation. I am

sure that the Parliamentary Secretary to the Minister for Finance and Administration will touch on the other relevant points in summing up.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (10.49 a.m.)—At the outset I thank the honourable member for Pearce for her erudite contribution to the very substantial and weighty matters included in the *Agricultural and Veterinary Chemicals Legislation Amendment (Name Change) Bill 2004*. The member for Pearce has taken a very keen interest during her parliamentary career in all areas and spheres of governmental activity, and I must say that I was particularly pleased that she did have the opportunity of making a contribution to the bill currently before the House.

The Agricultural and Veterinary Chemicals Legislation Amendment (Name Change) Bill 2004 is a very simple bill. It introduces two basic and uncomplicated measures that change the name of the existing organisation to the Australian Pesticides and Veterinary Medicines Authority and protects the new name, the initials and symbol of the new organisation from abuse. These changes are commonsense and they reflect common technology within the international community and will help foster a greater awareness of the new organisation and its objective of safe and responsible chemical use by all users and manufacturers.

The bill is a particularly important bill. It is a bill that is simple and noncontroversial. It is a bill which ought to be implemented as soon as possible. I commend the bill to the chamber.

Question agreed to.

Bill read a second time.

Ordered that the bill be reported to the House without amendment.

COMMITTEES

Education and Training Committee

Report

Debate resumed from 29 March, on motion by **Mr Bartlett**:

That the House take note of the report.

Mrs MOYLAN (Pearce) (10.52 a.m.)—As we know, the *Learning to work* report arose from the inquiry into vocational education in school. This is a particularly important area. It was not so long ago that I met with people in Western Australia who were deeply concerned about the lack of skills training in Western Australia. As members of this parliament would know, Western Australia has signed substantial deals with China for gas and steel in Western Australia. It is in those industries that we currently see a dire shortage in some of the skills areas, particularly engineering. So the government's attention to this area of vocational education in schools and streaming young people into appropriate vocational courses is very important.

The Minister for Education, Training and Youth Affairs was in my electorate during this last break, and I took him to Swan View Senior High School. This is one school in my electorate that is addressing the issue of vocational education and making sure that its young people are streamed appropriately into either higher learning at university or into vocational education places. The VET program is working extremely well in that school. A lot of the credit is due to a very dedicated teacher at the school, Mark Trlin, who set up a new technology workshop area. I understand that it is one of the only schools in Western Australia that has a

jewellery design and making course. In fact, I had the great pleasure when I opened the facilities, which were partly funded by the Australian government, of meeting two young people who had graduated from the jewellery design and manufacturing course at the Swan View high school. One of them had been to New York to work for one of the best jewellers in the world. Both are now back in Western Australia working for one of Western Australia's top jewellers.

So we do have people already working in the schools to try to improve the outcomes in these areas. I think that furthering some of the good work that is being done—building on that work—and looking at the need for a stronger vocational education sector and coordinating that with the schools is enormously important, and I do commend this report to the parliament.

Mr ALBANESE (Grayndler) (10.55 a.m.)—I too rise to support the *Learning to Work* report of the House of Representatives Standing Committee on Education and Training. I do so as a member of the committee and also as the shadow minister for employment services and training. This is indeed a challenging area. The work that the committee did was particularly useful. There are a lot of inquiries by other committees of the parliament that I have been on that I and other members have gone into with a fixed view. Vocational education and training in schools is an area that is not black and white; it is an area where, in some of the models that we went and visited, we saw good practice and we saw bad practice. It is a matter of getting that balance right. I am a big supporter of VET in schools. However, I put a caveat on that: we need to ensure that we are not streaming our young people at a very young age into 'You're the class of people who are going to go on to university and you're the class of people who are going to go on to vocational training'. The challenge is getting that balance right.

One of the places where I think they have got it right is in Western Australia. At the Mandurah High School we met students who were taking up the option of doing vocational courses as part of their Higher School Certificate, but it did not cut them off from a university career or other options. There is flexibility in the system, to make sure that they can get the benefit of vocational education as part of their school experience without limiting their future options, and I think that that is the key. This report should be considered in conjunction with the Senate skills inquiry, which showed very clearly the skill shortages that are out there in the traditional trades. Quite clearly, one way to address that is by having vocational education and training—VET—options in schools and by encouraging young people to think about those career options.

The experience of the committee was very broad in terms of the teachers, students and state departmental officials who gave evidence and was also important in educating committee members. I remember particularly the experience of going to Nyangatjatjara College in Yulara, a place in Central Australia, where English was very much the second language of the Indigenous students. The commitment of the teachers and the people working with those young Australians was quite extraordinary. One of the aspects that shone through was the commitment of the teachers. At a time when we hear a lot of baseless rhetoric, implied again in some of the budget measures last night, about the lack of values in Australian schools, I saw the best of Australian values. I was impressed by the commitment of teachers, from principals right down to prac teachers, who certainly are not in it for the money—they are in it because of their commitment to helping young people and giving them a lift up. Nowhere was

that experience more stark, particularly for someone who grew up in the inner suburbs of Sydney, than in Central Australia.

In its report, the committee makes a number of recommendations, and I think that governments should seriously consider them. I was very disappointed that in its budget last night the government had no new money—not a single cent—for ANTA, for VET programs, in spite of the surplus and in spite of it having a whole lot of cash handouts pre and post 30 June. It was a great disappointment to me that the committee's recommendations calling for increased ANTA funding from the Commonwealth—and from the states—were not taken up. This of course follows on from last year's budget, which closed down the ECEF program, a very successful program which assisted the process of delivering VET in our schools.

It is a tragedy that this should happen, especially at a time of growing youth unemployment—and youth unemployment in some regions of this country is up to 40 per cent. In the Illawarra, in Wide Bay in Queensland, in Salisbury in South Australia and in northern Tasmania, for example, there are extraordinary and unacceptable levels of youth unemployment. At the same time, we have skills shortages, particularly in vocational areas that would be assisted by VET in schools programs providing a pathway into those careers. Those careers are well paid, they contribute to the Australian economy and, of course, they would be of substantial benefit to the young people themselves. I think part of the challenge of addressing skills shortages has to start with VET in schools.

This report is a bipartisan report. I congratulate the chair, the member for Macquarie, on the way that he conducted himself and the committee. The parliament works best when it addresses issues in a bipartisan way. I hope that the government takes a serious look at these issues. From the opposition's point of view, we certainly have looked very closely at the recommendations in the report. We certainly think that it is a substantial contribution to advancing the VET in schools agenda. I thank the committee secretariat, including Alison and others, who did such extraordinary work. Their commitment and dedication to the parliamentary process is in no small way reflected by the substantial body of work the committee has produced. I commend the report to the House.

Mrs MAY (McPherson) (11.05 a.m.)—Like the member for Grayndler, I am delighted to have the opportunity this morning to speak on what I believe to be a very important report, *Learning to work*. I place on record my personal thanks to the chair of the committee, the member for Macquarie, for his leadership and commitment to this inquiry, and to the deputy chair, the member for Adelaide, for the bipartisan way in which this inquiry was undertaken. I think all members would agree that the frank and open discussions we had during the inquiry have certainly resulted in a bipartisan report of which we can all be proud. I add my personal thanks to the secretariat—including Alison, who is here today—for keeping me informed and briefed along the way and for their assistance in researching and presenting to committee members the huge number of submissions we received. I also put on record my thanks to the committee for visiting the Gold Coast.

Mr Sidebottom—I remember.

Mrs MAY—You remember. It was a great opportunity for local schools and organisations in my electorate to put forward their views at the public hearings we undertook. My sincere thanks go to Marymount College for hosting the public hearings on Tuesday, 8 April. In particular, I thank the principal, Mr Bob Peacock, his staff and the many students at the school

who gave up their time to talk to committee members. I also sincerely thank Robina State High School for hosting a public hearing on the afternoon of Tuesday, 8 April. The principal, Ms Lyn McKenzie, her staff and students participated in the public hearing and provided valuable information to each and every one of us.

The committee travelled to every state in Australia. One of the most memorable and thought-provoking trips was to Alice Springs and Ayers Rock, which the member for Grayndler referred to this morning. We met children from far-flung communities who certainly do not have at their fingertips the resources or, indeed, the opportunities for work experience or career education that some of their city counterparts have.

There is not enough time today to put on record all my thoughts with regard to every aspect of the inquiry—what we heard, saw and experienced. There have been some great contributions from members of the committee, today and when the report was tabled, but I would like to focus on just one aspect of the report. The inquiry certainly highlighted and raised our awareness of how valuable vocational education is in our schools, but the area that I took particular interest in was career education at schools and how relevant it is for high school students.

We could all ask: what is the value of career education; how important is it to have career counselling at the local high school; what is the role of this important person; and why is that role so important to those students? The committee made four recommendations with regard to career education, and I would like to spend a few minutes on each of these recommendations so the parliament can get some insight into just how important this area is to the success of vocational education. Recommendation 29 reads:

The Committee recommends that careers education be a mandatory part of the core curriculum for the compulsory years of secondary schooling. It should include a clearly defined and structured program, distinct from VET programs.

It was clearly evident to the committee that it is important that career education should be a feature of curriculum frameworks and that programs should be designed and adapted to the circumstances of the local community—that stood out more and more as we travelled the country. The programs need to be flexible and cater for the needs and interests of particular student groups. Another recommendation reads:

The Committee recommends that all secondary schools have at least one full-time professional careers adviser—

at the school—

with appropriate specialist training, who can provide a dedicated career education service within the school and work with the VET coordinator.

During the course of the inquiry, it became very evident to the committee that the lack of experienced and qualified career advisers was a shortcoming. It was a huge shortcoming, particularly in those far-flung, isolated areas and in smaller communities throughout Australia. Certainly those students did not have access to what our city students have.

In many of the schools, the careers adviser had just been seconded into the job, with no specialist training. It was a case of: 'We needed someone to take on the job, so someone was seconded into that job.' They did not have adequate training in the area. Most were undertaking the role whilst still carrying a full-time teaching load. It was very unsatisfactory and in

many cases meant that the approach to careers advice was a bit hit and miss. We all understand and recognise the need for lifelong learning and career development to meet the constantly changing needs of the labour market. Each high school needs a careers adviser who is professionally trained and committed to ensuring that students have the information they need to make the right decisions about their future career choices. The hit-and-miss approach is really not good enough, particularly in those smaller communities that we visited.

The committee believes that these two issues that I have raised today are serious issues that need to be addressed quickly. Just to recap, these two recommendations were on the need for careers education to be a mandatory part of the core curriculum and on the desperate need in relation to the allocation of staff to manage and teach the program. In other words, career education has to be seen as a legitimate and significant part of the school curriculum. In relation to the second need, career education must be taught by experienced and appropriately qualified teachers. Many of those careers teachers—if I can call them that—certainly raised concerns with us about their ongoing support, their role within the schools and their not having the experience to meet the needs of those students. Until both of these requirements are met, there will continue to be a danger of career education being seen as something marginal to the curriculum which can be taught by anyone with a gap in their timetable, usually resulting in inadequate assistance to students. During the course of the inquiry it was evident around Australia that decisions regarding the provision of careers advice tended to be taken at the individual school level.

The final two recommendations regarding careers education relate to professional development. This certainly was of huge concern to these teachers. There was a definite need for a clear set of national standards for the delivery of career education in schools and an absolute need for a national system of reporting, which the committee would like to see adopted by MCEETYA. Professional development was an issue that was raised time and again with the committee. Professional development for careers advisers is just as important as professional development for teachers. There needs to be a coordinated effort by education authorities, professional associations and higher education institutions to ensure that this development is ongoing and relevant. The committee has also recommended that the Commonwealth take a more active role in supporting this professional development through subsidising such courses. The final recommendation is related to the lack of appropriate standards for delivering career education. The committee felt that the lack of standards was disturbing. In order to ensure consistency, transparency and accountability with regard to the development of career education, a national system of reporting should be adopted by MCEETYA.

As I said at the outset, there is not enough time today to canvass all the recommendations in the report. Needless to say, the report is far reaching. I believe it is a very important report that highlights the urgent need for significantly more commitment and action by education authorities and by state and federal governments. There is a need to expand partnerships between business and schools. In many of the areas we visited there was a clear commitment to this from the business community, particularly in those smaller communities where the business community got involved with the local school. I think it is important that that continue. An urgent review is required of how vocational education is delivered in schools. Vocational education is clearly another pathway for students, a pathway that is not often clearly defined for students, to give them choices about their tertiary education. Vocational education has suf-

ferred a stigma of 'not being good enough'. Children believed that they needed to go on to university. We believe there is a very strong pathway in vocational education, another choice that students can make, if they know the choice is there.

The committee really felt that vocational education has a very definite role within our education system. We need to encourage the commitment of everyone involved in education, to ensure that students and parents are aware of the pathways that are available for rewarding studies that will equip students very well for the future in some very high-paying professions. It is not a lower type of education. We found that very much, as we visited communities and schools throughout Australia. I certainly commend the report to the House and thank all the committee members who are here today for their support during the course of the inquiry.

Mr SAWFORD (Port Adelaide) (11.15 a.m.)—At the outset, I would like to thank the members of the secretariat of the House of Representatives Standing Committee on Education and Training. Before I do, I should say that we are very spoilt in this place by the services we get from our librarians, who are some of the best in Australia, and by the professionalism and skill of the people who support the various House of Representatives committees. From my experience in this place, they are the epitome of professionalism, high skills and hard work. This particular report, *Learning to work*, was no exception. I would like to acknowledge the excellent work in compiling the report of Richard Selth, Alison Childs—who is here in the chamber this morning—and Gaye Milner. I acknowledge in particular Alison Childs, who took most of the duty in putting the report together. Well done, Alison. You have done a good job.

This was not an easy subject to tackle, and I do not mind admitting that for the first six months of the inquiry I was not sure where we were going. I hope I am not betraying a confidence by suggesting that the member for Macquarie—our very able chair—was in exactly the same boat. We were confronted with so much contradictory information and so much dogmatism in terms of what was right and what was wrong; it was either this or it was that. We all know that that is not necessarily correct. So I congratulate the chair, Mr Kerry Bartlett, and members of the committee: Margaret May, Sid Sidebottom, Chris Pearce and Pat Farmer—Tanya Plibersek and Anthony Albanese were also there, as was Therese Gambaro, but that small core of people made the major contribution. Bipartisan reports are not easy to achieve, and it is a credit to the people on this committee that bipartisanship was achieved—not always easily, mind you, but we got there.

Now for some history. For more than 115 years, Australia as a nation has been short of industrial and technical skills. It still is. For much of that time, technical or vocational education has oscillated between two opposing policies. It has been seen either as an instrument of economic development to meet the needs of industry and employment or as meeting the needs of individual self-development. It should do both, but it rarely does. Except in isolated circumstances, that balance has rarely been achieved over the last 115 years. John Dedman was the minister for postwar reconstruction in the Chifley government, and he recognised the worth of vocational and technical education—as did a very short-lived director of education in South Australia, John Walker. Those two got on very well. Unfortunately their colleagues, both educationally and politically, did not really agree with them. Nevertheless, in the 1950s, 1960s and 1970s many Australian states had highly successful technical schools.

The 1980s became a bit of a lost decade, and there perhaps needs to be a bit of explanation as to why that happened. A national report came out, called the Karmel report, and it was an excellent report done by Professor Karmel. It got a lot of things right in 1973, but it got a lot of things wrong too. I think that it unintentionally damaged vocational education. It did not set out to do that, but it did—particularly in public secondary schools. The introduction of the comprehensive high schools and the abandonment of technical schools and the failure to recognise their value, along with the failure to recognise the resource needs of primary schools in literacy and numeracy, were unmitigated failures for which we are still paying the penalty today.

As I said, in the 1990s vocational education in our country trebled—from a very low base. The principals and teachers in those schools deserve the highest commendation because, without many resources, they put their heads down and their tails up, they put the students first, they put the curriculum first, and they offered great advances. Some schools stood out like beacons: Salisbury High in Willunga in South Australia, Junee High in regional New South Wales, Mandurah Secondary College in Western Australia, Bradfield College in New South Wales, Don and Hellyer colleges in Tasmania and counterparts in all the other states. Without much in the way of additional resources—or indeed encouragement from state or Commonwealth education departments—these schools took up the challenge to introduce vocational education. These highly successful, modern secondary vocational schools are, of course, modern technical schools.

No-one ought to be surprised that recommendation 1 of the 41 recommendations tabled urges that the purpose of vocational education in schools be clarified. If the rationale—the purpose—is wrong, everything that follows will be wrong. The rationale for vocational education in this country is not clear, and it should be. Vocational education needs balance and diversity, but it does not need to oscillate, with a policy being in favour for one period of 10 years and then out of favour for the next 10 years. Therefore, it is disappointing that educational bureaucrats around this country so often promote narrow orthodoxies. One of these is the policy of integration so favoured by many state departments of education. My personal view is that this is the case because of the continuing denial that the abolition of technical schools was a mistake—and it was. We need to accept that and get on with life. The allocation of blame and the denial of obvious problems are not acceptable—and it is a pointless debate anyway. The policy of integration should be abandoned in favour of diversity.

This also applies to an equally pointless debate as to whether the courses offered in these vocational schools should be stand alone or embedded. Some courses demand to be stand alone, others demand to be embedded. The argument is meaningless. Both have intrinsic worth in different circumstances. A good vocational education has both, and it would be a good start if that were a given. However, it is disappointing that previously recognised weaknesses in education have not been fully remedied. Again, this report, *Learning to work*, found out that there is a dearth of data about education available in this country, a failure to take career education seriously, a lack of national consistency, incomplete—and sometimes non-existent—teacher education and inadequate resource allocation.

On top of those shortcomings, proper evaluation of vocational education in schools is made very difficult by a rationale that is unclear, a process that is often confused, delivery that is at its absolute limit and resource constraints that are not recognised or even acted upon. This is a

very important point. I will not go through all the detail, because I do not have time for that, but these matters are dealt with very fully in recommendations 3, 5, 6, 12, 14, 17, 20, 25, 29, 30, 32, 33, 39, 40 and 41. Obviously, we all considered it to be pretty important.

In spite of those comments, and without adequate funding, many Australian secondary schools, as I have said, have made an enormous contribution to VET in Schools, particularly over the last 10 years. But even those outstanding principals and teachers admit, on and off the record, that the current level of VET, and its further expansion, is not sustainable without substantive changes. That must not be allowed to occur. The committee received 116 written submissions, 455 witnesses and 130 exhibits. The committee visited every state. *Learning to work* contains a positive set of directions for VET in Schools. The report deserves—and hopefully will get—a positive government response. Plenty of people in this country, even recently, have identified the current and future national skills shortages, which do, and will, hinder Australia's future progress. It is more than just a brain drain; it is a refusal to train, as well.

The committee also made recommendations to promote VET more widely and to extend a broader base of stakeholders and improve the linkages between all of them. These matters are dealt with—again, this is a crucial point to the report—in recommendations 2, 7, 8, 9, 13, 14, 15, 16, 18, 22, 23 and 31. There is another set of recommendations—4, 10, 21, 25, 26, 28, 35, 37 and 38—that deal with ANTA, school based new apprenticeships, qualified industry personnel, occupational health and safety qualifications, skills initiatives, skills shortages and students at risk. They should not be overlooked.

Learning to work is not the sexiest report I have ever been involved in but, I tell you what, it is a damn important one. As a nation we do not have technical or vocational education right after 115 years of trying. If not addressed dramatically, the identification of current and future skills shortages will hinder the nation's progress. Plenty of smart people in the country have identified that, and it would be foolish if, on a partisan basis, we ignored that challenge. *Learning to work* is written in pretty clearly stated language and detail and spells out a potential framework to turn the current reality into something very positive. First of all, we need to value VET training in schools and TAFE—we do not. We need to get the VET policy right—we have not. We need to make it coherent—it is not at the moment; it needs to be enhanced with procedures and programs and then the coherence will follow.

We need to acknowledge that diversity is a strength and not a weakness. We need to stop being bogged down in conforming and stultifying integration and one thing or another. And we need to train the teachers, because for a long time no-one has been training technology teachers in this country—no-one. The current average age must be in the 50s. They are going to retire in the next five or 10 years to be replaced by whom, trained by whom, in vocational programs done by whom? It is a challenge that needs to be responded to very quickly. We need to frame appropriate courses and, as I said, forget this silly argument about whether they are stand alone or embedded. There is intrinsic worth in both kinds.

We need to resource TAFE appropriately. We need to evaluate not just by the presently favoured method of synthesising everything—the entertaining stuff we get in the media every day; no-one knows how to analyse anything in this country any more. But it would be appropriate if people involved in education had some analytical skills instead of trying to entertain or make dramatic statements to fulfil the needs of a bored press. We need to have some bal-

ance. We need to stop swinging from one set of policies to another and then swinging back again within a generation. We should not wait for a crisis to blow up, because a crisis is beginning. VET in Schools at the moment basically cannot be extended in the current climate without substantive change.

We need to make sure that we do not rely on only quantitative or only qualitative measures; we need both. We need to apply some goodwill. The teachers and principals who, as I said, have trebled participation in VET in the last 10 years without much in the form of resources have shown the way, but without government intervention to grow the sector the goal of 70 per cent of students having access to accredited VET in Schools will not be achieved and this nation's future skill base and employment opportunities will be diminished. I commend the report to the Main Committee. I am glad the chair of the inquiry is here—I used your name in vain a while ago and betrayed a confidence, but I hope it was in the good nature of this report. Again I thank the secretariat and the committee members for what I think is an important report that needs to be acted upon by the government.

Ms GEORGE (Throsby) (11.29 a.m.)—I rise to speak on this important report not as a member of the committee but as someone who in a former life was a school teacher—at one time even a careers adviser. More significantly, I have followed the recommendations of this report with great interest because I represent a region area with incredibly high rates of youth unemployment—an area that has traditionally been one of the solid areas of manufacturing. The largest employer in my electorate is BlueScope Steel. In the past there were ample opportunities for young people to avail themselves of the opportunity of traditional apprenticeship training. We have seen in my area and elsewhere a huge drop in new opportunities for young people and a collapse in the youth labour market such that a lot of young people are ending up in casual, precarious employment. We have a decline in the traditional trade based training that has occurred in my area. At the same time, we have the second highest rate of unemployment in New South Wales for young people. Paradoxically, the region is crying out in terms of the requirement for skilled labour. The Australian Industry Group and other local business groups keep saying to me, 'We have a huge problem; we can't find the young people to come in and take on the trade training that was there in the past.' Obviously there is a great deal of mismatching occurring. I have found the report's emphasis on some of these areas of vital interest.

I find that schools in my area, like the majority of schools around Australia, are trying hard to incorporate into their traditional curriculum more options for young people—both men and women, which I find very encouraging—to avail themselves of the opportunity of the VET in Schools program. From talking to teachers and students, I know that they get great value out of that program. It has been very important because, historically, the emphasis has been on upper secondary schools preparing our young people for university education. As we know, that option, while commendable for those who get into university, is becoming increasingly problematic under this government. Nevertheless, the vast majority of young people do not go on to tertiary studies at university. We hoped that VET in Schools would make a significant improvement by saying to young people that a future in traditional trade areas, apprenticeships and manufacturing was a very worthwhile option. The report refers to the vision that was outlined by ministers in this area:

Vocational education in schools assists all young people to secure their own futures by enhancing their transition to a broad range of post-school options and pathways. It engages students in work related learning built in strategic partnerships between schools, business, industry and the wider community.

That is a very commendable objective that needs to be reinforced, as the previous contributor, my colleague the member for Port Adelaide, commented. For many decades we saw the running down of the streams of vocational training opportunities that were available in secondary schools. Even though I went to a school that concentrated on the traditional academic streams, in my first year of high school there was six months of cooking and six months of sewing. There was the opportunity for young men in particular in those days to undertake courses in industrial technology, which provided many of them with a base that made it possible for them to explore vocationally related options at the end of their schooling. In our major drive to increase school retention rates, we perhaps tilted the balance too much in favour of the streams of academic learning that enabled one to get into university, at the expense of the broader needs of the whole school population. VET in Schools has been an incredibly important initiative. As the member for Port Adelaide said, it would be a tragedy if, without substantial effort by way of resourcing and major changes, we saw the makings of a really good program not come to its full potential.

The report draws attention to some of the constraints operating for schools wanting to pick up and expand these options for all our young people. It is amazing to see the growth that has occurred in the VET in Schools program—185,500 students, which is a trebling of the number there were six years prior; the range of schools making those options available; and the number of students, both young men and young women, taking up those options, albeit in somewhat of a gender segmented fashion. The initiative has struck a really good response in the community: with teachers and with students and, very importantly, their parents, who do not necessarily see education just in instrumental categories; they do not just say, 'Well, you've got to do this, because it will give you a job at the end.' I think the point has been made that it is not one at the expense of the other. But generic vocational skills that are integrated into the school curriculum are equipping our young people for a world that will be vastly different to the one that their mums and dads entered when they left school.

It is a great shame that the growth, while very encouraging, has been constrained by the capacity of the system to give full effect to the vision and objectives of the program. It is pretty clear that to run a VET program in a school will cost the school more in setting it up and delivering and administering it. All schools I go to, whether they are public schools or Catholic systemic schools, tell me how difficult it is to meet all the purposes and outcomes that are expected of them even though their budgets are being wound back. You only have to look at the TAFE system in vocational training overall to see that this government has not even provided the funding to meet the growth in demand that has occurred there. All this flows back to the schools and to the eager staff members who want to do the right thing by their student populations but who are being hampered by a lack of resources.

The committee valuably points to the fact that more needs to be done in terms of pre-service training. I hope that some of the pre-service courses for teachers are taking on board the challenges that the diverse student populations of secondary schools are throwing up. I am also concerned about the references to high rates of turnover in these fields. I know from my former life long ago as a careers adviser that such advisers tended to come in for one

year at a time and for there to be a new one in the next year. It was somehow seen as the soft option, whereas it really should be a very central purpose of the school's work and efforts. So I welcome the committee's attention to the greater attention that needs to be given to pre-service training and to the quality issues and the turnover of staff.

I am worried about the extent to which these programs can be incorporated into our regional and rural senior secondary schools. These schools tell me that, with the funding constraints that are in force, their existing curriculum options are usually much more limited than those of the bigger high schools. They have great difficulty in trying to offer a broader range of subjects as well as run a VET program, and I think we have to be a lot more sympathetic to the needs of those smaller 'central schools'—as they call them in my state—in regional and rural areas. I note also that the workplace training component, the opportunity to go out into the real workplace, is not occurring in all states. I suppose issues to do with workers comp and public liability may be a barrier to some of the state governments signing up to that component, but it is a vital part of ensuring that young people get the opportunity to be out there in the real world.

What I have found in my dealings and work in this area coincides with the views reported by the committee. The perceived lower status and reduced employability of vocational education qualifications was widely reported to the committee. I do think there is a perception problem that we need to address. I know some of the industry groups, particularly the Australian Industry Group, in the Illawarra are doing a lot to try and get out into schools and to sell the virtues of occupations in our traditional manufacturing sector. While two or three decades ago the idea of becoming a welder, a boilermaker or a fitter and machinist might have been seen by all families as a very worthwhile employment objective for young people who were not going to go on to tertiary education, for some reason those traditional trades are not in vogue, and there is a requirement for all of us to work hard to ensure that the perception of the second-rate status of vocational education and training is reversed. The committee argues that this perception has probably arisen because of the fixation on bolstering the university sector. As one of the contributors to the inquiry said:

Unfortunately university education has been oversold by policymakers to many young people not suited to this form of education.

The paradox is that it is the vocational education and training area that is so vital to this nation's future economic growth and future economic success. That is not to decry the value and benefits of a university education and the research and development that goes on in many of our universities. But at the bottom line, for this country to have a good economic future you cannot underestimate the importance of manufacturing and all the relevant occupations. It is necessary to ensure that the skill shortages that are emerging are going to be filled by young people who have had some exposure to VET in schools and who do have the opportunity of availing themselves of apprenticeship training. So there is work that needs to be done there, and I am pleased that the employer groups and industry groups recognise that there is a need to get out into the schools, to talk to the careers advisers, to talk to young people and to tell them about the exciting range of opportunities in the traditional manufacturing areas.

I want to say a little about the issue of skill shortages. It is interesting that the committee recommends that the best way of addressing skill shortages is at the regional or state level. It is useful to look at the national figures that come out from different departments saying,

‘These are the expected growth areas, these are the opportunities, these are the areas of short-fall,’ but the best way to address these emerging problems is to do it at the regional level. I am pleased that the member for Gilmore, Joanna Gash, is here at the Main Committee while we are having this discussion. Joanna and I have been involved locally in a project which has brought together business, training providers, group training companies, the TAFE system, the unions and industry groups and we are trying to come up with our own workable solutions that address the problem of the very high levels of youth unemployment and the mismatch between that and the emerging skill shortages in many of the traditional trades areas. I think the committee is right to indicate that the way forward is for local bodies to come up with local solutions to local problems and to do that in partnership. I use the word ‘partnership’ because the committee at many points in the report stresses the importance of partnerships for the success of this program.

In conclusion, as an outside observer I would like to commend all the members of the committee, who have worked so hard. As has been said, it is probably not the sexiest report that one can read about, but it is certainly one of the most important areas we deal with. (*Time expired*)

Mr SIDEBOTTOM (Braddon) (11.44 a.m.)—As a member of the Standing Committee on Education and Training and a member of this inquiry, it gives me great pleasure to be able to speak to the results of our work over a long time and many meetings: the report *Learning to work*. As I am the last speaker, I believe, I thank all those members who made a contribution in the Main Committee on this report. They were very enlightening comments, and it is great to see the interest that they have in this vital area of learning in our nation.

While he is in the chamber with us, I would like to particularly thank the committee chair, Kerry Bartlett, the member for Macquarie. I have had the privilege of doing two reports with Kerry, and I acknowledge his great personal support, his professionalism and his great interest in and support for matters involving education and training in this nation. I also thank the deputy chair and my colleague, Rod Sawford, the member for Port Adelaide, who is always a vital contributor on matters of education in this parliament and will continue to be so into the future. I thank him for his terrific support. I would also like to thank Richard Selth, who is secretary to the committee.

In particular, I would like to thank our inquiry secretary, Alison Childs, for her fantastic work in putting together what was, to start with, a rather nebulous result to an inquiry. As the member for Port Adelaide said in one of his secret moments with the chair, ‘Where are we going? What is happening here?’ I suppose that that in a sense reflected the content of what we were receiving. It was, in a sense, symbolic of the inquiry itself. *Learning to work*, an important resource to support vocational education and training in Australia, really owes a great deal of thanks to Alison and the terrific work she did. Of course, that does not neglect the tremendous administration that accompanied it from Gaye Milner. So thank you to all those people in particular, and also to my colleagues on the committee. There were a small number of those colleagues; they know who they are. I think we have an excellent team, a bipartisan team, whose only interest is to try to do the best by students, their parents, their communities and the true aims of education and training.

We met a lot of people. Just for the record, we had 129 exhibits and 116 submissions—it felt more like one million! I did not put one in for this inquiry, so I am not in a footnote in the

report. We had 455 witnesses and 113 students who took part in forums. I am proud to say that a number of those students were from my former college, the Don College in Devonport, and from the Hellyer College. I thank them very much for their submissions. We made 41 important recommendations, and I urge everybody who is interested in this vitally important area of our nation's education and training to have a look at them.

I would like to go through a bit of a smorgasbord of comments, because my colleagues have more ably represented the recommendations of the committee. Let me say from the outset that vocational education and training in schools is appropriate, popular and absolutely necessary. The report indeed highlights many of the shortfalls that are associated with this in schools. But it also highlights, and is fed by, the incredible enthusiasm of the people involved in vocational education and training in schools. The very fact that you sometimes have people almost of an evangelical zeal associated with things like vocational education and training in schools tells you that that sense of zest means that there is a lack of it or feeling for it in other places associated with education, be that at the top of the educational tree with the people who create the bandwagons for a lot of educational change, amongst parents and students or even in the general community.

This report highlights the absolute need for greater communication of what VET is all about. That is the thing that struck us. What is VET? VET is a lot of things to a lot of people. We concluded that it is vitally important. Speakers before me, particularly the member for Throsby and the member for Port Adelaide, clearly indicated that there is a status problem for vocational education and training in our community. For some people, it appears second rate: 'We don't know anything about it. It involves training in dirty tasks.' This is 19th century stuff; this is completely out of date. It was certainly brought out to me, as a member of this inquiry—and I taught in a senior secondary college that was primarily established as a traditional academic college, a 'Mini-Me' university—that vocational education and training is absolutely relevant to the world we live and work in. VET has a vitally important role to play in education, but that role should be a seamless part of what it means to be educated and trained in our country.

We talk about university training. The member for Port Adelaide clearly points out that some 30 per cent of students go on to be university trained but an extraordinary number—I think it is up to 40 per cent—drop out after the first year. We have an extraordinary emphasis on 'academic achievement' and going on to university, yet the greatest proportion of our students either are not capable of doing that, because of the mix of curriculum and assessment demands we have, or are not suited to doing that. Why don't we have institutions of a seamless nature that take into account our abilities and our needs as a nation and as individuals, instead of having the 'poor cousin' TAFEs—and I know that I overgeneralise; don't get me wrong, I know there are some excellent TAFEs—in the main, with a crisis of identity, because it continually changes? We have VET in Schools, bubbling away, mainly on the back of the enthusiasm and the initiative of teachers and the leadership of principals, some business communities and the communities of some of the students, and we have the universities still in the place of pre-eminence, still dominating much of our curriculum, and certainly still dominating much of our assessment. It seems to me that we have still not come to terms with what types of skills, characteristics and competencies we need as a nation and how to adequately bring that about.

The report makes some very important recommendations regarding certain areas in vocational education and training. One of these is resourcing. It is easy to say that the Commonwealth should put more money in. The Commonwealth—we—the guardians of taxpayers' moneys, should prioritise vocational education and training, as we should education. But, at the same time, so should the states and so should our local communities. What came out in this report is: we do not finance it or resource it well enough. It is not just money; we do not resource it well enough in the support of the personnel that deliver these most important programs. How do we support them? Do we support them enough? The record shows that we do not, that we have relied too much on their goodwill.

Many people in this chamber could well recognise that organisations in our country have lived for a long time on goodwill. It is almost volunteerism. To be in vocational education and training, you almost have to treat it like a vocation, not a career. Some of those involved reminded me of people with religious vocations: the zeal was there. The wrinkles had started, but the eyes were lit up and they still had that fire in the belly. For heaven's sake, that is beyond the pale. This report makes very serious and well-considered recommendations about supporting vocational education and training not just with money but by supporting the people who provide those services. As other colleagues in this chamber have mentioned, the whole area of supporting professional development of the teachers involved in these programs is absolutely important, as is provision of training for our trainers and our teachers.

If you mention voc ed to people at a number of teacher training institutions and in education courses at universities, they think voc ed might be a racehorse. They have no idea what it means and ask: could that be taught at university? Goodness gracious; isn't that what university is about? There is a dramatic need for people to fully appreciate what we mean, and what is meant, by vocational education and training in schools. That, I believe, would go a long way to attacking what might be regarded as the stigma of second classism—if I can use that word—for voc ed in schools.

But do not fear. Students are making choices now which reflect what they believe is the appropriateness of voc ed in schools, because they want to do it. It is not, as I believe it started out as, just about trying to attract students who have been alienated and disengaged from learning. There is no doubt that this plays an important part in keeping those students in school, although when I asked about retention of students in schools I had a number of educational authorities say to me that they did not believe voc ed was an important retainer of students at school. I am still scratching my head about that. Certainly where I was teaching voc ed was introduced to try to give some relevance and appropriateness to students who were becoming increasingly disengaged from learning.

History now clearly shows that students of incredibly diverse backgrounds, desires and aspirations take up voc ed courses. To me, they reflect what our community and our educational leadership should be doing about education and training. There is no doubt about it; they are marching with their feet. So this, which started off as a bit of an aberration, really should be the rule. They should have those options available to them, and they should not regard one as a second-class option the further they go on with their education and training in life. I think that is very important.

The report clearly indicates that there is a lack of consistency not just in definition but in quality assurance and in relationships between TAFEs, institutions, schools and universities.

There is a lack of consistency in the data that is collected. I know that the member for Port Adelaide and the chair of the committee, the member for Macquarie, are very critical of the fact that we just do not have sufficient, consistent national data to make important educational decisions. If you are going to make resource decisions, surely you need the data. So the report makes very important recommendations about that.

The report also talks about the very important part that is played, and that needs to be played, by career educationalists right the way through the system. It would be great to have every student who goes through our schools—and please excuse the use of this phrase—‘case managed’ so that we know what they are about, who they are, where they want to go, where the deficiencies are and what their strengths are. We could case manage them all the way through to when they leave school and go on to other pathways of education and training. Wouldn’t that be terrific? Instead of spending millions and millions on ASIO and ASIS, I would rather spend the money on case managing every student who goes through our schools so that we know how we can help them and where they are going.

Those are some of my thoughts on this. I thank all the students who participated in our inquiry, and I thank all the teachers and educationalists who are participating in VET in schools. I would like to thank too—and it is remiss of me not to do this more often—all the employers and industry bodies who work so closely with students in our schools, and who are our employers for the future, for their terrific recommendations and support of voc ed in schools. *(Time expired)*

Debate (on motion by **Mrs Gash**) adjourned.

Migration Committee

Report

Debate resumed from 29 March (on motion by **Ms Gambaro**):

That the House take note of the report.

Mrs GASH (Gilmore) (12.00 p.m.)—In speaking to the report of the Joint Standing Committee on Migration on the review of skilled labour migration programs, I begin by congratulating committee members and the support staff on the quality of their investigation. This is an important matter and we as a nation do need to ensure that in our immigration program we strive to end up with a quality product. Like any commercial enterprise we need to constantly review our procedures and standards. I liken it to a business proposition because we are in effect seeking to recruit employees for the benefit of our industries. We certainly do not want liabilities, because that only adds to the cost of doing business. This is not a humanitarian program, as we already have such programs in place. Rather, it is a pragmatic approach to address a national shortage of skilled labour that cannot be met from within.

Whilst my electorate of Gilmore has a small industry base, being a semirural area, it nevertheless has need of highly skilled labour. In and around Nowra, our largest and most effective industry is built around avionics and defence, and highly technical people are needed to sustain the necessary expertise these industries require. In this respect I am most interested to ensure that we get a product that serves our needs.

I noted in the report that most skilled migrants tend to gravitate to city centres, and that is understandable; that is where most of the jobs are and where family and friends are located. I imagine that if I went to another country I would also tend to move to familiar grounds, for

my own comfort. Cities are economic hubs and there is no argument that long-term prospects are much better there. But I do wish to express the view that rural and regional areas do not seem that attractive for skilled persons—imported or the home-grown variety—for the reasons identified in the report. This has been recognised, with four out of every five migrants going to the cities, not necessarily where they are needed. We need strategies to entice this category of migrant to our regional centres rather than their using their skills to springboard into already well-serviced areas. I believe we need to make it a condition of their entry that they first go to where their skills are in demand.

I am heartened by the observation that those who are initially located in areas of need tend to stay there. So it would seem that recommendation 2, that states and territories identify their preferred settlement areas, would encourage an orientation towards regional areas. It seems that this is an exercise in marketing, and we are competing in the international marketplace, so let us take a businesslike approach to this rather than a bureaucratic one.

Whilst we are anxious to maintain our skills level, we should not compromise our standards of selection. One aspect that did concern me was the transitional requirement that migrants should have local experience. That is quite a hurdle, and I would suggest that more work be done in that area to see whether a way can be found to fast-track integration into Australian culture, particularly in areas such as medicine or high-tech industries.

From time to time I come across what has been described in the report as ‘the PhD who ends up driving a taxi’. I have a constituent, a surgeon, who works at the Inghams chicken farm—one of the deskilled migrants who, because they cannot get a job in their own area of expertise, become employed in a low-level job just to make ends meet. Surely that is a waste of energy and an outcome that really does not contribute to solving skilled labour shortages. I would like to see something a little more precise in application, although I must admit that in comparison with other countries Australia has a very reasonable approach.

At this point I would like to comment on an associated matter, and that is the brain drain allegedly being experienced by Australia. If there is such a phenomenon—and I remain to be convinced—it seems that we are training our people to a high level, only to lose them to someone else. At the same time, we are recruiting externally when surely we could be plugging the holes instead. I appreciate that, if there is a brain drain, this is a function of economic demand and it is up to Australian businesses to become active in plugging those holes rather than leaving it to the government. I cannot see the point in investing heavily in education and then losing those skills to someone else overseas. Australian business has to engage with the government on this. If they are saying that there is a shortage of skilled labour and that they cannot get anyone, how is that we are experiencing a loss of skills at the same time? It seems to me that we might be wanting to get something on the cheap, but I think that in this day and age we have to be prepared to pay for quality. At the moment, it appears that it is the taxpayer who is picking up the tab indirectly. I commend the report to the House, but I do not believe that this issue is the sole domain of the government. I call on the business community to also look at this issue to see what they can contribute.

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

Main Committee adjourned at 12.07 p.m.

QUESTIONS ON NOTICE

The following answers to questions were circulated:

Immigration: Detention Centres

(Question No. 2074)

Mr Windsor asked the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs, upon notice, on 25 June 2003:

- (1) How many school-aged children have been detained in each of the detention centres during the past year.
- (2) How many children in each of the detention centres did not receive full-time education.
- (3) How many of the children in each of the detention centres regularly attended public schools outside the centres.
- (4) Where education was provided within the detention centres, (a) were the hours provided comparable to those provided in public schools in that State, (b) what were the qualifications of the teachers, and (c) were the facilities and materials available comparable to those in public schools in that State.
- (5) What evidence can he provide to demonstrate that Australia is meeting its educational obligations under the United Nations Convention on the Rights of the Child.

Mr Hardgrave—The Minister for Immigration and Multicultural and Indigenous Affairs has provided the following answer to the honourable member's question:

- (1) The number of school-age children detained from 25 June 2002 to 25 June 2003 by immigration detention centre is as follows:

Baxter Immigration Detention Facility	55
Port Hedland Immigration Reception and Processing Centre (IRPC)	23
Christmas Island IRPC	9
Maribyrnong Immigration Detention Centre (IDC)	21
Perth IDC	20
Villawood IDC	95

Figures for the mothballed Woomera and Curtin IRPCs are not included, as children there were transferred to other centres and included in figures for those other centres.

- (2) All children in immigration detention centres have access to formal education, either at external schools or within the centre.
- (3) At any given time, approximately 80% of all school-aged children in immigration detention currently attend local schools in the community.
- (4) (a) Where an immigration detention facility provides on-site education programs to school-age children, hours of teaching are similar to community schools.
- (b) Education programs within detention facilities are delivered by qualified teachers. Some teaching staff may have additional qualifications, such as teaching English as a second language. The additional qualifications of teaching staff in detention facilities will vary at any point in time, depending on staff changes at centres.
- (c) All on-site education programs provided by the Detention Services Provider (DSP) are based on the curriculum of the State where the detention facility is located. The on-site programs

also provide materials which are comparable to those provided in local schools outside the detention facility. The facilities will vary according to the detention infrastructure in each facility, however dedicated space for education programs is available and utilised.

- (5) Under Article 28 of the Convention on the Rights of the Child (CRC), Australia's obligation is to provide appropriate education to all children in Australia, with a view to achieving the right to progressive education on the basis of equal opportunity. In implementing the CRC, the Department of Immigration and Multicultural and Indigenous Affairs aims to provide education for children in detention which is broadly consistent with that provided in the general community.

The provisions of the CRC are reflected in the immigration detention standards. These provide that social and educational programs appropriate to a child's age and abilities are available to all children in detention.

Military Detention: Mr David Hicks

(Question No. 2142)

Mr McClelland asked the Attorney-General, upon notice, on 11 August 2003:

- (1) Does he recall the Prime Minister stating on 8 July 2003 that David Hicks had admitted training with Al Qaeda.
- (2) In respect of this admission (a) to whom, (b) on what date, and (c) where was it made.
- (3) Was this admission made orally or in writing.
- (4) Does the Australian Government possess a written statement containing the admission.
- (5) When and how was this admission communicated to the Australian Government.
- (6) Is the Australian Government satisfied that the admission would be admissible in an Australian court under the Commonwealth Evidence Act 1995.
- (7) When and how was David Hicks' family informed of this admission.
- (8) When and how were David Hicks' legal representatives informed of this admission.

Mr Ruddock—The answer to the honourable member's question is as follows:

- (1) Yes.
- (2) to (8) I refer Mr McClelland to the Prime Minister's response to question number 3141.

Telstra: Suffolk Park

(Question No. 2320)

Mr Tanner asked the Minister representing the Minister for Communications, Information Technology and the Arts, upon notice, on 21 August 2003:

- (1) In respect of the Telstra mobile telephone transmission installation at Suffolk Park, NSW, which is currently under investigation by the Telecommunications Industry Ombudsman, can the Minister explain the 3 month delay in construction from its commencement in March 2003 to the resumption of work in late June 2003.
- (2) Was this delay consistent with Telstra's contractual obligations to the Government to erect a large number of these installations by 30 June 2003.
- (3) Was the early commencement and subsequent discontinuance of work an attempt to avoid the provisions of the Deployment of Radiocommunications Infrastructure Industry Code which came into effect on 10 April 2003.
- (4) Can the Minister confirm that the installation has been placed atop a water tower on community land for which plans exist to construct a public viewing platform; if so, is this location, which is close to residences and proposed childcare, school and sporting facilities, an appropriate location

for this installation; if not, what action will the Minister take to require Telstra to relocate the installation.

Mr Williams—The answer to the honourable member's question is as follows:

- (1) Telstra has advised the Department of Communications, Information Technology and the Arts that construction of the facility at Suffolk Park was originally scheduled to commence on 16 January 2003, but that at the request of Byron Shire Council, it deferred construction until additional technical requirements sought by the Council were met. Telstra has advised that these requirements included the re-positioning of the Telstra equipment shelter, necessitating a new survey, and the re-roofing of the water reservoir to Council's design, but at Telstra's cost.

Telstra has further advised that it commenced construction of the facility on 26 March 2003, with the installation of a concrete slab and telecommunications equipment shelter. Telstra has advised that the installation of the antennas on the reservoir was delayed until the installation of the new roof was completed, this being further delayed by Council seeking further design amendments incorporating aluminium sections and a davit. Telstra has advised that, upon receipt of Council's final design approval, it ordered the commencement of the construction of the new roof on 21 April 2003.

Telstra has advised that, after completion of the new roof, on 23 June 2003 its contractors installed the cable trays, antenna mounts and antennas on the water reservoir, but that on 28 June 2003 construction was again suspended after community members entered the worksite. Telstra has advised that construction was recommenced on 28 July 2003 and completed on 4 August 2003, and that the facility is now in service.

- (2) Suffolk Park was identified as an eligible town to receive improved mobile phone coverage under the Towns Over 500 program, which was part of the Government's response to the Telecommunications Service Inquiry. Telstra was subsequently contracted to provide a facility which will provide both GSM and CDMA coverage to the community.

Under its Agreement with the Commonwealth, Telstra has obligations to rollout new mobile phone services to certain numbers of communities by defined dates. The contract does not specify particular towns by particular dates. Telstra has advised that the delays experienced at Suffolk Park were a direct result of Telstra's willingness to cooperate with Byron Shire Council. At 30 June 2003, under the Agreement, Telstra had completed upgrades to mobile phone coverage to 59 towns with populations of 500 or more.

- (3) Telstra has advised the Department that the timing of its construction, originally scheduled for 16 January 2003, was not influenced by the introduction of mandatory notification and consultation under the ACIF Deployment of Radiocommunications Infrastructure Industry Code. Telstra has further advised that the delays in construction between January 2003 and March 2003, and again between April 2003 and 23 June 2003 were a direct result of its willingness to cooperate with Byron Shire Council, including the repositioning of the equipment shelter and the re-roofing of the reservoir.
- (4) Telstra has advised that it has installed six panel antennas on the perimeter of the water reservoir which is on land owned by Byron Shire Council. Telstra has advised that design plans, prepared by Place Planning & Design, show a viewing platform abutting the north-east quadrant of the reservoir rising some 4 metres from ground level to the top of the handrail, and some seven (7) metres below the base of the Telstra antennas. Any viewing platform installed at this level would be significantly below the mandated EME standard.

Telstra has advised that its existing facilities in the area surrounding Suffolk Park could not be augmented to provide the desired coverage, capacity and signal quality at Suffolk Park, without the installation of a new facility.

Telstra has advised that it undertook comprehensive investigations in its assessment of suitable locations for a facility which would adequately service the Suffolk Park community and complement the existing network infrastructure in the Byron Bay environs. Telstra has advised that it is cognisant of its obligations under the Telecommunications Act 1997 and the Telecommunications Code of Practice 1997 to reduce the proliferation of new freestanding telecommunications structures, and that the facility at Suffolk Park both complies with the relevant legislation and satisfies the Government's commitment to enhance telecommunications services in rural and regional Australia.

Telstra has advised that the location of the Suffolk Park facility in close proximity to the community ensures that both the base station can operate at a lower power level while providing a high quality of service.

**Communications: Remote Integrated Multiplexer
(Question No. 2696)**

Mr Price asked the Minister for Communications, Information Technology and the Arts, upon notice, on 3 November 2003:

- (1) In the electorates of Western Sydney, how many Remote Integrated Multiplexer line splitting services have been connected in each electorate and how many are proposed to be connected in each electorate over what time frame.
- (2) What compensation, if any, is available to subscribers who have been denied the opportunity of connecting broadband services; if no compensation is payable, why not.
- (3) Has the Telecommunications Authority been advised of the situation; if so, what action has it taken or does it propose to take.
- (4) Has the Government conducted any review of line splitting; if so (a) when, (b) who conducted the review, and (c) what was the outcome.

Mr Williams—The answer to the honourable member's question is as follows:

- (1) Telstra has advised that Remote Integrated Multiplexers (RIMs) are not a line splitting technology. They operate using optical fibre, and are designed to multiplex together and transport a volume of circuits over a single fibre pair. Telstra does not expect to deploy any further RIMs in the electorates of Western Sydney.

Under Telstra's current processes to help more customers access Asymmetric Digital Subscriber Line (ADSL) or an alternative high speed internet service, customers connected to RIMs in an ADSL enabled exchange area have the opportunity, should capacity be available and subject to the ADSL transmission limit, for their Public Switched Telephone Network (PSTN) service to be transposed to an alternative copper path to allow the connection of ADSL.

In addition, where it is economic for an identified level of ADSL demand, and technically feasible, Telstra is also considering construction of ADSL capable infrastructure to bypass RIMs.

Small Pair Gain systems (SPGS) can also be removed where a single customer no longer requires multiple telephone services so provided, and the copper path supporting the SPGS can support a single telephone service together with an ADSL service.

The following table sets out the services connected using RIMs in the listed electorates as at November 2003.

Federal Electorate	Working Services on RIMs
Mitchell	12451
Parramatta	3424
Reid	3274

Federal Electorate	Working Services on RIMs
Blaxland	2523
Banks	3781
Greenway	4775
Chifley	3000
Prospect	4698
Fowler	695
Werriwa	10658
Macquarie	3493
Lindsay	2530
Macarthur	6548

- (2) Broadband services are available to all Australians. Due to commercial and technical limitations of the different types of access technologies, not all of the technologies that are currently being used by carriers are available to each customer. The exception is satellite broadband services, which are available to all Australians. To further improve the availability of broadband services the Australian Government is funding a range of new initiatives, including the Higher Bandwidth Incentive Scheme (HiBIS). This \$107.8 million scheme is specifically designed to encourage higher bandwidth service providers to offer services in regional, rural and remote areas at prices reasonably equitable with those available in urban areas.
- (3) The Australian Communications Authority (ACA) is aware of RIM technology and its impacts on the availability of ADSL services.

Under the Digital Data Service Obligation (DDSO), Telstra is required to provide a 64 kbit/s service upon request via Integrated Services Digital Network (ISDN) technology, or via satellite technology where ISDN services are not available. The deployment of RIM technology does not preclude Telstra from meeting its DDSO requirements.

Under the Carrier Licence Conditions (Telstra Corporation Limited) Declaration 1997 (Amendment No. 2 of 2003), Telstra is required to provide a minimum equivalent throughput of 19.2 kbit/s under the Internet Assistance Program (IAP). The deployment of RIM technology does not preclude Telstra from meeting its requirements under the IAP.

The ACA can and will take appropriate steps to enforce existing regulatory obligations.

- (4) The Government is aware that Telstra has deployed RIMs in certain areas where major upgrades of existing plant were difficult to justify or undertake, or where high growth in an area was expected and existing cables were near exhaustion. Telstra has announced that it is now only purchasing new customer access multiplexing equipment that is ADSL compatible.

In relation to pair gain systems, the use of these technologies was considered as part of the 2002 Regional Telecommunications Inquiry (RTI) in relation to dial-up Internet services. The ACA will be required to monitor Telstra's compliance with pair gain undertakings resulting from the Government's adoption of Recommendations 2.7 and 4.2 of the RTI. The ACA is currently examining pair gain technologies in order to develop appropriate compliance monitoring mechanisms for these undertakings.

Chifley Electorate: Telephone Exchanges

(Question No. 2733)

Mr Price asked the Minister for Communications, Information Technology and the Arts, upon notice, on 5 November 2003:

- (1) Which telephone exchanges service the electoral division of Chifley.

- (2) Which telephone exchanges servicing the electoral division of Chifley provide ADSL facilities and which do not.
- (3) How many subscribers are serviced by the exchanges that do not provide ADSL facilities and what proportion of the subscribers in the electoral division of Chifley do they represent.

Mr Williams—The answer to the honourable member's question, based on advice from Telstra, is as follows:

- (1) The electoral division of Chifley is serviced by the Blacktown, Rooty Hill, St Marys, Shalvey, Riverstone and Quakers Hill exchanges.
- (2) All services in the Chifley electorate are provided from ADSL enabled exchanges.
- (3) See answer to part (2).

Telstra: Services
(Question No. 2778)

Ms Hoare asked the Minister for Communications, Information Technology and the Arts, upon notice, on 24 November 2003:

- (1) What is the take-up rate of ADSL services in the Lake Macquarie Local Government Area.
- (2) What resources are in place to meet anticipated demand for ADSL services in the Lake Macquarie Local Government Area.
- (3) Is demand for ADSL service in the Lake Macquarie Local Government Area being met.

Mr Williams—The answer to the honourable member's question is as follows:

- (1) Telstra has enabled 12 out of the 14 exchanges in the Lake Macquarie area for ADSL, with each of these having sufficient spare capacity to cater for future needs. Telstra will enable the remaining exchanges when there is sufficient customer demand.
- (2) See answer to part (1).
- (3) Yes. The remaining two exchanges will be considered for ADSL provision when justified by customer demand, and Telstra has set up the ADSL Demand Register to monitor and respond appropriately to that demand.

Small Business and Tourism: Tourism Australia
(Question No. 2802)

Mr Fitzgibbon asked the Minister for Small Business and Tourism, upon notice, on 27 November 2003:

- (1) Did the Australian Tourist Commission register the name of Tourism Australia some years ago.
- (2) Did the Australian Tourist Commission pass the name over to a former employee at no cost; if so, is that former employee now seeking payment for the return of the use of the name to the Australian Tourist Commission.
- (3) How much has the Australian Tourist Commission agreed to pay for the use of the name.

Mr Hockey—The answer to the honourable member's questions is as follows:

- (1) No, the Australian Tourist Commission has never registered the name Tourism Australia.
- (2) No, the Australian Tourist Commission did not pass the name over to a former employee at no cost.
- (3) I am advised that the former owner of the business name and domain names would prefer to keep the amount confidential. In order to respect the former owner's wishes, I would be happy to provide the Member for Hunter with a confidential briefing on the issue.

Veterans' Affairs: Prisoners of War
(Question No. 2874)

Mr Danby asked the Minister for Veterans' Affairs, upon notice, on 4 December 2003:

- (1) In respect of the compensation scheme in place for Prisoners of War (POW) of the Japanese during World War II, their widows and families, (a) when was it announced, (b) what are the details of the scheme, (c) who is entitled to its benefits, and (d) why did the Government decide to provide compensation for POWs of the Japanese.
- (2) Is there a compensation scheme in place for POWs of the North Koreans in the Korean War; if so, (a) when was it announced, (b) what are the details of the scheme, (c) who is entitled to its benefits, and (d) why did the Government decide to provide compensation for POWs of the North Koreans; if there is not a compensation scheme, why not.
- (3) Is there a compensation scheme in place for POWs held in Europe in World War II; if so, (a) when was it announced, (b) what are the details of the scheme, (c) who is entitled to its benefits, and (d) why did the Government decide to provide compensation for POWs held in Europe in World War II; if there is not a compensation scheme, why not.
- (4) Can she confirm that the Prime Minister's office stated on 19 August 2003 that "the Government is aware of the considerable privations suffered by Prisoners of War in Europe".
- (5) Did POWs in Europe and POWs in Korea suffer similar privations as those suffered by POWs of the Japanese; if so, why are POWs in Europe not entitled to the same compensation as POWs of the Japanese; if not, which POWs were in a better situation and why.
- (6) Is the Government considering providing compensation to POWs in Europe and POWs in Korea; if so, (a) who is reviewing the situation, and (b) when will a decision be made; if not, why not.

Mrs Vale—The answer to the honourable member's question is as follows:

- (1) (a) 22 May 2001
- (b) and (c) The details of the scheme are contained in the Compensation (Japanese Internment) Act 2001 and the Veterans' Entitlements (Compensation — Japanese Internment) Regulations 2001. This legislation provided eligibility for a \$25,000 one-off payment to two categories of persons who were imprisoned by the Japanese during WWII and who were still alive on 1 January 2001. The first category is members of the Australian Defence Force. The second category is civilians who were domiciled in Australia immediately prior to internment. If the person was deceased prior to 1 January 2001, payment will be made to the widow or widower if they were still alive on 1 January 2001.
- (d) The Government decided to pay this benefit to POWs of the Japanese in recognition of the unique circumstances of their captivity, in particular:
 - the limited protection for POWs of the Japanese under the Geneva Convention;
 - lack of access of the International Red Cross to camps holding POWs of the Japanese;
 - the forced, slave-labour projects on which POWs had to work (such as the Thai–Burma railway);
 - the starvation and brutal treatment endured at the hands of their captors;
 - the forced marches, such as the notorious death march from Sandakan to Ranau, during which more than 2000 Australian and allied POWs died; and
 - their high mortality rate (some 36 per cent) compared to 3.4 per cent for POWs in Europe.

- (2) Yes
- (a) 2 March 2004
 - (b) and (c) The scheme will provide a \$25,000 payment to all surviving POWs held captive during the Korean War, or their widows or widowers, who were alive on 1 July 2003.
 - (d) The Government accepted the recommendation of the Review of Veterans' Entitlements - the Clarke Report. The payment is in recognition of the extremely inhumane conditions they endured.
- (3) No. There is no similar compensation scheme to provide a payment to or in respect of former POWs held by enemy forces in Europe in World War II.
- (a) (b) and (c) Not applicable
 - (d) The Review of Veterans' Entitlements - the Clarke Report - considered this issue and recommended that an ex-gratia payment should not be extended to surviving POWs held in Europe or interned civilians held captive by the German-Italian forces during World War II or to the surviving widows or widowers of those who have died. The Government has accepted the recommendation of the Review Committee.
- (4) Yes.
- (5) These issues were addressed in detail by the Review of Veterans' Entitlements. See answers to Questions 2 and 3 above. The Government has accepted the recommendations of the Review Committee.
- (6) (a) and (b) On 2 March 2004, the Government announced its response to the Review of Veterans' Entitlements which included recommendations on an ex-gratia payment for POWs in Korea.

Environment: National Action Plan for Salinity and Water Quality

(Question No. 2893)

Mr Kelvin Thomson asked the Minister for the Environment and Heritage, upon notice, on 10 February 2004:

- (1) In respect of the paragraph E(b) in the preamble to the National Action Plan for Salinity and Water Quality (NAP) bilateral agreement signed with South Australia, are the environmental values referred to the same as the environmental values referred to in the National Water Quality Management Strategy (NWQMS).
- (2) In respect of paragraph F(h) in the preamble to the agreement, what are 'land and water policy reforms' which result from this agreement coming into force.
- (3) In respect of clause 5.8 of the agreement, (a) can he provide a copy of the guidelines relating to the Accreditation Criteria, (b) when were the guidelines finalised, and (c) where are they publicly available.
- (4) In respect of clause 6.4 of the agreement, (a) can he provide a copy of the guidelines to assist the development of investment strategies by Interim Natural Resource Management (INRM) Groups, (b) when were the guidelines finalised, and (c) where are they publicly available.
- (5) In respect of clause 7.1 of the agreement, (a) has the Government entered into a Partnership Agreement with an INRM Group in South Australia; if so when, (b) can he provide a copy of the relevant Investment Strategy, (c) can he ensure that Items 7(b) to 7(i) are included in the copy of the Investment Strategy, and (d) can he indicate where the Partnership Agreement has been amended (Clause 7.2).
- (6) In respect of clause 9.1 (h) of the agreement, (a) do 'best practice environmental management systems' differ from agreed national strategies, such as the NWQMS and the Australian and New Zealand Environment and Conservation Council (ANZECC) National Framework for the

Management and Monitoring of Australia's Native Vegetation (Schedule 3); if so, how, and (b) as consistency with agreed national strategies is a requirement of an accredited INRM Plan, why should there be duplication or inconsistency in environmental management systems/processes.

- (7) In respect of clause 11.4(a) of the agreement, (a) what was the ecologically sustainable basis on which caps were determined for the extractive use of water from all surface and groundwater systems in the Lower Murray and South East Regions, and (b) what were the ecological bases for determining whether these systems were over-allocated or approaching full allocation.
- (8) Has the strategy referred to in subclause 11.4(b) of the agreement been developed; if so, when was it agreed by the Parties and included as a Schedule to this agreement.
- (9) In respect of clause 11.6 of the agreement, (a) at the date of the agreement, what criteria were used by the Government to agree that South Australia had an effective legislative framework for the allocation and trade of water rights, (b) had the project to upgrade the existing water information and licensing management systems been completed; if so, when, and (c) has the commitment to investigate and implement ways of improving the dissemination of information to water users and water brokers by December 2002 been met.
- (10) In respect of clause 11.8 of the agreement, what was the trend in the extent and condition of native vegetation in the agricultural regions of South Australia during the five years prior to the signing of the agreement.
- (11) In respect of clause 12.1 of the agreement, (a) how much of the \$93 million commitment made by the Government has been spent to date, and (b) how much has been spent of (i) Foundation Funding, (ii) Priority Actions, (iii) Investment Strategies, and (iv) Capacity Building.
- (12) In respect of clause 12.12 of the agreement, (a) how much money has been allocated as block funding, over which financial years and for which INRM regions, and (b) can he explain how the Government will manage project investments and outcomes through an "annual assessment of satisfactory progress".
- (13) In respect of schedule 3, clause 13 of the agreement, (a) have the specified national guidelines been promoted to INRM Groups for the development of the regional targets, and (b) for currently accredited INRM Plans in South Australia, what regional targets have been prepared in accordance with these national guidelines.

Dr Kemp—The answer to the honourable member's question is as follows:

- (1) The term "environmental values" referred to in the preamble to the NAP Bilateral Agreement was used as a generic term to describe the protection of environmental values through the State Dryland Salinity Strategy. The term "environmental values" in this instance was not directly referring to the environmental values identified in the National Water Quality Management Strategy. The State Dryland Salinity Strategy is however consistent with the National Water Quality Management Strategy. The NWQMS Guidelines regarding Groundwater Protection in Australia is particularly relevant to the State Dryland Salinity Strategy.
- (2) The agreed land and water policy reforms under the NAP Bilateral Agreement are detailed in Part 11 of the NAP Bilateral Agreement.
- (3) A copy of the National Guidelines for the Accreditation of regional plans, which were finalised July 2002, is attached.

The Guidelines formed an attachment to the South Australian Natural Heritage Trust Extension Bilateral Agreement and are publicly available through the Natural Resource Management website at:

<http://www.nht.gov.au/nht2/bilaterals/sa/attachment-h.html>

In addition the guidelines are also available on the South Australian Department of Water, Land and Biodiversity Conservation website at:

http://www.nrm.sa.gov.au/2_Integrated_NRM_SA/6_KeyDocsfor_RegGroups/docs/C_NatGuide_AccrediRegNRMPPlans.doc

- (4) Guidelines for the development of Investment Strategies were finalised in October 2002 and were provided to the Integrated Natural Resource Management Groups (copy attached).

The guidelines are publicly available on the South Australian Department of Water, Land and Biodiversity Conservation at:

http://www.nrm.sa.gov.au/2_Integrated_NRM_SA/6_KeyDocsfor_RegGroups/docs/G_InvstmtStrat_RegInfoPack.doc

- (5) No Partnership Agreements have been entered into to date. Investment Strategy packages for South Australian NAP regions were agreed by Australian and South Australian Ministers on 27 February 2004 and are expected to be available on the website <http://www.nrm.gov.au/> shortly. Partnership Agreements are now currently being drafted and these are expected to be signed by the relevant parties in March.
- (6) Clause 9.1 of the Agreement details commitments to investing in Capacity Building. One of the key areas identified for investment (Clause 9.1 (h)) refers to working with industry to accelerate uptake of "best practice environmental management systems".

An environmental management system is a systematic approach that any enterprise can use to identify and manage its impacts on the environment. Australia's National Framework for Environmental Management Systems in Agriculture provides a set of principles that describe the broad parameters needed to achieve consistency and acceptance across the agriculture sector.

The clause by referring to an existing national framework reinforces environmental systems/processes.

- (7) (a) The Cap on surface water diversions in the Murray Darling Basin was not set on the basis of ecological sustainability. Rather the Cap was determined by using the 1993/94 levels of development and formally put in place by the Murray- Darling Basin Ministerial Council on 1 July 1997. This halted any further increase in the diversions whilst the details of the Cap on future diversions and its implementation were progressed.

The limits for the extractive use of groundwater in South Australia

are detailed in Water Allocation Plans which are statutory plans under the SA Water Resources Act and reflect the sustainable yield of the resource. Each of the Water Allocation Plans assess the needs of the dependent ecosystems, the effect on other resources and the capacity of the resource to meet demands to determine a Permissible Annual Volume (PAV).

- (b) In establishing the Cap on surface water diversions in the Murray-Darling Basin the Murray-Darling Basin Ministerial Council accepted that the river system was showing signs of stress, it had no certainty in the sustainability of the riverine environment, and increased growth in diversions was reducing security to existing irrigators.

While the Cap does not determine whether the systems are over-allocated or approaching full allocation, by halting further increases in diversions, the introduction of the Cap is an essential first step in establishing management systems to achieve healthy rivers and sustainable consumptive uses.

As detailed above in the answer to (a) the setting of groundwater allocations within SA has taken into account ecological aspects in determining whether systems are over-allocated or approaching full allocation.

- (8) The Strategy referred to in Clause 11.4 (b) has not been formally agreed and remains under development by the South Australian Government.
- (9) (a) The criteria to determine that "South Australia has an effective legislative framework for the allocation and trade of water rights" was the assessment by the National Competition Council against the COAG requirements. The National Competition Council 2nd Tranche Assessment states that the "Water Resources Act 1997 provides a system of transferable property rights for those water resources (including water in a watercourse, groundwater and surface runoff) that have been declared as prescribed water resources under the Act".
- (b) The program is expected to be implemented later this year.
- (c) The commitment to investigate and implement ways of improving the dissemination of information to water users and water brokers is an on-going task. The State Government has developed a public electronic bulletin board that contains messages regarding trades, water available for trade and water wanted. This was slower than anticipated and completed after December 2002.
- (10) It is difficult to obtain data that refer specifically to the extent and condition of native vegetation in the agricultural regions in South Australia from 1997-2001 (2001 being the year the South Australia NAP Bilateral Agreement was signed).
- However, the National Land and Water Resources Audit – Native Vegetation Assessment 2001, states that in South Australia 11% or 10.4 million hectares of native vegetation has been removed since European settlement. Most of this clearing has been in the higher rainfall areas in the South and remnant vegetation in these areas is highly fragmented.
- The State of the Environment Report 2003 states that less than one third of the original native vegetation occurs in the agricultural areas of the State- most has been cleared for agricultural and urban development. In South Australia, from 1997-2001 a total of 9161 hectares of degraded native vegetation was approved for clearing, 5299 hectares was refused permission for clearance and 6233 was natural regeneration and revegetation.
- (11) (a) As of 26 February 2004, the Australian Government has spent \$27,560,000 out of the \$93 million commitment under the National Action Plan for Salinity and Water Quality.
- (b) (i) \$2,018,000
(ii) \$21,540,000
(iii) Nil
(iv) \$3,995,000
- (12) To date no block funding has been provided to regional groups. Following the announcement of investment strategy funding for the NAP regions on 27 February 2004, Partnership Agreements will be developed with the five regional groups.
- Once this block funding is provided assessment of satisfactory progress on regional investments will be via a reporting structure which will be used for both the NAP and NHT programs.
- The reporting structure requires regional groups who manage projects funded by NAP and other programs to provide yearly reports on achievement of project outputs, and on progress towards the achievement of relevant management action targets and resource condition targets established in their Investment Strategy. The progress towards achievement of these targets equates to outcomes reporting. The yearly report provides an annual statement on progress, which will be used to assess the region's performance for the year.
- The reporting structure has been agreed multi-laterally and is detailed in the Monitoring and Evaluation Plans being negotiated between the Australian and State Governments.

- (13) (a) National guidelines such as the National Water Quality Management Strategy (NWQMS) Guidelines, the National Principles for the Provision of Water for Ecosystems and the National Framework for the Management and Monitoring of Australia's Native Vegetation have been promoted to regional groups developing targets. The guidelines were promoted through feedback on the development of regional plans and in some cases specific text was adopted in the regional plan that referred to national guidelines. The accreditation criteria and guidelines also require consistency with these national Strategies.
- (b) The targets developed by the regions have taken into account relevant national guidelines and strategies in their preparation eg. targets relevant to Water Quality are consistent with the requirements of the NWQMS.

National Guidelines for the Accreditation of Integrated Catchment/Regional Natural Resource Management Plans

1. Introduction

The Commonwealth and State/Territory Governments have developed criteria for the accreditation of Integrated Catchment/Regional Management Plans (at Attachment A). The Criteria outline the key processes and elements that plans should include in order to be accredited and to receive government investment through natural resource management related programs, including the National Action Plan for Salinity and Water Quality (NAP) and the Natural Heritage Trust (NHT).

These guidelines have been prepared to provide catchment/regional bodies with more detailed information about what is required in developing a plan in order to meet the accreditation criteria. These guidelines should be read in conjunction with the criteria.

2. Rationale for the Regional Approach to Natural Resource Management (NRM)

Government support for natural resource management is moving from a project based approach to strategic investment at a regional scale. The major thrust of initiatives such as the National Action Plan for Salinity and Water Quality and the extension of the Natural Heritage Trust is delivery at the regional level in recognition of:

- the strong interrelationships between the various resource and environmental degradation issues occurring in regions that call for integrated management responses;
- regional planning as an effective way to engage all stakeholders and to build on activity at the property and local levels, while also complementing state and national activity;
- an approach that can be adapted to suit specific circumstances – enabling social, economic and environmental dimensions of a region to be considered in an integrated way; and
- the regional scale as an appropriate scale for negotiating trade-offs, resolving conflict and for determining priorities and shared investment arrangements.
- regional communities responsibilities for sustainable natural resources are management. The regional planning process provides a framework in which regional communities can identify issues, develop management responses that reflect their aspirations, achieve ownership of the solutions, and convince potential investors that proposed results will be achieved.

Regional plans are most effective when they are developed and overseen by regional communities. However, governments can play a role in providing guidance and support so that regions can become self sufficient in managing their natural resources in the longer term. Governments are therefore interested in investing in activities which will lead to improvements in natural resource management practices and contribute to the long term sustainability of the natural resource base.

3. What does accreditation mean?

Accreditation, put simply, is an agreement between the Commonwealth, relevant State/Territory Government, and the regional body that, at a particular point in time, a regional plan is sufficiently comprehensive and based on an inclusive community process so as to provide a sound basis on which invest-

ments may be made. No plan can be static however, and as new information and knowledge comes to hand, or as community aspirations change, it is expected that plans will be revised in light of this new information or changes.

Governments understand that regional bodies will be at various stages of development in relation to planning and development capability. The availability of factual information and analysis on which to prepare and base a regional plan will also vary across regions. Regional plans may therefore vary in the level of analysis and scientific data they contain when they are accredited.

Governments also recognise that significant planning has already occurred in many regions. To meet the criteria, regions may need to: (a) refine existing plans where these provide an adequate base and appropriate regional coverage; (b) develop new 'overarching' plans to coordinate, reference, update and fill gaps in existing plans; or (c) prepare new plans. A regional plan can therefore be a framework that brings together a series of planning documents covering different issues, themes and geographical areas.

4. What is the process for accrediting regional plans?

Regional bodies that have the authority and capacity to develop an integrated plan and to oversee its implementation will develop plans. Details of these bodies will be agreed through bilateral negotiations between the Commonwealth and relevant State/Territory Governments. Plans will be assessed against the accreditation criteria and accredited by the Commonwealth and relevant State/Territory Governments. This will be done through an iterative process with government representatives available to assist regional bodies throughout the plan's development to ensure groups are aware of government requirements for investment. Figure 1 provides a summary of the broad process of regional plan development and accreditation and the preparation of an investment strategy.

Regional agreements between the Commonwealth, relevant State/Territory Governments, and relevant regional bodies will describe the management and accountability arrangements to apply to the implementation of an accredited plan and investment strategy. The agreement will also identify responsibility for implementing the different components of the plan.

5. What is the difference between a regional plan and an investment strategy?

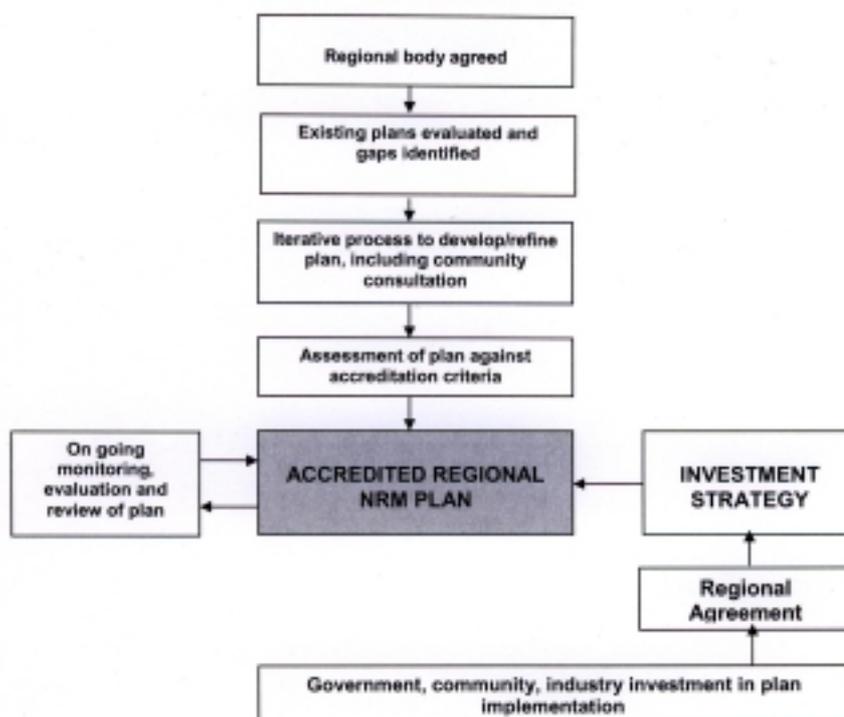
A regional plan provides a strategic framework through which regional communities can identify natural resource management issues in their region, assess the social, economic and biophysical drivers, develop regional targets, and identify actions to achieve these targets. A regional plan is, in effect, the 'blueprint' for identifying and achieving the region's natural resource management targets.

An investment strategy is essentially a business prospectus that is developed to attract external investment in priority actions that are identified in the regional plan. An investment strategy outlines the funding required to implement an accredited plan and identifies the returns for the investment of the respective contributors. It will provide the basis for devolved funding and for assessing performance against which ongoing payments will be made.

The actions to be funded through the investment strategy will generally address short-term management action targets, but contribute to achieving the longer-term resource condition targets of the regional plan. Over time, new investment strategies will be developed as particular issues identified in the regional plan are addressed and investment priorities change.

It is expected that regional bodies will develop investment strategies alongside regional plans. These strategies will provide a basis for investments by governments under NRM programs such as the NAP and the NHT. Governments may invest in those public good elements of investment strategies that accord with the objectives of the relevant funding programs and which contribute to the agreed national outcomes.

Figure 1: Summary of the process of regional plan development and accreditation and preparation of an investment strategy



6. The Practical Application of the Accreditation Criteria

In developing NRM plans, regions should be guided by the complete 2-page set of accreditation criteria endorsed by Ministers at the NRM Ministerial Council meeting in May 2002. The summarised key elements of the accreditation criteria require regional bodies to demonstrate that their plans:

- cover the full range of natural resource management (NRM) issues;
- are underpinned by scientific analysis of natural resource conditions, problems and priorities;
- have effective involvement of all key stakeholders in plan development and implementation;
- focus on addressing the underlying causes rather than symptoms of problems;
- include strategies to implement agreed NRM policies to protect the natural resource base;
- demonstrate consistency with other planning processes and legislative requirements applicable to the region;
- set targets at the regional scale, consistent with the National Framework for NRM Standards and Targets;
- identify strategic, prioritised and achievable actions to address the range of NRM issues and achieve the regional targets: this includes an evaluation of the wider social, economic and environmental impacts of such actions, and of any actions needed to address such impacts; and

- provide for continuous development, monitoring, review and improvement of the plan.

The following sections provide further guidance on the summarised key elements of the accreditation criteria.

Key Element: Covering the full range of NRM issues

Plans are required to cover the full range of natural resource management issues – across terrestrial, freshwater, coastal, estuarine and marine ecosystems as relevant – given the interconnected nature of natural resource issues and problems. Success in managing or preventing natural resource and environmental degradation will come from the development of better management systems that take account of the interrelationships between the various social, economic, biophysical and institutional factors. Plans should also consider and address impacts external to the region. This could include, for example, water quality impacts that a particular land use may be having downstream, or increased salinity levels outside the region because of land use in a recharge area.

As well as defining boundaries and coverage, plans should provide:

- an overview of the region's natural, cultural, social and economic resources including current management practices – a core suite of information could include:
 - regional biophysical characteristics: landscape, geology, soils, vegetation, biodiversity, hydrology, climate (including climate change projections and impacts) and reference data sources/maps as possible;
 - production/economic issues;
 - social/demographic characteristics;
 - land use and tenure;
 - identified environmental and heritage values, including regional natural resource assets of international, national or state value, such as sites of natural heritage significance (eg. Matters of national environmental significance defined in the Environment Protection and Biodiversity Conservation Act 1999 such as Ramsar wetlands, threatened species and ecological communities, and migratory species) and sites of cultural heritage significance; and
 - infrastructure (such as roads) and sites of cultural heritage significance potentially at risk from land degradation problems such as salinity;
- an analysis of the biophysical, social, institutional and economic factors affecting environmental and resource degradation within the region, including a description of the upstream inputs to, and downstream impacts from the region.

Major descriptions and sources of information for the above items may be in a variety of forms and locations. To avoid overly large plans, background and source information may be referenced provided it is publicly available. Plans should also document major information sources relevant to the region, including other plans and strategies (for example, regional water or vegetation management plans, or threatened species recovery plans).

Key Element: Scientific analysis of natural resource conditions, problems and priorities

An adequate scientific base to underpin plans is important to ensure that community and government investments are directed to the most effective actions aimed at achieving the best outcomes. Governments are therefore looking for regional plans to offer some assurance that:

- a range of options has been determined based on thorough technical analysis;
- all the environmental, heritage, social and economic implications of these options have been assessed as part of the cost benefit analysis;
- proposed actions have been determined based on best available knowledge and information; and

- proposed actions will achieve regional targets and contribute to nationally agreed natural resource management outcomes identified in the National Framework for NRM Standards and Targets.

To achieve the above, plans should be based upon a thorough analysis, carried out at the catchment/regional level, of natural resource conditions, problems and priorities, and include:

- a review of existing regional science and information for adequacy;
- baselines from which to measure change, consistent with indicators developed under the National NRM Monitoring and Evaluation Framework and targets under the National Framework for NRM Standards and Targets;
- an indication of actions required to fill identified information gaps;
- use of natural resource mapping such as of salinity, hydrology, vegetation cover/condition, biodiversity, land capability and terrain and modelling technologies where relevant;
- incorporation of Indigenous knowledge, where appropriate, in accordance with agreed protocols and with prior approval of the Indigenous custodians of the knowledge;
- analysis and where relevant modelling of proposed actions and their economic, social, environmental and heritage impacts, with trade-offs clearly outlined, and potential solutions to adverse social and economic consequences; and
- Indications of how proposed strategies/actions are explicitly related to modelling scenarios, where these have been adopted to assist decision-making or priority setting.

It is recognised that 'perfect' information for accrediting integrated catchment/regional plans may not exist and that action should not be unduly delayed in a quest for better and better data:

- where there is insufficient scientific information available to fully meet this criteria and where the timeframe does not allow for its collection, the gaps should be specified together with a strategy for future inclusion in the plan;
- consistent with a precautionary approach to addressing natural resource management issues, appropriate plans may be accredited and actions financed on information available. However, adaptive management approaches should be adopted and plans and strategies should be continually developed and improved as information and modelling techniques become available

Key Element: Effective involvement of all key stakeholders in plan development & implementation

It is important that there is ownership of both the problem and the solutions if regional approaches to natural resource management are to be effective. The accreditation criteria therefore also aim to ensure that consultative community engagement processes are adopted in the development of the regional plan. If community members do not consider that they have had an opportunity to make adequate input to the plan's development, including the definition of the problems, the setting of priority actions and targets and the development of new management systems, then it is unlikely that the plan would be successfully implemented. Governments will want an indication of the consultative arrangements that led to the development and the conclusions of the plan.

Regional plans can address this by demonstrating:

- the key processes to ensure effective involvement of all key stakeholders in plan development and implementation; including local government, state agencies, land managers, industry, communities, indigenous people, academic/scientific sector and environmental groups;
- that a well-planned, comprehensive consultation process took place with broad public awareness of the process; and that there were adequate arrangements for involvement by individuals and groups, and clear timelines for comment. (Community participation programs should take into account and, where possible, build on previous or current consultation activities in each region);

- that the participation arrangements were appropriate to the region and the specific needs and nature of its community, including local government (for example, arrangements need to take account of population, distance, and any special needs of particular groups);
- that all relevant stakeholders are committed to targets and actions proposed in the catchment/regional plan; and
- that the commitment and support of specific stakeholders critical to the implementation of particular actions has been secured. The roles, responsibilities, capacity, specific commitments and cost-sharing arrangements of these stakeholders should be included in the plan:
 - this would include securing local government commitment to implement the actions for which they have responsibility (eg. amendments to statutory planning schemes or changes to public land management practices);
 - where relevant, plans should also provide evidence of effective liaison arrangements with management authorities responsible for conservation areas within the region (for example, national parks, World Heritage properties, and other protected areas).

Plans should include a commitment to develop and implement a communication strategy within an agreed timeframe, to raise awareness and engage the broader community in pursuing sustainable natural resource management in the region.

The plan should also provide evidence that the stakeholders responsible for undertaking actions, making changes and meeting targets are fully aware of what needs to be done and the full impact of these actions; and are committed to the proposed strategies contained in the plan to improve natural resource management. This is particularly important for local governments as they have land use planning responsibilities that can impact on the ability to meet targets and implement actions at the local level.

Key Element: Addressing the causes rather than symptoms of problems

Actions identified in the plan should be primarily focussed on addressing the causes of natural resource degradation identified in the initial analysis of the region's problems. However, this should not preclude immediate action, where appropriate, on preventative, enhancement or restorative activities.

Plans should include strategies to achieve long term improvements in natural resource management practices. These could be pursued through the development and implementation of innovative mixes of activities and incentives – tailored to each region's social, economic and environmental circumstances. Strategies to conserve and enhance ecosystem structure and function will also be important, in order to maintain the ecosystem services which underpin biodiversity conservation and sustainable resource use.

Governments recognise that a range of policy and management responses will be required to achieve the outcomes sought from regional plans. Accordingly, governments are willing to explore a range of approaches and innovative solutions to bring about change.

Specific strategies could include:

- identifying key threats/threatening processes, and undertaking preventative action in areas of high risk to reduce the prospect of additional or future natural resource management problems;
- defining terms and conditions under which further development may occur within existing planning regimes; and
- introducing economic and market based incentives and motivational mechanisms to facilitate fundamental change in the management of land, water, and vegetation resources.

Plans should indicate how community support can be developed and maintained, thereby helping to guarantee effective implementation of the plan as well as achieve fundamental changes in resource use. This could be pursued through effective community involvement, communications programs, and recognition and consideration of community interests.

Key Element: Strategies to implement agreed NRM policies to protect the natural resource base

Where regions have responsibilities under Commonwealth/State/Territory land, vegetation and water, marine and coastal policies and frameworks, governments will be looking at how these responsibilities are reflected in the regional plan. It is expected that actions proposed in the regional plan will contribute to these policies and frameworks and enable them to be taken forward and implemented at the regional level.

Bilateral agreements under government funding programs may commit the State/Territory and regions to specific improvements in policy frameworks or acceleration of actions under existing policy frameworks. Government expectations are that regional plans will show how these commitments will be met at the regional level. For example, for regions covered by the NAP Intergovernmental Agreement, requirements for water management will include meeting any caps on extractive use of water introduced by the States and Territories and implementing improvements in environmental flows in accordance with the COAG water reforms. The NAP Intergovernmental Agreement also requires States and Territories to institute controls, which at a minimum prohibit land clearing in the priority regions where it would lead to unacceptable land or water degradation.

Governments are also interested in how the proposed strategies and actions in the regional plan are consistent with, and contribute to, other agreed national and state strategies and policies, such as:

- statewide environmental legislation and policies, including state water or vegetation management plans;
- the COAG Water Reform Framework;
- the National Water Quality Management Strategy, including agreement on water quality environmental values;
- vegetation/habitat policies, plans, instruments, including the National Framework for the Management and Monitoring of Australia's Native Vegetation;
- management strategies for weeds of national significance;
- recovery/threat abatement/conservation management plans for threatened species and ecological communities;
- coastal management policies, strategies and plans;
- strategies for greenhouse abatement and/or carbon sinks;
- regional and site specific Indigenous and historic heritage legislation, policies and plans.

Governments will work closely with the regions to ensure that plans are developed with consideration of key NRM policy requirements.

Key Element: Consistency with other planning processes and legislative requirements

The accreditation process will not over-ride the requirements of Commonwealth and State/Territory legislation. Regions should still comply with state/regional/local statutory and non-statutory planning frameworks and instruments, and any relevant Commonwealth legislation, including the Environment Protection and Biodiversity Conservation Act 1999.

For example, where World Heritage properties are located within the region, plans should take into account the Australian World Heritage management principles (under the Environment Protection and Biodiversity Conservation Regulations 2000) and ensure that actions will not have a significant impact on the values of the World Heritage property.

Similarly, regional plans should also be consistent with other planning processes that have been collectively agreed by relevant jurisdictions.

Likewise, plans for regions located within the Murray Darling Basin need to be consistent with the Basin Sustainability Plan and other Murray Darling Basin initiatives and should explicitly demonstrate how actions will contribute to agreed Murray Darling Basin targets.

If any significant inconsistencies occur between regional natural resource management and other planning processes, plans should explain the rationale for the inconsistency and include appropriate measures to address negative impacts arising from proposed strategies and actions.

Key Element: Setting targets at the regional scale, consistent with the National Framework for NRM Standards and Targets

The Commonwealth and States/Territories have developed a National Framework for Natural Resource Management Standards and Targets.

The Framework specifies the minimum set of matters for which all regions must set measurable and achievable regional targets. Targets will be a core element of each regional plan, and may relate to absolute improvement in resource condition or decreases in the rate of degradation. The Framework does not specify the level for the targets in any region. In recognition of the relationship between standards and targets and monitoring and evaluation requirements, multilaterally agreed indicators applicable to each region's context for natural resource outcomes and management actions (including capacity building) will be required to be included in each plan. Further information on monitoring and evaluation indicator requirements will be prepared separate to these guidelines..

Governments will require all regions to undertake an initial assessment of all matters identified in the minimum set of required targets, as part of their integrated NRM planning process. If there are no significant NRM issues raised with regard to a particular matter, a statement that a target is not applicable and the evidence for this conclusion should be included in the plan. The need to set a target should be considered at any review of the accredited plan.

Targets can be characterised as aspirational targets, achievable resource condition targets, and targets for management actions. Aspirational targets set a long-term vision, providing a direction for setting the costed and achievable resource condition targets. Management action targets identify short-term, specific activities or results, which will contribute to achieving the desired changes in resource condition.

In many cases, a reasonable period of monitoring will be required to establish baselines or trends. Hence, many regions will not be in a position to set natural resource condition targets at the time their regional plans are put forward for accreditation. To address this situation, for accreditation, a regional plan will need to contain:

- i. management action targets, which will result in progress towards the minimum set of matters identified for regional targets;
- ii. resource condition targets consistent with the National Standards and Targets Framework, where they can be set, noting the availability of such tools as the Water Quality Targets database;
- iii. resource condition targets which have been agreed by relevant jurisdictions, including affected jurisdictions, through other processes, including Murray Darling Basin end-of-valley salinity targets;
- iv. commitment to the early establishment of monitoring systems to collect/analyse baseline and trend information, to enable setting of resource condition targets against the minimum set of matters;
- v. proposals and a timetable for undertaking the target-setting process; and
- vi. a commitment to have in place, within 3 years of signing of the relevant Bilateral Agreement(s), the minimum set of regional resource condition targets, or have demonstrated significant progress towards their establishment (including performance against points iii and iv above).

Some regions may have existing resource condition targets for matters in the minimum set that are specified differently from those in the National Framework, but which meet the requirements and pri-

orities determined by the regions and the State. Providing the regional plan includes the requirements identified in points (i) to (vi) above, then the arrangements for addressing these differences and transition to the National Framework will be agreed between the Commonwealth and the relevant state.

Key Element: Strategic, prioritised and achievable actions necessary to address the range of NRM issues and achieve the regional targets

Sufficient resources will rarely be available to immediately implement all actions and needs identified. As a result, regions will need to identify and prioritise the strategies and actions necessary to achieve the regional targets.

Regional plans should describe and evaluate the range of possible actions to address the issues and their social, economic and environmental impacts. This would include:

- quantifying, where appropriate, the costs and benefits of options, as well as the implications of taking no action;
- where relevant, modelling proposed actions and their economic, social and environmental impacts;
- outlining trade-offs and solutions or mitigation strategies;
- identifying the circumstances in which regions may need structural adjustment assistance as a result of the plan's implementation; and
- identifying community capacity building activities necessary to promote sustainable resource management and biodiversity conservation.

On the basis on the above analysis, plans should then describe preferred options and actions, and their impacts. These would include actions to:

- protect the natural resource base which underpins sustainable production and promote more efficient resource use (for example, by managing soil acidification, soil structure, water resources);
- protect environmental values (for example, by conserving biological diversity, habitats and ecosystem functioning); and
- ameliorate negative impacts arising from proposed strategies and actions.

Each proposed action or strategy will need to contribute to the achievement of the specific targets. For this reason the plan will need to include an analysis of:

- the mechanism or process through which the action will achieve or contribute to the target/milestone;
- the assumptions underlying the mechanism or process through which it is believed the action will achieve the target/milestone;
- the possible risks (e.g. possible external influences) that might adversely impact on the achievement of the target/milestone.

The assumptions will be the basis for developing evaluation questions for the action or strategy. The identified risks will be the basis for a risk management strategy by which the plan will manage potential risks to the achievement of targets/milestones.

Plans should reflect the interrelated as well as the broad nature of natural resource management issues. Specific strategies and actions could include, for example:

- maintaining and improving the condition of existing native vegetation, including threatened communities;
- establishing multiple purpose perennial vegetation (focussed on agriculture, forests, biodiversity and greenhouse outcomes) in targeted areas, identified through salinity, vegetation and hydrology mapping, and groundwater modelling;
- implementing recovery and action plans for threatened species that occur within the region;

- implementing threat abatement plans for key threatening processes within the region;
- protecting and rehabilitating priority waterways, floodplains, wetlands, and estuaries;
- improving stream water quality, for example, through activities in the riparian zone or through using engineering works, where appropriate, in critical areas (eg. salt interception devices and groundwater pumping, removal of weirs and redundant structures, fish ladders, artificial wetlands);
- improving the management of environmental allocations;
- using water more efficiently (eg. through activities which harness private investment in storage and distribution systems);
- improving water quality through best management practices, for example by minimising nutrient discharges and water sensitive urban design;
- installing drainage in catchments/regions where agreed by affected land managers, the downstream impacts are positive, and the overall benefits of the scheme provide substantial long-term results over other approaches;
- improving planning frameworks to reduce the rate of habitat clearance;
- improving capital works planning and coordination to minimise to best direct effort and resources to mitigate downstream impacts;
- stimulating landholders to implement improved biodiversity conservation and sustainable resource management;
- assessing, identifying and addressing training needs;
- developing capacity building strategies to be adopted within the region;
- addressing adjustment and property amalgamation issues including the impact on farmers, landholders, rural industries and flow on effects to regional communities;
- identifying and addressing natural resource management causes of rural/urban infrastructure degradation (buildings, roads, etc.);
- identifying strategies to deal with significant adverse social and economic impacts arising from changes to natural resource management.
- identifying opportunities for the implementation of market based mechanisms, such as markets for ecosystem services.

For priority regions under the NAP, plans should include specific actions to:

- prevent, stabilise and reverse trends in dryland salinity affecting the sustainability of production, the conservation of biological diversity and the viability of regional infrastructure; and
- improve water quality and secure reliable allocations for human uses, industry and the environment:
- this could include, for example, strategies for reallocating water and projects that result in more efficient delivery, use and recycling of water.

In some areas it will be technically and economically unfeasible to do anything but learn to live with the effects of salinity. Therefore the development of a shared vision that incorporates features such as salinity risk areas and sites that may have structural adjustment issues or other regional development opportunities is vital.

Key Element: Continuous development, monitoring, review and improvement of the plan

To provide a sound basis for investment, plans must include clear requirements for ongoing monitoring and review to reflect new information and ensure continuous development and improvement of the plan over time. This should include a process for continuing to engage all stakeholders in reviewing and updating plans. Plans should also identify accountability, monitoring, and reporting arrangements, and

performance milestones (based on management action targets) linked to the achievement of regional targets.

Accountability arrangements for implementing plans will need to integrate with broader accountability frameworks of relevant funding programs. For those regions covered by the NAP, accountability arrangements should integrate with the framework outlined in the Intergovernmental Agreement that includes:

- (a) plans including adequate monitoring of short to medium-term implementation of actions and a commitment to long-term effective monitoring of the biophysical, social and economic impacts of investments;
- (b) regions reporting annually to the Commonwealth and State/Territory governments on progress and investment proposals on a three year running basis; and
- (c) Commonwealth and State/Territory governments reporting annually on a national and state basis through the NRM Ministerial Council, with the reports being publicly available.

The National NRM Monitoring and Evaluation Framework and the National NRM Standards and Targets Framework establish common structures and requirements for monitoring and evaluation within NRM programs. There will be some mandatory information that will be required for national processes.

Plans should contain a monitoring and evaluation component that is consistent with the National NRM Monitoring and Evaluation Framework and include the key elements outlined below. Where these elements do not appear, there should be a clearly documented process to establish these elements within required timeframes.

Program Logic:

- An explanation of how the plan is intended to bring about long term resource condition outcomes, including the core strategies to be employed, the stages in each process, the change mechanisms and the assumptions that underlie them? (Note that the Plan should contain a comprehensive outline of the general processes by which the resource condition objectives will be achieved. The Investment Strategy should set these out in greater detail for individual funded actions.)
- Processes to test these assumptions and revise the plan when necessary.
- A performance information and evaluation strategy that is consistent with, and relevant to, this rationale and these assumptions.

Existing Monitoring:

- Details of the processes that are currently in place to monitor those aspects of natural resource condition identified as significant in the plan.
- An explanation of how these will be incorporated into an overall monitoring strategy for the plan.

Performance Indicators:

- Indicators and measures consistent with the Monitoring and Evaluation Framework to be used to measure and report on the minimum set of matters for targets established under the Standards and Targets Framework.
- Indicators and measures which will be used in measuring and reporting on management action targets within 2 years of commencing activities and at the end of the program.
- Processes to review these targets periodically in the light of monitoring and evaluation findings, new research, or improved models.
- All other indicators pertinent to the strategies or actions employed to achieve the goals of the Plan (e.g. measures of outputs or of institutional or behavioural change).

- Details of the processes for data collection, which ensure that necessary performance data is current and timely.
- A satisfactory process of validation and quality control for performance data at the point of collection.

Baseline Data:

- Details of all of the available baseline data including measures of resource condition, attitude and behaviours where relevant to the Plan.
- An assessment of its usefulness and applicability

Actions to Address Data Gaps:

- Identification of any data gaps including baseline data or deficiencies in existing monitoring arrangements that need to be filled to meet performance information requirements for the plan
- A plan to develop appropriate measures to fill these gaps

Data Management:

Include details of the:

- proposed information management system and an assessment of its adequacy for the collection, storage, analysis and reporting of all performance information, including a costing
- systems capability of cooperative data-sharing arrangements where possible to minimise duplication and maximise efficient use of data.
- access arrangements for the information that is collected
- systems conformity to the multilateral Data Management Agreement / ANZLIC

Evaluation:

- An evaluation strategy that establishes processes for the review of the plan and its evaluation needs, at both regional and project levels.
- Details of the structures and processes for the management of the schedule of evaluations and the implementation of their recommendations
- An agreement for the evaluations to be utilised within the National M&E Framework

Communication and Reporting:

- Details of a comprehensive reporting structure tailored to the needs of all stakeholder groups including its ability to transmit complete and accurate information in the agreed format to the required stakeholders in time for it to be used for the purposes for which it was collected

Roles and Responsibilities:

- Details of the organisational and institutional arrangements and responsibilities for:
 - the collection, storage, analysis and reporting of performance information
 - the management of the performance information management system.
 - ensuring relevant evaluations are undertaken at appropriate times, and that findings are reported and utilised as appropriate.

Adequate Resources:

- An assessment of the adequacy of the resources allocated for on-going maintenance of systems for the collection of monitoring data, including storage, analysis and reporting; the conduct of evaluations; and establishment of baseline information (Note that resources include Dollars, Capacity, Institutions and Structures)
- A realistically costed proposal for any additional requirements.

7 Investing in Regional Plans

7.1 The purpose and scope of investments

In addition to developing and accrediting a regional plan, governments (and other potential investors) and regional communities will need to agree on investments in priority actions arising from accredited regional plans.

Investment proposals are a continuation of the regional planning process – for accreditation, Governments require a description of the regional NRM condition, targets and actions to improve it, while for investments Governments will require details of specific actions to address NRM problems identified in the plan, including the cost and specific impact on particular NRM outcomes. Governments will invest in these overall NRM outcomes rather than individual projects.

7.2 What information would investors need?

Potential investors will require certain information to inform their investment decision-making. In preparing investment proposals, regions should focus initially on those actions deemed to be most important (except where, for example, the bilateral agreement requires investment proposals to be prepared for all actions in the regional plan). The minimum information that Governments are likely to require to assist their investment decision-making would be:

1. detail of the specific actions/projects proposed to be undertaken
2. costings of the actions and proposed sources of investment;
3. details of the proposed monitoring and evaluation strategy for individual actions;
4. the expected returns on investment—in particular, a summary of what the proposed actions will deliver in relation to the targets outlined in the accredited regional plan;
5. identification of the primary beneficiaries of the investment (public good versus private);
6. urgency/significance/critical nature of the action, and the consequences of not doing the action
7. relationship with existing Government policies/programs;
8. risk factors and how these will be managed;
9. assumptions for chosen actions; and
10. timelines, milestones and performance indicators for each action.

Where relevant, the investment proposals should also identify (and provide costings for) strategies to address those social and economic consequences of NRM actions.

Against the minimum information requirements, it is recognised that different investors will require different levels of detail. For this reason, investment proposals will need to be prepared cooperatively between the region and potential investors - likely to be an iterative process to provide the information required and also to ensure the best opportunity of proposals being funded.

7.3 Process for selecting regional plan investments

As the Commonwealth and the States will be joint investors in regional plans, they will need to decide on the process for selecting preferred investments for NAP and NHT funding, including, for example, an agreement on the decision-making criteria to be used in each jurisdiction. As investment proposals build on the regional plan, the investment decision-making criteria will need to have continuity with the accreditation criteria. As well as connecting with the accreditation criteria, Governments' investment decision-making criteria will need to flow directly from the minimum information requirements.

8 Glossary

Achievable resource condition targets: Within regional plans, regional bodies will be required to set specific, timebound and measurable targets, relating largely to resource condition, against the minimum set of matters for regional targets set out in the National Framework for NRM Standards and Targets. The timeframe for achievement of these targets is likely to be 10-20 years. These targets must be pragmatic and achievable. They would be developed iteratively, including through a benefit/cost analysis.

Examples could include: average salinity of X ECs at specific end-of-valley site by year Y; X hectares of specific native vegetation type within region at year Y; X stream sites within region in specific river health category by year Y. Within their regional plans, regional bodies may also wish to set targets for matters that are additional to the minimum set.

Aspirational targets: As part of the regional planning process, it may be valuable for regions to set out a vision or goals for NRM in their region, which could include long-term “targets” which are aspirational statements about the desired condition of their natural resources in the longer term (eg 50+ years). These goals or “targets” would guide regional planning, and set a context for the measurable and achievable targets required under this Framework. Examples could include: regional extent of native vegetation to be increased to 30% cover; decrease in average salinity in regional streams.

Bilateral agreement: is an agreement between two parties, usually the Commonwealth and relevant State/Territory Government. The nature and title of bilateral agreements may vary, depending on their purpose or related funding program. For example, the current bilateral agreements for funding under the Natural Heritage Trust are called ‘NHT Partnership Agreements’.

Heritage value: of a place includes the place’s natural and cultural environment having aesthetic, historic, scientific or social significance for current and future generations of Australians.

Investment strategy: is the ‘prospectus’ or ‘business plan’ that is developed to attract external investment in the regional plan. The investment strategy identifies the specific actions, costs, time frames required to implement the regional plan and achieve the regional targets, as well as the expected returns on investment.

Management action targets: Regional bodies will be required, as part of their regional plans, to set short-term targets (1-5 years), relating mainly to management actions or capacity-building. These targets must contribute to progress towards the longer-term resource condition targets. The matters for these targets are not specified, as the relevant management solutions to reversing resource degradation are likely to vary substantially between regions. Examples include: X hectares of recharge zones within region to be revegetated by year Y; X km of riparian zone to be fenced and managed, X% of farms within region with whole farm plans.

National Action Plan for Salinity and Water Quality: the National Action Plan was endorsed by the Prime Minister, Premiers and Chief Ministers at the Council of Australian Governments on 3 November 2000 with governments committing a total of \$1.4 billion over seven year to implement the plan. Key objectives of the National Action Plan are to:

- prevent, stabilise and reverse trends in salinity, particularly dryland salinity, affecting the sustainability of production, the conservation of biological diversity and the viability of our infrastructure; and
- improve water quality and secure reliable allocations for human uses, industry and the environment.

Further details can be found at: www.affa.gov.au/actionsalinityandwater.

National Framework for NRM Standards and Targets: is an agreed approach to achieving change in natural resource condition and management, by establishing a set of desired national natural resource outcomes, and a minimum set of matters for which regional targets must be set, to make progress towards these outcomes. Agreed guidelines and protocols for establishing these targets will form a component of the Framework. Principles and an approach to best practice management of natural resources will also be developed under the Framework.

National NRM Monitoring and Evaluation Framework: is a framework prepared to support the Natural Resource Management Ministerial Council in assessing progress towards improved natural resource condition and the assessment of the performance of national natural resource management programs, strategies and policies.

National Standards: will be agreed between the Commonwealth and the States/Territories and comprise two elements:

1. the desired condition of Australia's natural resources and an approach to setting regional targets to achieve this; and
2. principles for best practice management of natural resources by governments, including legislative, policy, process and institutional systems.

National Outcomes: the National Framework for NRM Standards and Targets identifies agreed national outcomes, which are aspirational statements about desired national natural resource condition.

Natural Heritage Trust: was established by the Commonwealth Government in 1996, with \$1.5 billion invested in Australia's natural heritage over the six years to 30 June 2002. The goal of the Trust is to stimulate activities in the national interest to achieve the conservation, sustainable use and repair of Australia's natural environment. The Trust is a partnership of all Australians, bringing together the efforts of individuals, communities and governments, targeting our environmental problems at their source. In May 2001, the Commonwealth Government committed \$1 billion to extend the Natural Heritage Trust for a further five years, commencing in 2002-03. Further details can be found at: www.nht.gov.au.

Regions: will be agreed and the boundaries described in bilateral agreements. They can be based on a range of different scales. For example, some regions may be defined on a biophysical basis (such as catchment or sub-catchment scale) while other may be based on administrative boundaries (for example, local government boundaries or state agency regional boundaries). A region may also cross state/territory borders.

Regional agreement: is an agreement between the Commonwealth, relevant State/Territory Governments, and relevant regional bodies. The agreement will describe the management and accountability arrangements to apply to the implementation of an accredited plan and investment strategy. The agreement will also identify responsibility for implementing the different components of the plan.

Regional body: is the organisation agreed between the Commonwealth and relevant State/Territory Government as being responsible for overseeing the development and implementation of a regional plan. The nature of regional bodies will vary from state to state, depending on the legislative and policy frameworks within each jurisdiction. For example, in South Australia regional bodies are known as interim Integrated Natural Resource Management Groups, while in Victoria, Catchment Management Authorities are the agreed regional bodies.

Regional Targets: will assist regional communities to define what they want to achieve within their regional NRM plans. Targets will also help the regions to measure the success of their efforts and their contribution to national improvements in resource condition and management. Regional targets will set out desired outcomes and timeframes for reaching them. Regional targets fall into three categories:

1. aspirational targets;
2. achievable natural resource condition targets; and
3. management action targets.

Attachment A

ACCREDITATION OF INTEGRATED CATCHMENT/REGIONAL NRM PLANS

- The following process, details and criteria are agreed for accrediting catchment/regional natural resource management (NRM) plans that are developed through an interactive process between catchments/regions, relevant State/Territory governments and the Commonwealth.
- The Commonwealth and the relevant State/Territory governments will be responsible for accrediting the plans. Plans will be accredited on the basis of their goals and objectives, analytical base, strategic

planning, priority actions, proposed targets and outcomes, and accountability and performance monitoring and reporting arrangements.

Integrated catchment/regional natural resource management plans

- Bilateral agreements between the Commonwealth and each State and Territory will:
 - define boundaries for the agreed region; and
 - identify or establish appropriate regional bodies to be responsible for developing catchment/regional NRM plans through a community consultation process for the region.
- Integrated catchment/regional NRM plans will need to be implemented within bilaterally agreed arrangements for management and accountability applying to regional bodies. Accountability arrangements must integrate with the broader accountability framework of the relevant funding program. For regions covered by the National Action Plan for Salinity and Water Quality, arrangements must be consistent with those outlined in the Intergovernmental Agreement. The Natural Heritage Trust bilateral agreements with each State and Territory will determine the arrangements for the other regions. The significant management role of local government in the coastal zone will be addressed in this manner.
- Bilateral and/or regional agreements will allow for different circumstances, steps or timelines for accreditation in each jurisdiction and region.
- Communities will be involved in the development of targets and outcomes for each integrated catchment/regional NRM plans that advance natural resources management issues within the agreed National Framework for NRM Standards and Targets.
- Catchment/regional NRM plans will cover the full range of NRM issues – across terrestrial, freshwater, coastal, estuarine and marine ecosystems where relevant. Government investment in accredited NRM plans will be consistent with the goals and objectives of the relevant program:
 - investment under the National Action Plan for Salinity and Water Quality will focus on action to prevent, stabilise and reverse trends in salinity and to improve water quality and reliability that affects sustainable production, biodiversity and infrastructure;
 - investment under the Natural Heritage Trust will focus on actions which are consistent with the Trust's objectives relating to biodiversity conservation, sustainable natural resource use, and capacity building and institutional change.
- Consistent with a precautionary approach to addressing NRM issues, plans will be accredited and actions undertaken on information available providing adaptive management approaches are adopted and an appropriate process for continuous improvement of the plan exists.
- Funding will be directed to implementing accredited plans through a rolling investment strategy/business plan, which will be used to assess on-going performance-based payments. Funding will be provided:
 - for well planned or time critical actions to achieve priority NRM outcomes, particularly in the context of the minimum required set of targets (consistent with the National Framework for NRM Standards and Targets); and
 - to support the development or refinement of plans through information gathering, modelling of strategies and the development of targets, and community involvement.
- Funding for priority actions prior to final accreditation may be provided where:
 - the agreed framework for an integrated catchment / regional NRM plan exists;
 - the actions are a priority from a national, regional or basin-wide perspective; or
 - as otherwise agreed in a bilateral agreement.

Accreditation criteria for integrated catchment/regional natural resource management plans

- Plans will be based on the principles of conservation and sustainable use of natural resources. Scientific analysis of natural resource conditions, problems and priorities carried out at the catchment/regional level will underpin plans. Plans should include:
 - an overview of the region's environmental, social and economic resources including a description of the upstream inputs to the region and how these operate together as a system;
 - identification of regional natural resource assets of international, national or state value; and
 - identification of impacts of resource use and management on environment, social, and economic assets within and external to the region.
 - Effective participation by all key stakeholders is required to ensure plans are based on a community process, are accurate, comprehensive, well coordinated and able to be implemented.
 - Indigenous communities, local government, state agencies, resource managers, industry and communities, academic/scientific community and environmental groups should be involved where relevant.
 - Stakeholders' roles, responsibilities and capacity to implement actions to achieve the targets will be identified.
 - Plans will focus on the causes rather than symptoms of problems.
 - Plans will incorporate any improved policy frameworks agreed in bilateral agreements, to protect the natural resource base of sustainable production, to protect environmental values and to ameliorate negative impacts arising from proposed strategies and actions.
 - Where caps on extractive use of water or measures to improve environmental flows, or limits on the use of other natural resources are agreed as part of bilateral agreements, strategies to implement these measures that take account of natural resource management targets and regional social and economic goals will be outlined.
 - Integrated catchment/regional NRM plans will demonstrate consistency with other planning processes and legislative requirements, agreed national and state outcomes and strategies and targets that have been collectively agreed by relevant jurisdictions in other forums.
 - Strategic, prioritised and achievable actions will address the range of NRM issues that are identified as priorities in the region, including issues of national, state or regional significance.
 - The range of possible actions to address the priority issues and the social, economic, environmental impacts of these actions will be evaluated (quantifying, where appropriate, the costs and benefits of options, as well as the implications of taking no action).
 - Economic, social and environmental impacts and associated trade-offs will be clearly outlined.
 - Regional targets and milestones consistent with the agreed National Framework for NRM Standards and Targets, and strategies to meet these targets should be detailed.
 - Continuous development and improvement of the plan involving all relevant stakeholders is expected. Evaluation processes for reviewing the plan, evaluating actions under the plan, and reporting on progress will meet the requirements of the National NRM Monitoring and Evaluation Framework.
 - The plan will identify processes to assess effectiveness in achieving intended results and identify who is accountable for delivering on commitments, financial management, and performance monitoring and reporting arrangements.
 - The process for developing and refining integrated catchment/regional NRM plans must include clear requirements for periodic review against agreed milestones and updating to take account of new information.
-

Developing an Investment Strategy - Some Key Questions:

(from the SA Investment Strategy Workshop – 24 Oct)

What and how much detail is required in the investment strategy?

The investment strategy needs to provide investors with the confidence that funds will address targets outlined in the accredited regional INRM Plan in the most efficient and effective manner.

Key headings are identified at Attachment A1 which represent the core elements of an Investment Strategy if you want to receive NHT & NAP funding.

Regions are strongly encouraged to adopt an iterative process though working with State & Commonwealth officers and/or other funding bodies to develop the strategy – this will help all parties to clarify the necessary details.

Funding details in the Investment Strategy should be pitched at a program level of detail – at this level programs may be issue based, sub-regional or a major activity across the region. Programs will need to identify outputs to address outcomes and targets identified in the accredited INRM plan and be integrated in their approach - individual project-by-project descriptions are not required. Hypothetical examples of types of programs are at Attachment A2.

Is the Investment Strategy only for NAP/NHT or is it for the whole of NRM?

The investment strategy will identify funding required to implement indicative work/action programs based upon an assessment and prioritisation of actions as outlined in the NRM Plan (Clause 6.3 SA NAP Bilateral Agreement). The investment strategy should be used to access funds from any funding source

Investment through NHT & NAP is based on a rolling three year investment model, however, regions may wish to include a longer timeframe. The region will need to identify those components of the strategy for which NAP & NHT investment is sought.

Should funding from other sources be included in the investment strategy?

The investment strategy will be required to consider all potential funding sources.

Known funding for particular activities should be identified in the investment strategy - this will provide a complete picture of investment in the region and enhance support from investors. Other potential funding sources will also need to be identified.

Programs that leverage investment and support (eg. community in-kind support, industry contributions and other co-investment opportunities) are encouraged.

Identifying funding from other sources will provide investors with the overall context in which the investment is being made and enable more informed decision making. It will also provide transparency for budgetary and acquittal purposes.

How would the investment strategy be used to attract other sources of funding?

The region can use the investment strategy to develop other investment proposals to attract other sources of funding as it sees fit.

Other investors may require additional detail at the project level.

How would in-kind State NHT contributions be accounted for or sought through the Investment Strategy?

Where there are known ongoing or new commitments from the State to provide a service in relation to a program or activity then these should be identified in the investment strategy.

The region will need to review existing programs and their relevance to the delivery of outcomes in the NRM Plan (as identified in Attachment A3). The State will work with the regions to identify the State matching component for NHT.

At this point in time the States and the Commonwealth are still negotiating what will constitute a State in-kind contribution.

The amount of funding available to a region will provide a useful indicator to the extent the investment strategy should be developed – how much funding will a region receive?

The Commonwealth and SA have committed \$186 million under the NAP for the term of the program (to July 2007). A significant proportion of this will be targeted for regional investment. There are no specific funding allocations for individual regions.

The Commonwealth has committed at least \$29 million under the NHT for regional investment for the first three years of the Trust. An additional \$40 million is available over two years nationally for 2003-04 and 2004-05 for regional investment on a competitive basis. Negotiations are in progress on what will constitute matching in-kind by the State.

The amount of funding the region will receive under the NHT & NAP will be dependent on the best value for investment.

What will be the process for approving investment strategies and for funding specific investment proposals in the strategy through NHT/NAP?

Governments will not be seeking to approve investment strategies.

The Investment Strategy should be developed iteratively in consultation with the Commonwealth & South Australia to ensure that it will provide the information that will be required to advise Ministers.

The completed strategy should be submitted to the Commonwealth /South Australia NRM Steering Committee. The Steering Committee will determine whether the information in the investment strategy satisfies requirements for NHT &/or NAP investment. The Steering Committee will then recommend a three year rolling investment program to Commonwealth and South Australian Ministers.

Once Ministers agree to invest in the investment program, payments will commence on signing of the Partnership Agreement. This will take the form of up to three year funding commitments (subject to satisfactory performance) to achieve the outcomes included in the investment plan and agreed by Ministers. A payment schedule and arrangements will be negotiated as part of the Partnership Agreement, including annual assessment of satisfactory progress.

Attachment A1**Indicative Content for Investment Strategies**

(This is a guide and is not prescriptive or limiting in the detail that a region, State or the Cwlth may require. However, it does represent the core elements of an Investment Strategy if it is to be considered for NHT/NAP funding.)

1. Investment Strategy identification and key contact details
2. Overview of the Investment Strategy
 - Proposed programs and key priorities to be addressed (prioritisation of key activities)
 - Long term total cost and timeframes to develop and meet the targets (provides investors with an understanding of the magnitude of the problem).
 - Expected annual expenditure and expected contributions from funding sources.
 - The stakeholder consultation and engagement that underpins the Investment Plan.
3. Program Information [for each program proposed]
 - A. Outcomes and objectives of the program
 - What is the problem you are trying to fix?
 - Link to and flow from plan (and other programs being proposed – if applicable)
 - Where will the work be undertaken
 - Identify the significance/ urgency of undertaking the program
 - Will the action contribute to achieving a target in the plan?

- Outcomes need to be defined in terms of a contribution to the target/s.
- Identification of key resource conditions targets to be addressed
- B. Description and methodology for each program
 - How is the program structured (ie. the key elements and how these are linked)?
 - Key activities, milestones (or outputs) and targets (links to MATs and RCT - see tables)
 - Accountability in terms of roles and responsibilities for program delivery and review
- C. Budget
 - What are you requesting investors to invest in?
 - Proposed cost sharing arrangements (see attached tables for example)
 - Identification of beneficiaries – Public versus Private.
- D. Triple bottom line outcomes
 - What are the significant economic, social and environmental impacts of the program/action?
 - Benefits and costs (tangible & and non-tangible), change in value of assets.
 - Cost effectiveness
 - Are there any trade-offs are?
 - Describe trade-offs and the impact of any trade-off decisions.
- E. Risk Management
 - Are there any significant risks?
 - What are the chances of success, failure or unintended consequences.
 - Specific risk mitigation strategies to be implemented.
- F. Program Monitoring and Evaluation
 - Audit process for measuring inputs and outputs achieved.
- G Reporting processes
 - Data management and access
 - Reporting arrangements between INRM Group, project delivery agents and community.
 - INRM Group reporting to State/Cwth Stg Committee – partnership agreement.
- 4. Communications Plan/Program
 - Strategic purpose
 - Key messages
 - Target audiences
 - Critical constraints, tactics and time lines.
- 5. Regional Level Monitoring and Evaluation Program
 - How will changes in NRM at the regional level be measured?
 - How will changes in NRM at the regional level be evaluated?
 - How will M&E findings be reported?

Example tables for presenting program information

Program Key Activities and Targets

Key Activity*(or Project or Management Issue)	Resource Condition Target(s)	Management Actions Target(s)	Outcome/ Output	Contribution to Targets

* Key activity or project or management issue is defined as a collection of individual actions and activities with similar goals

Schedule of Outputs for Key Activity (or Project or Management Issue)

Activities (Management Actions)	Outputs	Date	Performance Indicator	Expected Expend (\$)

Cost Sharing

	Funds Sought	Proposed Contributor			
		Contributor 1 Eg. NAP	Contributor 2 Eg. Cwth NHT	Contributor 3 Eg. State	Contributor 4 Eg. Community
Activity 1					
Activity 2					
TOTAL INVESTMENT					

Budget Breakdown

Expense Item	2003/2004	2004/2005	2005/2006	Other funding years as applicable
Activity 1				
Activity 2				
Etc				

Attachment A2

Hypothetical examples of levels of programs

* Projects defined as a collection of individual actions and activities with similar goals (some regions have grouped activities as management issues or 'key' activities).

Issue Based Program

Case example: Salinity Solutions Program for the Oonawoopwoop Region

Targets x, y & z will be addressed.	
Project 1:	Mapping and Planning
Activity:	Airborne Electromagnetic Mapping Priority areas and actions
Project 2:	Technical Officer Network
Activity:	Facilitation Technical assistance and advice Property Management Plans
Project 3:	Salinity Engineering Solutions
Activity:	Drains Groundwater pumping
Project 4:

Sub-regional Program

Case example: Oona Catchment Water Quality Program

Targets q, u, v & w will be addressed in the Oona Catchment	
Project 1:	Water monitoring project
Activity:
Project 2:	Revegetation for water quality
Activity:
Project 3:	Reducing chemical and nutrient runoff into Oona Catchment Streams

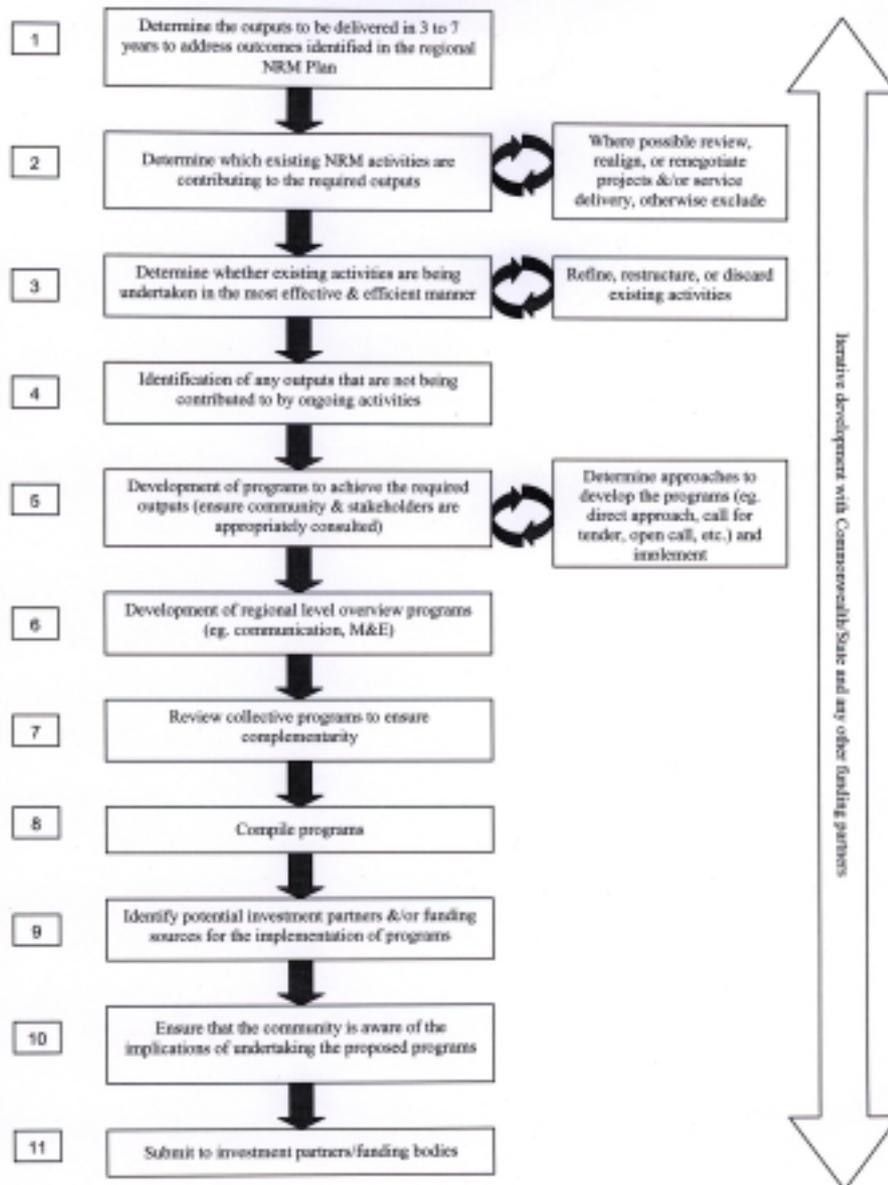
Major Activity

Case example: Oonawoopwoop Regional Revegetation Program

Targets m, n, o & p will be addressed.	
Project 1: Trees for Farms	
Activities:	Property Management Plans Devolved grants/Incentives Technical Officer/Facilitator - Greening Australia/Trees for Life
Project 2:	Riparian and wetland protection
Activities:	Planning Technical Officer
Project 3:	Recharge Revegetation
Activities:

Process to develop a NRM Investment Strategy

Attachment A3



Explanation

1. Determine the outputs to be delivered in 3 to 7 years to address outcomes identified in the regional NRM Plan

In most cases there will be many more outcomes identified in the regional NRM plans than can be achieved within the timeframe of the 'current' investment strategy, or with the resources or capacity available. As a result, the first step in the preparation of a NRM Investment Strategy will be to determine which of the outcomes identified in the Plan will be in the first batch to be targeted.

2. Determine which existing NRM activities are contributing to the required outputs

There are a number of NRM activities already occurring in each region. In some cases these will be contributing to the required outcomes whereas in others they will not. Where actions are occurring that do not contribute to the required outcomes, negotiation should occur with the group responsible to see whether the activities can be realigned so that they will. In some cases this will not be possible and the existing activities will not be able to be supported through the Investment Strategy.

3. Determine whether existing activities are being undertaken in the most effective & efficient manner

While the existing activities that are contributing to the achievement of the required outcomes have already been identified, their effectiveness and efficiency needs to be determined. It may be necessary to work with the group responsible to refine or restructure them so that greater value can be obtained from the investment made. In some cases it may be determined that a completely new approach is the most effective and efficient option.

4. Identification of any outputs that are not being contributed to by ongoing activities

Having reviewed the activities already being undertaken in the region and matched them, where appropriate, to the required outcomes, it is likely that there will still be required outcomes that are not being addressed. It is important that these outcomes are identified so that new programs can be developed that will enable them to be achieved.

5. Development of programs to achieve the required outputs (ensure community & stakeholders are appropriately consulted)

Now that the required outcomes have been identified, existing activities accounted for (and re-aligned where necessary), and new works identified, programs to achieve the required outcomes need to be developed. These programs may consist entirely of activities already being undertaken, entirely of new activities, or a combination of new and existing. In overseeing the development of these programs, the INRM Group will need to determine the process or processes they wish to use. Options may include advertising for tender (eg. tender for the planting of 1000ha of trees in a specified area by 2005), open call for expressions of interest, direct approaches (eg. CWMB to develop and implement an irrigation efficiency program), etc. It is important that the community and stakeholders are appropriately consulted in this process. More specific information relating to programs is located in Attachments A1 & A2.

6. Development of regional level overview programs (eg. communication, monitoring)

While the programs identified previously were developed to achieve specific NRM outcomes, there are a number of programs that are best delivered at the regional level. In general, these 'overview' programs will not result in direct biophysical change. Instead they will underpin or enhance the achievements made. For example, while individual inputs and outputs will need to be monitored at the program level, there will need to be a monitoring program that measures changes in resource condition at the regional scale to determine whether the suite of programs being implemented are having the desired affect. Similarly, in the majority of cases it will be more efficient for NRM messages to be communicated in an integrated manner, rather than in piecemeal form.

7. Review collective programs to ensure complementarity

With all the required programs developed it is important that they are reviewed to ensure that the achievements to be made by one will not be undermined by achievements to be made by another. This review process also provides a further opportunity to isolate and remove any unnecessary duplication or identify any gaps that may have previously gone unnoticed.

8. Compile programs

Bring all the programs together into a single package – see Attachment A1.

9. Identify potential investment partners and/or funding sources for the implementation of programs

With the program development work all done, it is time to work out which potential investors will be targeted to fund specific aspects of each of the programs. While each of the programs should have already identified indicative funding sources, this process will allow for a more integrated and efficient approach. Funding sources may include local, state and commonwealth governments, statutory authorities, corporate bodies, funding programs (eg. GRDC, NHT, NAP, etc.), philanthropic organisations, the community, specific resource users, etc.

10. Ensure that the community is aware of the implications of undertaking the proposed programs

It is important to make the broader regional community aware of the implications of undertaking the programs proposed in the Investment Strategy, so that any negative impacts on a particular section of the community can be openly discussed and addressed before action is undertaken.

In regard to the NHT II and NAP funding programs, it was originally envisaged that much of the information that will end up being contained within the investment strategy would be contained within the Plan and subject to the accreditation criterion relating to community consultation and engagement. Now that this structure has changed both governments will need to be provided with a level of assurance that the broader community is prepared to support the programs being proposed.

11. Submit to investment partners/funding bodies

Treasury: Conclusive Certificates

(Question No. 2914)

Mr Danby asked the Treasurer, upon notice, on 10 February 2004:

- (1) How many conclusive certificates has the Minister issued under each of sections 33, 33A, and 36 of the Freedom of Information Act 1982 in each of the last six financial years.
- (2) In each of the last six financial years, how many appeals against those certificates were (a) lodged with the AAT, (b) successful, and (c) unsuccessful.
- (3) What are the case names of all the appeals lodged with the AAT in each of the last six financial years.

Mr Costello—The answer to the honourable member's question is as follows:

Department of the Treasury

Three conclusive certificates have been issued in the financial years 1998-99, 1999-2000, 2000-01, 2001-02, 2002-03 and 2003-04. One certificate was issued in 1998-99 and two were issued in 2003-04. All 3 certificates were issued under section 36 of the FOI Act.

All 3 cases involved appeals to the AAT against a decision not to release certain documents, rather than appeals against the certificates. The applicant in the 1998-99 case, the Motor Trades Association of Australia Ltd, discontinued its application before the AAT heard the matter. The 2003-04 cases are both still before the AAT. The applicant in both of them is Michael McKinnon.

Australian Accounting Standards Board

- (1) Nil
- (2) Not Applicable

(3) Not Applicable

Australian Bureau of Statistics

(1) Nil

(2) Not Applicable

(3) Not Applicable

Australian Competition and Consumer Commission

(1) Nil

(2) Not Applicable

(3) Telstra Australia Limited and Australian Competition and Consumer Commission [2000] AATA 71
(7 February 2000)

Filed 14 August 1998

Decision under review affirmed.

Shopping Centre Council of Australia and Australian Competition and Consumer Commission
[2004] AATA 119 (9 February 2004)

Filed 04 June 2003

Decision under review affirmed, subject to the matters that may be released in documents 2, 3, 4 and 6 as set out in the decision.

Australian Office of Financial Management

(1) Nil

(2) Not Applicable

(3) Not Applicable

Australian Prudential Regulatory Authority

(1) Nil

(2) Not Applicable

(3) Not Applicable

Australian Securities & Investment Commission

(1) Nil

(2) Not Applicable

(3) Not Applicable

Australian Taxation Office

(1) Nil

(2) Not Applicable

(3) Not Applicable

Corporations and Markets Advisory Committee

(1) Nil

(2) Not Applicable

(3) Not Applicable

National Competition Council

(1) Nil

(2) Not Applicable

(3) Not Applicable

Productivity Commission

(1) Nil

(2) Not Applicable

(3) Not Applicable

Superannuation Complaints Tribunal

(1) Nil

(2) Not Applicable

(3) Not Applicable

Reference Group on Identity Fraud

(Question No. 2970)

Mr McClelland asked the Minister representing the Minister for Justice and Customs, upon notice, on 10 February 2004:

- (1) Further to the answer to question No. 2350 (*Hansard*, 3 November 2003, page 21886), have any reports been provided to the Government by the Reference Group on Identity Fraud or any of its Steering Committees; if so, (a) what was the subject of each report, (b) to which Minister was it provided, and (c) on what date was it provided.
- (2) When was the feasibility study for an on-line identity verification service completed and when was a report provided to Government.
- (3) What action has been taken by the Government as a result of the work of the Reference Group.
- (4) What further work is the Reference Group undertaking.

Mr Ruddock—The Minister for Justice and Customs has provided the following answer to the honourable member's question:

- (1) No reports on the feasibility work being undertaken by the Reference Group on Identity Fraud, or its Steering Committees, have been provided to the Government.
- (2) The feasibility study for an on-line verification service was submitted to the Reference Group on Identity Fraud on 17 December 2003. It has not been provided to the Government.
- (3) The Government has not yet been provided with reports from the Reference Group as additional feasibility work is currently being undertaken.
- (4) A small number of Reference Group member agencies have begun work on an empirical study of document verification. This project will extend the feasibility work already completed by conducting detailed analysis and evaluation of evidence of identity processes, with particular emphasis on quantifying the advantages which might flow from document verification.

Australia Post: Post Boxes

(Question No. 2977)

Ms O'Byrne asked the Minister for Communications, Information Technology and the Arts, upon notice, on 10 February 2004:

- (1) How many post boxes are there in (a) Australia, and (b) each federal electoral division.
- (2) How many (a) Australia Post outlets, (b) Australia Post shops, (c) licensed Post Offices, and (d) stamp vending machines are there in Australia.
- (3) Has the Government committed to maintain the existing numbers of post boxes; if not, what is the minimum number required to provide adequate services.

Mr Williams—The answer to the honourable member's question, based on advice provided by Australia Post, is as follows:

(1) (a) & (b)

At 31 December 2003, the number of post boxes in Australia by States was as follows:

NSW/ACT	4,554
VIC	4,478
QLD	2,829
SA/NT	1,593
WA	1,206
TAS	528
TOTAL	15,188

Australia Post does not maintain post box details by federal electorate.

- (2) (a) – (d) At 31 December 2003, there was a total of 4,483 Australia Post outlets. Included in this total were 693 postshops and 2,979 licensed post offices. There were also seven Australia Post stamp vending machines in operation.
- (3) The Australian Government has demonstrated its commitment to the maintenance of adequate numbers of street posting boxes by introducing the Australian Postal Corporation (Performance Standards) Regulations 1998 which require Australia Post to maintain a minimum of 10,000 post boxes nationally.

Australian War Memorial: Inscriptions (Question No. 3008)

Mr Edwards asked the Minister for Veterans' Affairs, upon notice, on 11 February 2004:

- (1) When will the name of Sgt. Andrew Russell who was killed in action in Afghanistan on 16 February 2002 be inscribed at the Australian War Memorial.
- (2) What is the reason for the delay in his name being inscribed at the Australian War Memorial.
- (3) Will she ensure that when his name is to be inscribed his wife is advised prior to this happening.
- (4) Will she ensure that Sgt. Russell's wife is invited to attend the Australian War Memorial at this time.

Mrs Vale—The answer to the honourable member's question is as follows:

- (1) and (2) It is long-standing Memorial policy not to add names to the Roll of Honour until the conflict in which deaths occurred is over or the operation in which they occurred is declared by the Department of Defence to be no longer Warlike. Operation Slipper, in which Sergeant Russell was serving at the time of his death, is ongoing. As a result, it is not yet possible to finalise an Afghanistan Roll of Honour and to record Sergeant Russell's name. His name will be added at a point when Warlike operations involving Australians have concluded.
- (3) It is the Memorial's practice to contact next-of-kin to seek permission for a name to be included on the Roll of Honour. In accordance with this practice the wife of Sergeant Russell will be contacted when Australian operations in Afghanistan have ceased to be Warlike.
- (4) In accordance with Memorial practice, next-of-kin are advised when a name is added to the Roll of Honour and invited to participate, if they so desire, in a ceremony marking the event.

Employment: Job Network Services (Question No. 3019)

Mr Albanese asked the Minister for Employment Services, upon notice, on 17 February 2004:

- (1) For each financial year since 1998, how many Disability Support Pensioners (DSP) accessed Job Network services.
- (2) For the financial year ended 30 June 2003, what was the proportion of DSP recipients achieving positive outcomes (ie. employment and/or further education and training) after accessing Job Network services.

Mr Brough—The answer to the honourable member's question is as follows:

- (1) Job Network assists people with a range of disabilities, many of whom may under-report the severity or existence of their disability for various reasons. A total of around 215,800 commencements in Intensive Assistance were recorded for people with a disability between May 1998 and June 2003. A total of around 18,100 commencements in Job Search Training were recorded for people with a disability between May 1998 and June 2003. A total of around 118,000 eligible Job Matching placements were recorded for people with a disability between May 1998 and June 2003.
- (2) For the year ended 30 June 2003, the proportion of people with a disability obtaining positive outcomes was 44.3 percent for Intensive Assistance, 42.4 percent for Job Search Training and 58.2 percent for Job Matching.

Employment: Disability Support Pension Pilot Program

(Question No. 3054)

Mr Andren asked the Minister for Employment Services, upon notice, on 19 February 2004:

- (1) Under what criteria will the Department of Employment and Workplace Relations decide to extend its Pilot scheme to allow Job Network agencies to manage Disability Support Pension (DSP) recipients?
- (2) What are the broad aims of the Pilot program?
- (3) Will the Job Network agencies be required to follow the 12 Disability Services Standards applying to all services funded by the Department of Family and Community Services?
- (4) What is the definition of "outcome" for DSP clients under the Pilot program?
- (5) How will DSP clients be selected for the Pilot program?
- (6) What payments will be available for Job Network agencies under the Pilot program?
- (7) Are the Job Network agency staff suitably trained to deal with DSP clients?

Mr Brough—The answer to the honourable member's questions is as follows:

- (1) Disability Support Pension recipients are already fully entitled to Job Network services on a voluntary basis. Under the Pilot, disability specialist Job Network members are developing best practice initiatives and implementing programme strategies to increase the number of Disability Support Pension recipients with a mild to moderate disability who volunteer to receive Job Network services. These strategies will be shared widely with service providers, following the Pilot evaluation, to enable improved services to this client group.
- (2) The broad aims of the Pilot programme are to:
 - Actively engage Disability Support Pension recipients at a local level and support their participation in the labour market;
 - Develop transferable initiatives to be promoted as best practice to Job Network members nationally; and
 - Develop processes to enable all employment service providers to service this client group effectively.

- (3) No. The Disability Services Standards only apply to organisations funded under the Disability Services Act, 1986, that is disability employment assistance and vocational rehabilitation services.

Job Network members are selected on the basis of their experience in delivering quality services and sustainable outcomes to job seekers. Job Network members are contractually required to meet strict quality and service delivery standards for the provision of services funded under the Employment Services Contract. Job Network members must meet a Code of Practice and provide a Service Guarantee to job seekers. These services must be sensitive to the job seekers' circumstances and background as well as tailored both to their needs and available job opportunities. Notably, half of the Pilot organisations also provide specialist disability services funded by the Department of Family and Community Services.

- (4) Outcome fees are consistent with those payable for job seekers under the Employment Services Contract. Disability Support Pension recipients, under the Pilot, have immediate access to the highest level of support available under the Active Participation Model.

Outcome fees for Disability Support Pension recipients with a restricted work capacity will be paid when the eligible job seeker is placed and remains in employment, unsubsidised self-employment, an apprenticeship or a traineeship, in accordance with their identified capacity, for 13 weeks.

- (5) Disability Support Pension recipients who volunteer for the Pilot, will be assessed by a specialist Job Network member, and where there is a capacity for the client to benefit from the provision of Job Network services (i.e. the client has no ongoing support requirements), they may volunteer to participate.

- (6) The disability specialist JNMs have received payments to engage DSP recipients and the community, and to register and assess eligible DSP recipients.

This includes:

- marketing and communication strategies to increase eligible DSP recipients' understanding of Job Network and encourage them to participate;
- liaising, networking and engaging job seekers and employers;
- additional work to register pilot participants;
- servicing DSP participants above their existing caseload;
- developing, identifying and documenting innovation in the provision of employment services for DSP recipients;
- seeking additional information from the job seeker and others, such as treating doctors;
- identifying work capacity or restricted work capacity; and
- identifying whether the job seeker is best assisted under Job Network or should be referred to alternative programmes through Centrelink such as disability employment services.

Service fees and outcome payments are consistent with those payable for all clients for services and outcomes under the Employment Services Contract.

- (7) All Job Network members are able to service the full range of job seekers, including people with a disability and those receiving the Disability Support Pension. A total of around 215,800 commencements in Intensive Assistance were recorded for people with a disability between May 1998 and June 2003. A total of around 18,100 commencements in Job Search Training were recorded for people with a disability between May 1998 and June 2003. A total of around 118,000 eligible Job Matching placements were recorded for people with a disability between May 1998 and June 2003.

For the year ended 30 June 2003, the proportion of people with a disability obtaining positive outcomes was 44.3 percent for Intensive Assistance, 42.4 percent for Job Search Training and 58.2 percent for Job Matching.

Attorney-General's: Trade Unions
(Question No. 3144)

Mr Bevis asked the Attorney-General, upon notice, on 1 March 2004:

- (1) For the year (a) 2000, (b) 2001, (c) 2002, and (d) 2003, what payments were made by the Minister's department to (i) registered unions of employees, (ii) registered unions of employers, (iii) unions of employees peak body, and (iv) unions of employers peak body.
- (2) In respect of each payment, (a) how much money was provided, and (b) what was its purpose.

Mr Ruddock—The answer to the honourable member's question is as follows:

- (1) It should be noted that there is a long-standing practice by successive Attorneys-General, to treat applications for Commonwealth legal and financial assistance in confidence. This practice extends to neither confirming nor denying that particular applicants have been received or granted. Accordingly it is inappropriate for me to include any information relating to applications for legal or financial assistance in response to this question. Subject to this exclusion no payments have been made by my department to such bodies.
- (2) See my answer to (1)

Finance and Administration: Trade Union Payments
(Question No. 3147)

Mr Bevis asked the Minister representing the Minister for Finance and Administration, upon notice, on 1 March 2004:

- (1) For the year (a) 2000, (b) 2001, (c) 2002, and (d) 2003, what payments were made by the Minister's Department to (i) registered unions of employees, (ii) registered unions of employers, (iii) unions of employees peak body, and (iv) unions of employers peak body.
- (2) In respect of each payment, (a) how much money was provided, and (b) what was its purpose.

Mr Costello—The Minister for Finance and Administration has supplied the following answer to the honourable Member's question:

- (1) The Department of Finance and Administration (Finance) has conducted a thorough review of its financial management systems to determine whether any payments were made to registered unions in the requested years.
The search revealed that Finance has not made any payments to registered unions.
- (2) Not applicable.

Veterans' Affairs: Trade Unions
(Question No. 3154)

Mr Bevis asked the Minister for Veterans' Affairs, upon notice, on 1 March 2004:

- (1) For the year (a) 2000, (b) 2001, (c) 2002, and (d) 2003, what payments were made by the Minister's department to (i) registered unions of employees, (ii) registered unions of employers, (iii) unions of employees peak body, and (iv) unions of employers peak body.
- (2) In respect of each payment, (a) how much money was provided, and (b) what was its purpose.

Mrs Vale—The answer to the honourable member's question is as follows:

- (1) (i) and 2 (a) and (b) Payments to registered unions of employees 2000-2003 are:

Year	Paid to	Purpose	Amount
2000	Media Entertainment & Arts Alliance	Training – attendance at National Public Affairs convention	\$510.00
2000	CPSU Advantage NSW	Occupational Health & Safety training	\$1,900.00
2000	CPSU National Executive	Reimbursement of travel expenses for CPSU representative to attend Department Committee – National Continuous Improvement Committee	\$1,214.20
2001	CPSU National Executive	Reimbursement of travel expenses for CPSU representative to attend national negotiations	\$631.00
2001	CPSU National Executive	Reimbursement of travel expenses for CPSU representative to attend national negotiations	\$1,323.20
2002	CPSU Training Services, Victoria	Occupational Health & Safety training	\$4,612.50
2003	CPSU Advantage, NSW	Occupational Health & Safety training	\$4,180.00

Note: All amounts are GST inclusive

(1) (ii) Nil

(1) (iii) Payments to unions of employees peak body 2000-2003 are:

Year	Paid to	Purpose	Amount
2001	Unions Tasmania	Occupational Health & Safety training	\$1,265.00
2002	Unions Tasmania	Occupational Health & Safety training	\$660.00
2003	Unions Tasmania	Occupational Health & Safety training	\$2,475.00

Note: All amounts are GST inclusive

Freedom of Information (Question No. 3177)

Ms Roxon asked the Minister for Veterans' Affairs, upon notice, on 1 March 2004:

- (1) Can the Minister indicate (a) whether the Minister's department has a dedicated Freedom of Information (FOI) officer, and (b) how many officers are employed to deal with FOI requests, and (c) at what levels they are employed.
- (2) How many applications did the department have under the FOI Act in the 2002-2003 financial year and how did this figure compare to previous years.
- (3) How many internal reviews of applications occurred in the last financial year and how many internal reviews affirmed the original decision.
- (4) Can the information in (2) and (3) be broken down into applications requesting individual information and applications requesting information for other reasons (i.e. media, opposition MPs etc).
- (5) What proportion of cases go to external review and what proportion of these are upheld.
- (6) In respect of fees for FOI applications, (a) how much was charged, (b) how much was actually collected, and (c) what proportion of fees were waived.
- (7) How much did the Minister's department spend in defending FOI appeals.
- (8) In respect of refusals to grant requests, can the Minister provide details on (a) which exemption categories are used when information is refused, and (b) what proportion of refusals are in each category (i.e. commercial-in-confidence and other categories).
- (9) Will the Minister provide statistics over the last 5 years indicating whether the use of particular exemption categories is static, falling or increasing.

Mrs Vale—The answer to the honourable member's question is as follows:

- (1) (a) The Department has one staff member located in Canberra who is the National Freedom of Information (FOI) Coordinator with other staff in both National Office and every State Office who deal with FOI requests as a significant part of their duties.
 - (b) The Department has a total of nine staff who deal with FOI requests as a significant part of their duties. A number of other are directly involved in processing FOI requests on a daily basis, without being a designated FOI officer.
 - (c) The levels of staff who deal with FOI requests as a significant part of their duties include one Senior Legal Officer and eight at the DVA Band 2 level.
- (2) The information on the number of formal request for access to documents received by the Department under the Freedom of Information Act 1982 (FOI Act) for the 2002-03 financial year is already publicly available. At the end of each financial year the Attorney-General presents the Annual Report by the Attorney-General to the Parliament on the Operation of the Act (FOI Annual Report). The information on the numbers of requests received by the Department for the 2002-2003 financial year can be found at Appendix A to the FOI Annual Report for 2002-2003. Comparisons to previous years may be made by reference to the similar information contained in the FOI Annual Reports for the previous financial years.
 - (3) Information on the number of applications for internal reviews received by the Department can be found at Appendix E to the FOI Annual Report for 2002-2003.
 - (4) This information can be found in the FOI Annual Report for 2002-2003 Appendix A for FOI applications received by the Department and Appendix E for internal reviews conducted by the Department. Detailed information on whether the FOI application involved an individual seeking access to personal information about themselves or some other third person (eg a spouse, relative or some other person) seeking information or other reasons is not available.
 - (5) Of all FOI applications received by the Department and finalised in the 2002-2003 financial year, one request went to external review by the Administrative Appeals Tribunal. The Tribunal had not made a decision on that case by the end of the reporting period.
 - (6) (a) From Appendix D to the FOI Annual Report for 2002-2003 the total amount of application fees charged was \$11,815 and the total amount of charges notified was \$7,870.
 - (b) From Appendix D to the FOI Annual Report for 2002-2003 the total amount of application fees collected was \$11,815.00 and the total amount of charges collected was \$3,309.
 - (c) The collation of this information is not required for the usual statistical reporting and to attempt to obtain this information would require each FOI request to be re-examined and substantial resources to be diverted. It should also be noted that for many of the requests received by the Department, regulation 6 of the Freedom of Information (Fees and Charges) Regulations applied so that application fees and charges could not be imposed as the request for access to documents relate to a current claim under the Veterans' Entitlements Act 1986.
 - (7) Information on the costs involved for the Department in defending FOI appeals is found at Appendix L of the FOI Annual Report for 2002-2003.
 - (8) (a) Departmental decision makers used the following exemption provisions in the 2002-2003 financial year. It should be noted that often a single request may involve a wide range of documents which may necessitate the use of more than one of the exemption provisions contained in Part of the FOI Act:
 - where actioning the request would be an unreasonable diversion of agency resources (section 24) – one request

- where the documents requested could not be found or were not held by the Department (section 24A) – 131 requests
 - where the documents requested were internal working documents (section 36) - two requests
 - where actioning the request would prejudice the conduct of an investigation (section 37(1)(a)) – one request
 - where actioning the request would have resulted in disclosing a confidential source of information (section 37(1)(b)) – three requests
 - where the request might have endangered life or safety (section 37(1)(c)) – one request
 - where actioning the request would have unreasonably affected personal privacy (section 41) – 11 requests
 - where actioning the documents would have breached legal professional privilege (section 42) – two requests; and
 - where actioning the request would have been a breach of confidence (section 45) – one request.
- (b) As a proportion of the total number of FOI requests to which access to one or more documents was refused by the Department in the 2002-2003 financial year, the above figures translate to approximately:
- where actioning the request would be an unreasonable diversion of agency resources (section 24) – 0.66%
 - where the documents requested could not be found or were not held by the Department (section 24A) – 86%
 - where the documents requested were internal working documents (section 36) - .3%
 - where actioning the request would prejudice the conduct of an investigation (section 37(1)(a)) – 0.66%
 - where actioning the request would have resulted in disclosing a confidential source of information (section 37(1)(b)) – 2%
 - where the request might have endangered life or safety (section 37(1)(c)) – 0.66%
 - where actioning the request would have unreasonably affected personal privacy (section 41) – 7.20%
 - where actioning the documents would have breached legal professional privilege (section 42) – 1.3%; and
 - where actioning the request would have been a breach of confidence (section 45) – 0.66%.
- (9) The following table is provided to set out the various categories of exemptions that have been claimed by decision-makers in the Department over the past five financial years. The two categories where there have been marked changes involves section 24A (ie that the Department does not hold the document or the document does not exist) and section 41 (the disclosure of the document would involve the unreasonable disclosure of personal information).

DVA reasons for refusal under FOI		1998/99	1999/00	2000/01	2001/02	2002/03
Unreasonable diversion of resources	s.24	0	0	1	1	0
Document cannot be found or does not exist	s.24A	10	50	51	32	131
Documents affecting relations with states	s.33A(1)	0	0	0	0	0

DVA reasons for refusal under FOI		1998/99	1999/00	2000/01	2001/02	2002/03
Cabinet documents	s.34	0	1	0	1	0
Internal working documents	s.36	0	0	0	1	2
Prejudice conduct of investigation	s.37(1)(a)	0	0	0	0	1
Disclose confidential source of information	s.37(1)(b)	0	0	0	0	3
Endanger life or safety	s.37(1)(c)	0	0	0	1	1
Disclose methods or procedures	s.37(2)(b)	0	0	0	0	0
Effect conduct of operations	s.40(1)(d)	0	1	0	0	0
Documents affecting personal privacy	s.41	1	4	2	4	11
Legal professional privilege	s.42	0	0	0	2	2
Affect business or professional affairs	s.43(1)(c)	0	0	0	0	0
Destroy commercial value	s.43(1)(d)	0	0	0	0	0
Breach of confidence	s.45	0	1	0	0	1

Health and Ageing: Legal Services

(Question No. 3184)

Ms Roxon asked the Minister for Health and Ageing, upon notice, on 1 March 2004:

- (1) How much did the Minister's department spend during 2002-2003 on outsourced (a) barristers and (b) solicitors (including private firms, the Australian Government Solicitor, and any others).
- (2) How much did the Minister's department spend on internal legal services.
- (3) What is the Minister's department's projected expenditure on legal services for the 2003-2004 financial year.

Mr Abbott—The answer to the honourable member's question is as follows:

- (1) (a) and (b) The Department spent \$470,280 GST exclusive, on outsourced barristers and \$3,402,267 GST exclusive, on outsourced solicitors during 2002-2003.
- (2) The Department spent \$3,063,436 on internal legal services during 2002-2003.
- (3) The Department's projected expenditure on internal and external legal services for the 2003-2004 financial year is \$6,464,173.

It should be noted that the figures outlined in response to questions (1), (2) and (3) include the amount of \$245,409 for solicitors, \$556,905 on internal legal services and \$1,007,773 for projected expenditure on legal services for 2003-2004 by the Therapeutic Goods Administration (TGA). The TGA recovers its costs from fees and charges to industry.

Attorney-General's: Legal Services

(Question No. 3185)

Ms Roxon asked the Attorney-General, upon notice, on 1 March 2004:

- (1) How much did the Minister's department spend during 2002-2003 on outsourced (a) barristers and (b) solicitors (including private firms, the Australian Government Solicitor, and any others).
- (2) How much did the Minister's department spend on internal legal services.

- (3) What is the Minister's department's projected expenditure on legal services for the 2003-2004 financial year.

Mr Ruddock—The answer to the honourable member's question is as follows:

- (1) The amount spent by the Attorney-General's Department on outsourced legal services provided by solicitors for 2002-03, including some disbursements, was \$7,109,283.57 (GST inclusive).

The amount spent on outsourced legal services provided by barristers engaged through the Australian Government Solicitor for 2002-03 was \$711,244.15 (GST inclusive)

Some of the amount shown as solicitors' fees includes disbursements for counsel engaged by private firms. Until recently, separate records were not kept for expenditure on solicitors and barristers, and it would not be a justifiable diversion of resources to track the individual details. However, the Attorney-General's Department has, for this financial year, introduced a ledger code that will, in future, separately record amounts spent on barristers and solicitors.

- (2) Because the Attorney-General's Department does not have a separate internal legal services branch, and a reasonable proportion of its staff is comprised of lawyers mostly engaged in legal policy rather than legal advice work, the Department does not separately cost internal legal services.
- (3) The projected expenditure by the Attorney-General's Department on legal services for the 2003-04 financial year is \$7,250,442.75.

Finance and Administration: Legal Services

(Question No. 3188)

Ms Roxon asked the Minister representing the Minister for Finance and Administration, upon notice, on 1 March 2004:

- (1) How much did the Minister's department spend during 2002-2003 on outsourced (a) barristers and (b) solicitors (including private firms, the Australian Government Solicitor, and any others).
- (2) How much did the Minister's department spend on internal legal services.
- (3) What is the Minister's department's projected expenditure on legal services for the 2003-2004 financial year.

Mr Costello—The Minister for Finance and Administration has supplied the following answer to the honourable member's question:

- (1) The Department of Finance and Administration (Finance) expended \$8,699,657 during 2002-2003 on outsourced legal services.

Finance's financial management systems do not provide a breakdown of external legal services to the level of barrister or solicitor. However, the majority of this expenditure was for legal advice on major asset sales, property sales and construction projects and residual issues in respect of former Australian Government businesses.

- (2) Finance expended \$260,950 during 2002-2003 on internal legal services.
- (3) Finance's projected expenditure on legal services for the 2003-04 financial year is \$10,303,500.

The Breakdown of the forecast expenditure is:

- Outsourced legal services - \$9,402,099; and
- Internal legal services - \$901,401.

Employment and Workplace Relations: Legal Services**(Question No. 3194)**

Ms Roxon asked the Minister for Employment and Workplace Relations, upon notice, on 2 March 2004:

- (1) How much did the Minister's department spend during 2002-2003 on outsourced (a) barristers and (b) solicitors (including private firms, the Australian Government Solicitor, and any others).
- (2) How much did the Minister's department spend on internal legal services.
- (3) What is the Minister's department's projected expenditure on legal services for the 2003-2004 financial year.

Mr Andrews—The answer to the honourable member's question is as follows:

- (1) (a) \$412,712.63 and (b) \$2,806,164.09.
- (2) The cost of internal legal services is reflected in the relevant output prices and are not separately identified for budgetary purposes.
- (3) No valid projection can be given as expenditure on legal services for the 2003 – 2004 financial year is subject to external factors not assessable at this time.

Family and Community Services: Family Tax and Child Care Benefit**(Question No. 3209)**

Ms Vamvakinou asked the Minister representing the Minister for Family and Community Services, upon notice, on 2 March 2004:

- (1) How many recipients of the Family Tax and Child Care benefit received debt notification letters in relation to overpayment of those benefits in (a) 2001-2002, (b) 2002-2003, and (c) 2003-2004 in (i) the electoral division of Calwell, and the postcode area (ii) 3036, (iii) 3037, (iv) 3038, (v) 3043, (vi) 3046 (vii) 3047, (viii) 3048, (ix) 3049, (x) 3059, (xi) 3060, (xii) 3061, (xiii) 3064, (xiv) 3427, and (xv) 3428.
- (2) How many Newstart allowance recipients reside in (a) Victoria, and the postcode area (b) 3036, (c) 3037, (d) 3038, (e) 3043, (f) 3046 (g) 3047, (h) 3048, (i) 3049, (j) 3059, (k) 3060, (l) 3061, (m) 3064, (n) 3427, and (o) 3428.
- (3) How many Family Payment Greater than Minimum recipients reside in (a) Victoria, and the postcode area (b) 3036, (c) 3037, (d) 3038, (e) 3043, (f) 3046 (g) 3047, (h) 3048, (i) 3049, (j) 3059, (k) 3060, (l) 3061, (m) 3064, (n) 3427, and (o) 3428.
- (4) How many disability support pension recipients reside in (a) Victoria, and the postcode area (b) 3036, (c) 3037, (d) 3038, (e) 3043, (f) 3046 (g) 3047, (h) 3048, (i) 3049, (j) 3059, (k) 3060, (l) 3061, (m) 3064, (n) 3427, and (o) 3428.
- (5) How many age pension recipients reside in (a) Victoria, and the postcode area (b) 3036, (c) 3037, (d) 3038, (e) 3043, (f) 3046 (g) 3047, (h) 3048, (i) 3049, (j) 3059, (k) 3060, (l) 3061, (m) 3064, (n) 3427, and (o) 3428.
- (6) How many parenting payment single recipients reside in (a) Victoria, and the postcode area (b) 3036, (c) 3037, (d) 3038, (e) 3043, (f) 3046 (g) 3047, (h) 3048, (i) 3049, (j) 3059, (k) 3060, (l) 3061, (m) 3064, (n) 3427, and (o) 3428.
- (7) How many Health Care Card recipients reside in (a) Victoria, and the postcode area (b) 3036, (c) 3037, (d) 3038, (e) 3043, (f) 3046 (g) 3047, (h) 3048, (i) 3049, (j) 3059, (k) 3060, (l) 3061, (m) 3064, (n) 3427, and (o) 3428.

- (8) How many Health Care Card recipients not receiving a Centrelink payment, pension, benefit or equivalent payment reside in (a) Victoria, and the postcode area (b) 3036, (c) 3037, (d) 3038, (e) 3043, (f) 3046 (g) 3047, (h) 3048, (i) 3049, (j) 3059, (k) 3060, (l) 3061, (m) 3064, (n) 3427, and (o) 3428.

Mr Anthony—The Minister for Family and Community Services has provided the following answer to the honourable member's question:

- (1) (a)-b) As at 26th December 2003, the number of recipients of Family Tax and Child Care benefits who incurred an overpayment of Family Tax Benefit as an outcome of the reconciliation process in:

	Family Tax Benefit		Child Care Benefit	
	(a) Financial year 2001-02	(b) Financial year 2002-03	(a) Financial year 2001-02	(b) Financial year 2002-03
(i) Calwell	6192	4243	1307	930
(ii) 3036	167	85	41	23
(iii) 3037	1683	1247	445	326
(iv) 3038	1304	826	283	169
(v) 3043	704	479	135	108
(vi) 3046	1016	636	180	118
(vii) 3047	799	477	74	46
(viii) 3048	941	631	92	67
(ix) 3049	363	243	76	57
(x) 3059	425	252	86	54
(xi) 3060	431	273	44	41
(xii) 3061	195	125	12	12
(xiii) 3064	1784	1257	502	375
(xiv) 3427	102	65	17	9
(xv) 3428	22	18	3	5

(c) The reconciliation process for 2003-04 begins in July 2004. Figures for this period will not be available until then.

- (2) (a) – (o) Please refer to Attachment A.
 (3) Family payments (all types) ceased to be paid in June 2000 with the implementation of the Family Assistance Office in July 2000
 (4) (a)-(o) - Please refer to Attachment A.
 (5) (a)-(o) - Please refer to Attachment A.
 (6) (a)-(o) Please refer to Attachment A.
 (7) (a) As at February 2004, 407 484 Health Care Card holders reside in Victoria.

(b)-(o) As at February 2004, the number of Health Care Card holders in each specified postcode area is as follows: Postcode	Number of Health Care Card holders
3036	309
3037	2953
3038	2450
3043	1574
3046	2955
3047	3453
3048	3445
3049	772
3059	670

(b)-(o) As at February 2004, the number of Health Care Card holders in each specified postcode area is as follows:	Number of Health Care Card holders
Postcode	
3060	1468
3061	1068
3064	3263
3427	211
3428	59

(8) (a) As at February 2004, there are 64 787 Health Care Card holders in Victoria not in receipt of a Centrelink payment, pension, benefit or equivalent payment.

(b)-(o) As at February 2004, the number of Health Care Card holders not in receipt of a Centrelink payment, pension, benefit or equivalent payment, and reside in each specified postcode area is as follows:	Number of Health Care Card holders
Postcode	
3036	80
3037	448
3038	426
3043	251
3046	304
3047	240
3048	197
3049	90
3059	133
3060	141
3061	76
3064	355
3427	37
3428	<20

Attachment A

	NSA	Age pension	Disability support pension	Parenting Payment Single
3036	79	518	114	60
3037	779	923	799	757
3038	609	1,555	821	433
3043	425	1,631	703	403
3046	967	5,039	1,423	746
3047	1,202	2,266	1,471	815
3048	1,039	903	1,287	785
3049	225	555	281	243
3059	129	349	275	71
3060	454	2,543	608	268
3061	381	585	404	114
3064	825	982	829	884
3427	50	107	76	66
3428	<20	46	22	<20

	NSA	Age pension	Disability support pension	Parenting Payment Single
Total for Victoria	122,678	471,699	162,841	99,018

NSA Extracted as at 20/02/04 from the Newstart SuperStar database. Includes all current payments and excludes zero paid customers

AGE,
DSP and

PPS Extracted as at 12/12/03 from the Pensions SuperStar database

Employment: Work for the Dole

(Question No. 3215)

Ms Vamvakinou asked the Minister for Employment Services, upon notice, on, 2 March 2004:

- (1) How many Work for the Dole programs operated in (a) 2001-2002, (b) 2002-2003, and (c) 2003-2004, (i) in the electoral division of Calwell, and in the postcode area (ii) 3036, (iii) 3037, (iv) 3038, (v) 3043, (vi) 3046 (vii) 3047, (viii) 3048, (ix) 3049, (x) 3059, (xi) 3060, (xii) 3061, (xiii) 3064, (xiv) 3427, and (xv) 3428.
- (2) In respect of each program, what was (a) its nature of activity, (b) the number of people that participated, and (c) the sum of Commonwealth funding provided.

Mr Brough—The answer to the honourable member's question is as follows:

- (1) Work for the Dole activities are not allocated by postcode but rather by Employment Service Area (ESA). Within the Calwell electorate there are two ESAs, North West and West Melbourne, and all the postcodes listed in (1) fall within these two ESAs. Although the two ESAs contain other postcodes in which Work for the Dole activities are conducted, they are not listed in (1).

The total number of activities approved for the Calwell electorate, and divided into ESAs is:

	(a) 2001-2002	(b) 2002-2003	(c) 2003-2004 (To 31 Jan 2004)
North West ESA	63	40	23
West Melbourne ESA	10	2	3
Industry Specific Activities*	2	1	9

* These Industry Specific activities cover the entire Labour Market Region and cannot be attributed to one ESA only.

- (2) Attachment 1 details (a) the nature of the activities and (b) the number of places in the two ESAs that are within the Calwell electorate in the years requested.
- (c) Refer to the table below for total funding approved for activities, for payment to both CWC and sponsor organisations, in the Calwell electorate (divided into the two identified ESAs). The amount of funding received by each organisation on an activity basis is commercial-in-confidence.

	2001-2002	2002-2003	2003-2004 (To 31 Jan 2004)
North West ESA	\$963,603	\$759,804	\$435,468
West Melbourne ESA	\$45,404	\$34,653	\$16,163
Industry Specific Activities*	\$7,128	\$3,960	\$11,410

Attachment 1—Work for the Dole activities in the Calwell Electorate

Activity Description	Places
2001-2002	
NORTH WEST ESA	
PARTICIPANTS WILL HAVE OPPORTUNITY TO PARTICIPATE IN A RANGE OF RETAIL TASK THROUGH OUR FAMILY STORES OUTLETS.	1
THE CONTINUATION & DEVELOPMENT OF A COMMUNITY DIRECTORY WEBSITE IN THE HUME REGION	13
PARTICIPANTS WILL UNDERTAKE WORK EXPERIENCE IN THE FIELD OF ADMINISTRATION.	6
PARTICIPANTS WILL BE TRAINED & PLACED IN NON- PROFIT COMMUNITY, EDUCATION & ARTS ORGANISATIONS TO PROVIDE SUPPORT & ASSISTANCE WHERE REQUIRED. COVERS A WIDE RANGE OF WORK EXPERIENCE	2
DEVELOPMENT OF A COMMUNITY RESEARCH & READING ROOM, INCLUDING PHOTO DISPLAYS, & RESIDENT CASE STUDIES.	5
AN ACCREDITED TRAINING AND WORK EXPERIENCE PROGRAM UNDERTAKING ADMINISTRATIVE SUPPORT DUTIES WITHIN COMMUNITY ORGANISATIONS.	4
PARTICIPANTS WILL COMPLETE SMALL GARDENING PROJECT & BUILDING MAINTENANCE PROJECTS FOR ELDERLY PEOPLE IN THE DEPARTMENT OF HOUSING ACCOMODATION.	5
PARTICIPANTS WILL BE INVOLVED IN A COMMUNITY SPORT GROUNDS MAINTENANCE WORK EXPERIENCE PROGRAM	7
PARTICIPANTS WILL ASSIST IN THE PROVISION OF FOOD PARCELS & EMERGENCY RELIEF FOR FAMILIES EXPERIENCING FINANCIAL PROBLEMS	10
PARTICIPANTS WILL UNDERTAKE WORK EXPERIENCE IN A SCHOOL, WHERE THEY WILL GAIN EXPERIENCE IN ADMINISTRATION & INTEGRATION AIDE.	3
PARTICIPANTS WILL UNDERTAKE WORK EXPERIENCE IN THE FIELD OF ADMINISTRATION.	6
PARTICIPANTS WILL GAIN PARTIAL ACCREDITATION AND WORK EXPERIENCE IN AGED CARE.	4
PARTICIPANTS WILL BE INVOLVED IN A COMMUNITY SPORT GROUND MAINTENANCE WORK EXPERIENCE PROGRAM.	2
PARTICIPANTS WILL UNDERTAKE WORK EXPERIENCE FOR COMMUNITY ORGANISATIONS WHERE PARTICIPANTS WILL UNDERTAKE A SPECIFIC PROJECT SUCH AS WRITING THE HISTORY OF THE CENTRE, ASSISTING WITH SURVEYS OR MARKET RESEARCH, INTERVIEWING AND EVALUATING	3
PARTICIPANTS WILL CREATE A CD FEATURING THE WORK LOCAL ARTISTS IN THE NORTH WEST, THE CD WILL BE MADE AVAILABLE TO THE NORTHWEST COMMUNITY.	15
INDIVIDUAL PLACEMENT IN COMMUNITY ORGANISATIONS TO SUPPORT IN: ADMIN; MAINTENANCE; HORTICULTURE; EDUCATION; IT; SECRETARIAL ETC.	1
DESIGN AND DEVELOPMENT OF A WEB-BASED CLUB FOR PRIMARY AGED CHILDREN IN THE NORTH-WESTERN REGION, ENCOMPASSING A VARIETY OF TECHNIQUES.	6
PARTICIPANTS WILL BUILD WHEELCHAIRS THAT WILL BE DISTRIBUTED TO CHILDREN LIVING IN THIRD WORLD COUNTRIES.	10
PARTICIPANTS WILL WORK WITH THE AFRICAN COMMUNITY IN HUME TO	10

Activity Description	Places
2001-2002	
GATHER RECIPES AND STORIES FOR INCLUSION IN A COOK BOOK	
THE PROJECT WILL DEVELOP A COMPUTER MAINTENANCE PROGRAM. IT WILL ASSIST IN THE DEVELOPMENT OF SKILLS AND SELF-ESTEEM OF PARTICIPANTS.	12
THE CONTINUATION & DEVELOPMENT OF A COMMUNITY DIRECTORY WEBSITE IN THE HUME REGION	12
THE PROJECT IS TO ASSIST IN COMMUNITY SERVICE DELIVERY WHILE PROVIDING WORK EXPERIENCE ACTIVITIES FOR JOB SEEKERS IN ACCESSING A VARIETY OF WORK EXPERIENCES SUCH AS ADMIN AND IT SUPPORT, CUSTOMER SERVICE, CHILD CARE EDUCATION ASSISTANT, BUILDING AND GROUNDS MAINTENANCE, LANDSCAPING	3
PARTICIPANTS WILL BE INVOLVED IN THE DEVELOPMENT OF VIDEO & MULTIMEDIA MARKETING MATERIAL FOR NON PROFIT ORGANISATION IN THE WEST.	15
PARTICIPANTS WILL GAIN HANDS ON EXPERIENCE CREATING TOYS, DECORATIVE MODELS, STAGE SETS ETC. FOR COMMUNITY CENTRES AND LOCAL COMMUNITY GROUPS.	10
PARTICIPANTS WILL GAIN HANDS ON EXPERIENCE PRODUCING BROCHURES, NEWSLETTERS ETC. FOR A NUMBER OF CHURCHES AND CHARITIES IN THE REGION.	10
PARTICIPANTS WILL CREATE WEBPAGES AND SPLASH PAGES FOR NON PROFIT COMMUNITY ORGANISATIONS.	6
PARTICIPANTS WILL BE TRAINED & PLACED IN NON- PROFIT ARTS, COMMUNITY & 5 EDUCATION ORGANISATIONS TO PROVIDE SUPPORT & ASSISTANCE WHERE REQUIRED. VARIOUS TASKS INCLUDE ADMIN SUPPORT, RECEPTION, TEACHER'S AIDE ASSISTANT, ARTS/TECHNOLOGY ASSISTANT, LIBRARY SUPPORT AND GROUNDS MAINTENANCE.	5
PARTICIPANTS WILL DEVELOP WEBPAGES AND SPLASH PAGES FOR NON PROFIT COMMUNITY ORGANISATIONS.	6
THE CONTINUATION & DEVELOPMENT OF A COMMUNITY DIRECTORY WEBSITE IN THE HUME REGION	19
PROVIDE ADVERTISING PACKAGES FOR NON-PROFIT ORGANISATIONS, CONSISTING OF T.V COMMERCIALS CONCEPTS, RADIO SPOT, BROCHURES, SLOGANS, LOGOS.	12
PARTICIPANTS PERFORM OFFICE ADMIN IN COMMUNITY ORGANISATIONS AND RESTORE A HISTORIC BUILDING.	2
DEVELOPMENT OF A COMMUNITY RESEARCH & READING ROOM. PHOTO DISPLAYS & RESIDENT CASE STUDIES.	5
HORTICULTURAL/BUILDING/LANDSCAPING TASKS INCL UPKEEP AND EXTENSION OF SENSORY PARK & ACTIVITIES AREA FOR SPECIAL NEEDS STUDENTS AREA FOR CHILDREN WITH SPECIAL NEEDS AT THE SCHOOL	13
PLACEMENT IN INDIVIDUAL CHILDCARE CENTRES AND AGENCIES THAT DELIVER CHILDHOOD SUPPORT. DAY CARE CENTRES, CHILDMINDING & RECREATIONAL.	3
DEVELOPING LANDSCAPED GARDENS AND GENERAL MAINTENANCE FOR COMMUNITY ORGANISATIONS.	5
PARTICIPANTS WILL ASSIST IN THE PROVISION OF FOOD PARCELS & EMERGENCY RELIEF FOR FAMILIES EXPERIENCING FINANCIAL PROBLEMS	10

QUESTIONS ON NOTICE

Activity Description	Places
2001-2002	
ASSIST COMMUNITY ORGANISATIONS WITH ADMINISTRATION; MAINTENANCE; HORTICULTURE; EDUCATION; IT; SECRETARIAL ETC.	3
PARTICIPANTS WILL COMPLETE SMALL GARDENING PROJECT & BUILDING MAINTENANCE PROJECTS FOR ELDERLY PEOPLE IN THE DEPARTMENT OF HOUSING ACCOMODATION.	5
DEVELOPMENT OF A COMMUNITY RESEARCH & READING ROOM. PHOTO DISPLAYS & RESIDENT CASE STUDIES.	5
PARTICIPANTS WILL PROVIDE SUPPORT & ASSISTANCE IN NONPROFIT ARTS, COMMUNITY & EDUCATION ORGANISATIONS TO PROVIDE SUPPORT & ASSISTANCE WHERE REQUIRED. TASKS INCLUDE ADMINISTRATION, RECEPTION, LIBRARY SUPPORT, TEACHER AIDE ASSISTANT, GROUNDS MAINTENANCE	4
PARTICIPANTS ARE PLACED IN SCHOOLS AROUND THE NW ESA TO GAIN WORK EXPERIENCE.	2
AN ACCREDITED TRAINING AND WORK EXPERIENCE PROGRAM UNDERTAKING ADMINISTRATIVE SUPPORT DUTIES WITHIN COMMUNITY ORGANISATIONS.	2
PARTICIPANTS WILL BE TRAINED IN BOTH THEORY & PRACTICE IN THE WORK OF ADMINISTRATION/CLERICAL WITHIN NON-PROFIT ORGANISATIONS	5
THE CONTINUATION & DEVELOPMENT OF A COMMUNITY DIRECTORY WEBSITE IN THE HUME REGION	15
PARTICIPANTS GAIN ACCREDITED TRAINING AND HANDS-ON WORK EXPERIENCE IN ADMINISTRATION.	3
ASSIST IN SMALL FACETS OF CONSTRUCTION AND THE DECORATION OF THE NEW MEDITATION HALL OF THE QUANG DUC BUDDHIST TEMPLE	5
PARTICIPANTS WILL UNDERTAKE WORK EXPERIENCE FOR COMMUNITY ORGANISATIONS AND UNDERTAKE A SPECIFIC PROJECT. TASKS INCLUDE WRITE UP A HISTORY OF THE CENTRE, ASSIST WITH SURVEY OR MARKET RESEARCH, EVALUATE THE CENTRE'S PROGRAMS BY INTERVIEWING ATTENDEES.	3
FIXING AND CLEANING COMPUTERS FOR NON PROFIT ORGANISATIONS	12
DESIGN AND DEVELOPMENT OF A WEB-BASED CLUB FOR PRIMARY AGED CHILDREN. THE WEBSITE WILL PROVIDE LINKS TO OTHER SITES COVERING CHILD INTEREST SUBJECTS SUCH AS GAMES, JOKES & ANIMALS. A VARIETY OF INFORMATION TECHNOLOGY TECHNIQUES AND PACKAGES WILL BE USED BY THE PARTICIPANTS.	12
OFFICE ADMINISTRATION AND RECEPTION, CUSTOMER SERVICE, CHILD CARE, AGED CARE, TEACHERS AID, CHARITY SHOP RETAIL, BUILDING AND GARDEN MAINTENANCE. PARTICIPANTS WILL RECEIVE ON THE JOB TRAINING AND WORK EXPERIENCE IN ONE OR MORE OF THESE TASKS.	2
CONTACT NON-PROFIT ORGANISATIONS TO COLLECT INFORMATION FOR DIRECTORY, CREATE AND ADD TO INTERNET WEBSITES, CREATE PAPER DOCUMENTS SUCH AS INFORMATION BOOKLETS AND PUBLICITY MATERIAL FOR NON-PROFIT ORGANISATIONS.	18
PARTICIPANTS WILL BE PLACED AT PRIMARY SCHOOLS TO ASSIST WITH OFFICE ADMINISTRATION AND RECEPTION, CANTEEN DUTIES, GARDEN AND MINOR BUILDING MAINTENANCE.	7
ADVICE AND ASSISTANCE IN THE DESIGN AND PRODUCTION OF MARKETING / PROMOTIONAL MATERIAL	5

Activity Description	Places
2001-2002	
PLAN AND MAKE A VIDEO PRESENTATION PROMOTING THE WORK OF DIFFERENT NOT FOR PROFIT ORGANISATIONS	15
DEVELOP WEB PAGES AND SPLASH PAGES FOR NON-PROFIT COMMUNITY ORGANISATIONS	12
CREATING MURALS, TOYS AND DECORATIVE MODELS FOR COMMUNITY CENTRES AND LOCAL COMMUNITY GROUPS.	10
PRODUCING BROCHURES AND NEWSLETTERS FOR COMMUNITY ORGANISATIONS	10
OFFICE ADMINISTRATION DUTIES IN COMMUNITY ORGANISATIONS AND RESTORATION OF A NATIONAL TRUST BUILDING	3
OFFICE ADMINISTRATION DUTIES IN COMMUNITY ORGANISATIONS AND RESTORATION OF A NATIONAL TRUST BUILDING	3
HORTICULTURAL/BUILDING/LANDSCAPING TASKS INCLUDING UPKEEP AND EXT OF SENSORY PARK & ACTIVITIES AREA FOR SPECIAL NEEDS STUDENTS AREA FOR CHILDREN WITH SPECIAL NEEDS AT THE SCHOOL	13
PLACEMENT IN INDIVIDUAL CHILDCARE CENTRES AND AGENCIES THAT DELIVER CHILDHOOD SUPPORT. DAY CARE CENTRES, CHILDMINDING & RECREATIONAL.	3
PARTICIPANTS WILL PERFORM OFFICE ADMINISTRATION SUCH AS ANSWERING PHONES, TYPING, FILING, MAIL AND PHOTOCOPY. BUILDING RESTORATION SUCH AS PLASTERING, SANDING, PAINTING, GARDENING, WEEDING AND CARPENTRY IN A NATIONAL TRUST BUILDING	6
CHOOSE FROM OFFICE ADMINISTRATION, HORTICULTURE, LANDSCAPING, GENERAL CONSTRUCTION, RETAIL, EDUCATIONAL ASSISTANT, CHILD CARE ASSISTANT, POOL MAINTENANCE, COMPUTER OPERATIONS.	2
WEST MELBOURNE ESA	
PARTICIPANTS WILL BE WORKING IN EARLY CHILDHOOD EDUCATION SETTINGS AND WILL WORK ALONGSIDE STAFF UNDERTAKING A RANGE OF TASKS.	2
PARTICIPANTS WILL UNDERTAKE WORK EXPERIENCE IN A SCHOOL, WHERE THEY WILL GAIN EXPERIENCE IN ADMINISTRATION AND INTEGRATION AIDE.	3
PARTICIPANTS WILL UNDERTAKE WORK EXPERIENCE IN A SCHOOL, WHERE THEY WILL GAIN EXPERIENCE IN ADMINISTRATION AND INTEGRATION AIDE.	5
PARTICIPANTS WILL BE WORKING IN EARLY CHILDHOOD EDUCATION SETTINGS AND WILL WORK ALONGSIDE STAFF UNDERTAKING A RANGE OF TASKS.	2
PARTICIPANTS WILL BE WORKING IN EARLY CHILDHOOD EDUCATION SETTINGS AND WILL WORK ALONGSIDE STAFF UNDERTAKING A RANGE OF TASKS.	2
PARTICIPANTS WILL BE WORKING IN EARLY CHILDHOOD EDUCATION SETTINGS AND WILL WORK ALONGSIDE STAFF	1
PARTICIPANTS WILL BE WORKING IN EARLY CHILDHOOD EDUCATION SETTINGS AND WILL WORK ALONGSIDE STAFF	6
PARTICIPANTS WILL BE WORKING IN EARLY CHILDHOOD EDUCATION SETTINGS AND WILL WORK ALONGSIDE STAFF UNDERTAKING A RANGE OF TASKS.	2
PARTICIPANTS WILL BE WORKING IN EARLY CHILDHOOD EDUCATION SETTINGS AND WILL WORK ALONGSIDE STAFF UNDERTAKING A RANGE OF TASKS.	1
PARTICIPANTS WILL BE WORKING IN EARLY CHILDHOOD EDUCATION SETTINGS AND WILL WORK ALONGSIDE STAFF UNDERTAKING A RANGE OF TASKS.	1

Activity Description	Places
2001-2002	
INDUSTRY SPECIFIC ACTIVITIES	
THE PROJECT OFFERS THE CHANCE TO GAIN A WIDE RANGE OF SKILLS IN A SCHOOL. PARTICIPANTS CAN CHOOSE TO WORK IN PRIMARY, SECONDARY OR SPECIAL SCHOOLS	3
THE PROJECT OFFERS THE CHANCE TO GAIN A WIDE RANGE OF SKILLS IN PRIMARY, SECONDARY OR SPECIAL SCHOOLS IN LITERACY ASSISTANCE; INTEGRATION OF DISADVANTAGED STUDENTS; ART ROOM, MUSIC, SCIENCE, SPORT OR DRAMA PROGRAM ASSISTANCE; LIBRARY ASSISTANCE; OFFICE ADMINISTRATION; MAINTENANCE; GARDEN DESIGN AND LANDSCAPING.	1
2002-2003	
NORTH WEST ESA	
THE ACTIVITY OFFERS THE CHANCE TO WORK IN A VARIETY OF ROLES IN PRIMARY OR SECONDARY SCHOOLS, IN ALL PARTS OF MELBOURNE	5
PROJECT IS AIMED AT UNEMPLOYED ARTISTS THAT WILL BE PLACED WITH PRIMARY SCHOOLS TO ASSIST WITH VARIOUS ART PROGRAMS	2
PROVIDE BREAKFAST FOR SOCIALLY DISADVANTAGED CHILDREN FROM 2 PRIMARY SCHOOLS TO IMPROVE ATTENDANCE AT CLASS	8
DEVELOP & MAINTAIN LANDSCAPED GARDENS, LAWNS & GENERAL MAINTENANCE FOR LOCAL COMMUNITY ORGANISATIONS	5
ASSIST IN THE PROVISION OF FOOD PARCELS & EMERGENCY RELIEF FOR DISADVANTAGED FAMILIES. FOOD COLLECTION, HANDLING AND DELIVERY, FOOD STORAGE, CLEANING, ADMINISTRATION	10
A RANGE OF CHOICE IN ARTS, COMMUNITY SERVICES OR EDUCATION. ON OFFER IS ADMINISTRATIVE SUPPORT, TELEPHONE/RECEPTION, INFORMATION PROVISION, MARKETING, CURATING ASSISTANCE, TEACHER AIDE/CURRICULUM ASSISTANCE, LIBRARY SUPPORT, GROUNDS/BUILDING MAINTENANCE.	3
UNDERTAKING ACCREDITED TRAINING IN 4 MODULES OF CERT 11 IN BUSINESS (OFFICE ADMIN). PERFORMING GENERAL CLERICAL TASKS: FILING, BANKING, BOOKKEEPING, INVOICING AND BOOKINGS, WORKING IN RECEPTION, GREETING CALLERS, REFERRAL, ANSWERING TELEPHONE INQUIRES. DEALING WITH INFORMATION TECHNOLOGY: WORD PROCESSING, DATABASE, DESKTOP PUBLISHING, PROBLEM SOLVING, DECISION MAKING (INDIVIDUALLY AND IN TEAMS)	2
CREATION OF A VIDEO PRESENTING THE HISTORY OF THE CITY OF HUME AND THE SURROUNDING DISTRICT	16
PROPAGATING PLANTS, TUBING CUTTINGS, POTTING OF TUBES; PLANT MAINTENANCE - WEEDING, ROWING OF POTS, PRUNING, WATERING; NURSERY MAINTENANCE - RE-BEDDING, CLEANING OF HOTHOUSES/SHADE HOUSE FLOORS, GENERAL REPAIRS; HOUSEKEEPING; EQUIPMENT MAINTENANCE- MOWING LAWNS, EDGE TRIMMING, GARDENING, WEEDING, PRUNING; INFRASTRUCTURE MAINTENANCE - CONSTRUCTION OF WINDBREAKS, CONSTRUCTION OF PROPAGATION BEDS, INSTALLATION OF IRRIGATION SYSTEMS; SALES - WHOLESALE AND RETAIL SALES PROCEDURES INCLUDING CUSTOMER SERVICE, FILLING ORDERS	8

Activity Description	Places
2001-2002	
PARTICIPANTS WILL ASSIST WITH A RANGE OF TASKS INCLUDING LANDSCAPING (PLANTING TREES AND PLANTS), LAND CARE (WATER CONSERVATION, IDENTIFICATION AND ERADICATION OF NOXIOUS WEEDS) AND BUILDING/CONSTRUCTION (BUILDING RETAINING WALLS AND PAINTING) AT A NUMBER OF NOT-FOR-PROFIT GOLF COURSES THROUGHOUT THE NORTH WEST.	4
EXPOSURE & ACCESS TO COMPUTER EQUIPMENT REQUIRING BASIC SERVICING OR REPAIR	15
ATTEND TRAINING SESSIONS IN AGED CARE AND DISABILITY WORK THEN PERFORM DUTIES AS APPROPRIATE	3
PARTICIPANTS WILL BE INVOLVED IN DATA ENTRY OF HISTORICAL, SPORTS DATA, COLD-CALLING & POWERPOINT PRESENTATIONS	15
PARTICIPANTS WILL CREATE A NEWSLETTER OUTLINING UNEMPLOYMENT SUPPORT OPTIONS TO BE DISTRIBUTED TO RELEVANT AGENCIES	10
ASSISTING COMMUNITY SERVICE DELIVERY WHILE PROVIDING WORK EXPERIENCE OPPORTUNITIES TO PARTICIPANTS - OFFICE ADMINISTRATION, HORTICULTURE, LANDSCAPING, RETAIL, EDUCATIONAL ASSISTANT, CHILD CARE ASSISTANT, GENERAL CONSTRUCTION AND POOL MAINTENANCE	4
TRAINING & WORK EXPERIENCE IN OFFICE ADMINISTRATION AND/OR TEACHER'S AIDE AND COMPUTER SKILLS	5
PROJECT WILL ACTIVELY INVOLVE PARTICIPANTS IN GARDEN DESIGN & DEVELOPMENT, PAINTING & PROPERTY MAINTENANCE	15
PARTICIPANTS WILL GAIN HANDS ON EXPERIENCE WORKING IN A VARIETY OF ROLES IN AGED CARE FACILITIES	3
ASSIST COMMUNITY BASED ORGANISATIONS AND ENHANCE AND PRACTICE YOUR ADMINISTRATION AND INFO TECH SKILLS	2
CREATION AND DESIGN OF COMMUNITY NEWSLETTERS FOCUSING ON EMPLOYMENT SERVICES WITHIN THE AREA.	12
CREATION AND DESIGN OF COMMUNITY WEBSITES FOR NON-PROFIT CHARITIES AND COMMUNITY ORGANISATIONS IN THE HUME CITY REGION	10
PARTICIPANTS WILL BE PLACED IN INDIVIDUAL CHILDCARE CENTRES AND OTHER AGENCIES THAT DELIVER EARLY-CHILDHOOD SUPPORT	2
THE PROJECT FACILITATES WORK EXPERIENCE IN ARTS/COMMUNITY -BASED NON-PROFIT ORGANISATIONS	2
GENERAL BUILDING MAINTENANCE & DEVELOPMENT & MAINTENANCE FOR LOCAL COMMUNITY ORGANISATIONS	5
HORTICULTURAL/BUILDING/LANDSCAPING TASKS INCL UPKEEP AND EXT OF SENSORY PARK & ACTIVITIES AREA FOR SPECIAL NEEDS STUDENTS	13
PARTICIPANTS GAIN ACCREDITED TRAINING AND HANDS-ON WORK EXPERIENCE IN OFFICE ADMINISTRATION	3
WORK EXPERIENCE WITH COMPUTER EQUIPMENT REQUIRING BASIC SERVICING / REPAIR / MAINTENANCE	15
PARTICIPANTS WILL BE INVOLVED IN ESTABLISHING THE 2003 WINTER AND CHRISTMAS HELPING HAND	15
ASSIST COMMUNITY BASED ORGANISATIONS WITH ADMINISTRATION AND INFORMATION TECHNOLOGY.	3

Activity Description	Places
2001-2002	
ASSISTING IN AGED CARE FACILITIES WITH DIVERSIONAL THERAPIST IN PROGRAMMING SUPPORT, COMPANIONSHIP, RECORD KEEPING, CATERING, CLEANING AND ADMINISTRATION.	3
DEVELOPING AND CREATING CHILDREN'S STORYBOOKS WHICH WILL BE DEVELOPED INTO AN INTERACTIVE CD ROM	12
ASSISTING COMMUNITY SERVICES THROUGH ADMINISTRATION AND INFORMATION TECHNOLOGY SUPPORT, CUSTOMER SERVICE, CHILD CARE, BUILDING AND GARDEN MAINTENANCE, TEACHER SUPPORT AND RETAIL DUTIES.	5
ASSIST WITHIN THE EDUCATION SECTOR IN GENERALIST OR SPECIALIST CLASSROOM SUPPORT, ART ROOM, MUSIC PROGRAM, SPORT, GYM, DRAMA OR DANCE SUPPORT ROLES. LIBRARY ASSISTANCE SUCH AS SHELVING, SORTING, REPAIRS, STOCK TAKE AND ASSISTING STUDENTS. COMPUTER MAINTENANCE AND SUPPORT, OFFICE ADMINISTRATION INCLUDING DATA ENTRY, RECEPTION, COPYING, FILING AND ACCOUNTS. ALSO OUTDOOR GROUNDS WORK.	2
DEVELOP A COMMUNITY NEWSLETTER CONTAINING RELEVANT INFORMATION ON HOW TO ACCESS COMMUNITY SERVICES	12
PARTICIPANTS WILL ASSIST IN THE MAINTENANCE AND EXPANSION OF THE GARDEN OF AN AREA NURSING HOME	5
PARTICIPANTS WILL ASSIST WITH A RANGE OF TASKS INCLUDING LANDSCAPING (PLANTING TREES AND PLANTS), LAND CARE (WATER CONSERVATION, IDENTIFICATION AND ERADICATION OF NOXIOUS WEEDS) AND BUILDING/CONSTRUCTION (BUILDING RETAINING WALLS AND PAINTING) AT A NUMBER OF NOT-FOR-PROFIT GOLF COURSES THROUGHOUT THE NORTH WEST.	3
PARTICIPANTS WILL BE INVOLVED IN A RANGE OF ARTISTIC DECORATIVE WORK INCLUDING PAINTING ABORIGINAL ART MURALS	8
PARTICIPANTS WILL BE INVOLVED IN ADMINISTRATIVE DUTIES, RESEARCH AND DESKTOP PUBLISHING WORK EXPERIENCE	15
PARTICIPANTS WILL ASSIST IN THE PROVISION OF MATERIAL AID AND FOOD PARCELS FOR DISADVANTAGED FAMILIES.	10
THE PROJECT WILL INVOLVE GROWING AND HARVESTING VEGETABLES FOR DISTRIBUTION TO ORGANISATIONS HELPING NEEDY PEOPLE.	8
WEST MELBOURNE ESA	
WORK EXPERIENCE IN COMMUNITY ORGANISATIONS IN CLASSROOM AIDE, ADMINISTRATION ASSISTANT AND LIBRARY ASSISTANT	7
WORK EXPERIENCE IN ADMINISTRATION, CLASSROOM AIDE, LIBRARY ASSISTANT AND OUTDOOR MAINTENANCE AND GROUNDS KEEPING DUTIES.	7
INDUSTRY SPECIFIC ACTIVITIES	
PARTICIPANTS WILL BE WORKING IN EARLY CHILDHOOD EDUCATION SETTINGS AND WILL WORK ALONGSIDE STAFF	2
2003-2004	
NORTH WEST ESA	
ASSIST IN CHILDCARE CENTRES AND OTHER EARLY CHILDHOOD SUPPORT AGENCIES WITH CARE OF CHILDREN, PREPARING MEALS, ASSISTING WITH GAMES, ACTIVITIES AND OUTINGS, CLEANING AND ADMINISTRATIVE SUPPORT.	2
EXPERIENCE IN A NURSERY AND PACKAGING WITHIN A FACTORY ENVIRONMENT	10

Activity Description	Places
2001-2002	
ASSIST COMMUNITY ORGANISATIONS IN ADMINISTRATION, INFORMATION TECHNOLOGY SUPPORT, RECEPTION DUTIES, CHILD AND AGED CARE, TEACHERS AID, BUILDING AND GARDEN MAINTENANCE.	7
PARTICIPANTS WILL BE INVOLVED IN THE PLANNING, DEVELOPMENT AND BEAUTIFICATION OF THE GROUNDS OF A LOCAL PRIMARY SCHOOL.	8
WORK EXPERIENCE IN ALL ASPECTS OF OFFICE ADMINISTRATION IN NOT-FOR PROFIT ORGANISATIONS.	3
RESEARCH AND CREATION OF COMPUTER GENERATED DESIGNED LOGOS AND SILK SCREEN PRINTING ONTO CLOTHING/GARMENTS.	12
PARTICIPANTS WILL BE INVOLVED IN BASIC SERVICING, REPAIR, UPGRADING AND NETWORKING OF COMPUTER EQUIPMENTS.	15
PARTICIPANTS WILL DESIGN AND CREATE WALL DECORATIONS TO COMPLEMENT BED QUILTS ALREADY MADE FOR AN ORGANISATION.	4
THIS PROJECT WILL PROVIDE LUNCHES FOR DISADVANTAGED PEOPLE LIVING IN THE AREA. LEARN FOOD HANDLING AND SOME COOKING SKILLS	10
PARTICIPANTS WILL BE PLACED IN COMMUNITY BASED ORGANISATIONS TO ENHANCE AND PRACTICE THEIR ADMINISTRATION AND INFORMATION TECHNOLOGY SKILLS	5
PARTICIPANTS WILL BE PLACED IN A RANGE OF WORK EXPERIENCE OPPORTUNITIES INCLUDING ADMINISTRATION, GARDENING OR CLASSROOM AIDE DUTIES	4
PARTICIPANTS WILL BE CREATING AND PRODUCING CHILDREN'S STORY BOOKS THAT WILL BE DEVELOPED INTO AN INTERACTIVE CD ROM	12
PARTICIPANTS WILL GAIN HANDS ON WORK EXPERIENCE WORKING WITH LOCAL COMMUNITY ORGANISATIONS IN AN OFFICE ENVIRONMENT	5
PARTICIPANTS WILL GAIN HANDS ON WORK EXPERIENCE IN GARDENING AND PAINTING	4
PARTICIPANTS WILL UNDERTAKE A RANGE OF OUTDOOR JOBS WHICH INCLUDE BUILDING MAINTENANCE, PAINTING, GARDENING AND LANDSCAPING	5
PARTICIPANTS WILL CREATE A DIRECTORY OF LOCAL ORGANISATIONS THAT CAN ASSIST JOBSEEKERS	15
THE ACTIVITY WILL INCLUDE THE DEVELOPMENT AND MAINTENANCE OF LANDSCAPE WITHIN THE SEABROOK RESERVE	15
PARTICIPANTS WILL ASSIST IN THE DESIGN, MAINTENANCE AND EXPANSION OF THE GARDEN OF AN AREA NURSING HOME	5
CREATING AND PRODUCING AN INTERACTIVE CD ROM FOR CRAIGIEBURN HISTORICAL SOCIETY AND DISTRICT AMBULANCE COMMITTEE.	12
INDIVIDUAL PLACEMENTS IN COMMUNITY ORGANISATIONS SUPPORTING ADMIN, MAINTENANCE, HORTICULTURE, EDUCATION, IT.	2
PARTICIPANTS WILL BE PLACED IN INDIVIDUAL CHILDCARE CENTRES AND OTHER AGENCIES THAT DELIVER EARLY-CHILDHOOD SUPPORT	2
THE PROJECT OFFERS A CHOICE OF WORK EXPERIENCE IN COMPUTING, OFFICE WORK, GARDENING, ART AND SCIENCE AND MAINTENANCE	2
PARTICIPANTS WILL ASSIST IN THE PROVISION OF MATERIAL AID, CLOTHING, FURNITURE AND FOOD PARCELS TO DISADVANTAGED PEOPLE	10

Activity Description	Places
2001-2002	
WEST MELBOURNE ESA	
THIS PROJECT WILL PROVIDE EXPERIENCE IN CHILD CARE AND ADMINISTRATION, CLASSROOM AND LIBRARY SUPPORT, MAINTENANCE AND GROUNDS WORK.	2
“QUALITY VOCATIONAL WORK EXPERIENCE WITHIN ESTABLISHED OFFICE ENVIRONMENTS”	2
THIS PROJECT OFFERS PARTICIPANTS THE CHANCE TO GAIN WORK EXPERIENCE, SKILLS AND TRAINING WITHIN THE EDUCATION SECTOR	2
INDUSTRY SPECIFIC ACTIVITIES	
ASSIST STAFF IN EARLY CHILDHOOD EDUCATION SETTINGS. TASKS INCLUDE PREPARING MATERIALS, ORGANISING PLAY ACTIVITIES, SUPERVISING CHILDREN, GENERAL CLEANING, FOOD PREPARATION, ASSIST WITH DAILY ROUTINES AND BASIC ADMINISTRATION AND GARDENING	1
ASSIST STAFF IN EARLY CHILDHOOD EDUCATION SETTINGS. TASKS INCLUDE PREPARING MATERIALS, ORGANISING PLAY ACTIVITIES, SUPERVISING CHILDREN, GENERAL CLEANING, FOOD PREPARATION, ASSIST WITH DAILY ROUTINES AND BASIC ADMINISTRATION AND GARDENING	1
ASSIST STAFF IN EARLY CHILDHOOD EDUCATION SETTINGS. TASKS INCLUDE PREPARING MATERIALS, ORGANISING PLAY ACTIVITIES, SUPERVISING CHILDREN, GENERAL CLEANING, FOOD PREPARATION, ASSIST WITH DAILY ROUTINES AND BASIC ADMINISTRATION AND GARDENING	1
ASSIST STAFF IN EARLY CHILDHOOD EDUCATION SETTINGS. TASKS INCLUDE PREPARING MATERIALS, ORGANISING PLAY ACTIVITIES, SUPERVISING CHILDREN, GENERAL CLEANING, FOOD PREPARATION, ASSIST WITH DAILY ROUTINES AND BASIC ADMINISTRATION AND GARDENING	1
PARTICIPANTS WILL BE WORKING IN EARLY CHILDHOOD EDUCATION SETTINGS AND WILL WORK ALONGSIDE STAFF	1
PARTICIPANTS WILL BE WORKING IN EARLY CHILDHOOD EDUCATION SETTINGS AND WILL WORK ALONGSIDE STAFF	1
PARTICIPANTS WILL BE WORKING IN EARLY CHILDHOOD EDUCATION SETTINGS AND WILL WORK ALONGSIDE STAFF	1
PARTICIPANTS WILL BE WORKING IN EARLY CHILDHOOD EDUCATION SETTINGS AND WILL WORK ALONGSIDE STAFF	1
PARTICIPANTS WILL BE WORKING IN EARLY CHILDHOOD EDUCATION SETTINGS AND WILL WORK ALONGSIDE STAFF	1

Employment: Australian JobSearch

(Question No. 3223)

Mr Brendan O'Connor asked the Minister for Employment Services, upon notice, on 2 March 2004:

- (1) Are there guidelines for the maximum response times to complaints made about the Australian Jobsearch (AJS) website online to ajs@dewr.gov.au; if so, how many responses have exceeded these guidelines; if not, why not.
- (2) Is he aware of any complaints made by job seekers unable to access jobs advertised on the AJS website because they are not eligible for a Job Network card.

- (3) Is it the Government's intention to restrict the job prospects of full-time students by denying them the opportunity to access certain jobs on the AJS website.
- (4) Can he confirm that full-time students are ineligible for a Job Network card; if so, is it the Government's intention to encourage students to leave school before applying for a job or Apprenticeship.

Mr Brough—The answer to the honourable member's question is as follows:

- (1) The Department of Employment and Workplace Relations aims to respond to emails received at ajs@dewr.gov.au generally within 48 hours. This facility is not a dedicated complaints line and also deals with general job search queries and comments and suggestions about the Australian JobSearch website. The department does not have statistics on the total number of responses that have exceeded this timeframe but estimates between 90-95% of emails are responded to within 48 hours.
- (2) Yes. From time to time, a small number of complaints are received from persons who are not eligible for publicly funded Job Network services.
- (3) and (4) The Government's intention is to encourage young people to stay at school to Year 12 in education or a school-based vocational programme or New Apprenticeship. Students may register with Job Network for assistance in accessing Traineeship or Apprenticeship positions. Year 12 school leavers who may be considering further study but have not received confirmation of acceptance into further study are also eligible to register with Job Network. Young people up to age 21 who have completed their full-time study are eligible for full Job Network services and do not have to be receiving a qualifying income support payment.

Other than this, students undertaking a long term course of full-time study are not normally eligible for publicly funded Job Network services concurrent with their study commitments. Interested persons who are not Job Network eligible can use the JobSearch website directly to seek out a wide range of job leads, to create their own resume for consideration by interested employers and recruiters, and to access the JobJuice youth site (www.jobjuice.gov.au) for information about careers, job prospects, apprenticeship and training opportunities and links to other relevant sites and resources.

National Security: Terrorism

(Question No. 3261)

Mr McClelland asked the Attorney-General, upon notice, on 4 March 2004:

- (1) Is he aware of an article published in *The Australian* on 18 February 2004 entitled 'New review of terrorist defences'.
- (2) In respect of the review referred to in the article, (a) when and by whom was the decision to conduct this review taken, (b) by whom will the review be conducted, (c) when will it commence, (d) what is the budget for the review, (e) what are the terms of reference, and (f) when will the report of the review be delivered to the Government.

Mr Ruddock—The answer to the honourable member's question is as follows:

- (1) Yes.
- (2) (a) In July 2002, the National Counter-Terrorism Committee (NCTC) commissioned Deloitte Consulting to conduct an analysis of the national counter-terrorism arrangements to identify any gaps in Australia's capability. The report identified a number of key issues that required further development.

The NCTC is now conducting a further review to assess the progress against the issues identified as requiring further development.

- (b) The review is being conducted by Mr Rein Mere of The RM Company.
- (c) The review commenced in December 2003.
- (d) The NCTC budgeted \$250,000 for the review. The actual cost is expected to be approximately \$160,000 including travel and expenses.
- (e) The terms of reference for the review are to:
- assess progress against the key findings of the Counter-Terrorism Capability Assessment Review conducted in 2002, and
 - identify any emerging issues that affect the national counter-terrorism capability.
- (f) A draft report is expected to be presented to the NCTC Executive Committee meeting in late April 2004. The final report is expected to be presented to the NCTC meeting in May 2004.

Employment: Interim Outcomes

(Question No. 3268)

Mr Albanese asked the Minister for Employment Services, upon notice, on Thursday, 4 March 2004:

How many interim outcomes were paid between (a) 1 July 2001 and 7 November 2001, and (b) 1 July 2002 and 7 November 2002?

Mr Brough—The answer to the honourable member's question is as follows:

(a) Between 1 July 2001 and 7 November 2001, a total of 30,752 Interim Outcomes were paid, and; (b) between 1 July 2002 and 7 November 2002, a total of 40,625 Interim Outcomes were paid.

Chifley Electorate: Family Tax Benefit

(Question No. 3276)

Mr Price asked the Minister representing the Minister for Family and Community Services, upon notice, on 8 March 2004:

- (1) For each year of the Family Tax Benefit system's operation, how many families and/or individuals in the electoral division of Chifley (a) in total, and (b) as a proportion of all Family Tax Benefit recipients in the electoral division of Chifley, have an outstanding debt to the Commonwealth due to the overpayment of the Family Tax Benefit.
- (2) For the electoral division of Chifley, what is the (a) total amount of Family Tax Benefit debt, (b) average amount of debt per family, and (c) average income of the families and/or individuals that have incurred a debt.
- (3) For each year of the Family Tax Benefit system's operation, how many Family Tax Benefit debts in the electoral division of Chifley (a) have been referred to debt collectors, and (b) are currently with debt collectors.
- (4) For each year of the Family Tax Benefit system's operation, how many families and/or individuals in the electoral division of Chifley who have incurred a Family Tax Benefit debt chose to repay their debt with a credit card.

Mr Anthony—The Minister for Family and Community Services has provided the following answer to the honourable member's question:

- (1) (a) For each year of the Family Tax Benefit system's operation, the number of families and individuals in the electoral division of Chifley with outstanding Family Tax Benefit overpayments arising from end of year reconciliation as at 27 January 2004 is as follows:

- (i) 2000-2001: 47
(ii) 2001-2002: 165
(iii) 2002-2003: 219

- (2) For the electoral division of Chifley, the (a) total amount of Family Tax Benefit overpayment, (b) average amount of overpayment per family, and (c) average income of the families and individuals that have incurred an overpayment as at 26 December 2003 is as follows:

Financial year	(a) Total amount of FTB debt	(b) Average amount of overpayment per family	(c) Average actual family income per customer
2000-2001	\$5.6m. Recovery of \$3.2m was waived under transitional waiver provisions.	Average: \$906.34 Waived: \$524.01	Average: \$48 327
2001-2002	\$5.4m	Average: \$937.58	Average: \$48 726
2002-2003	\$3.7m	Average: \$870.49	Average: \$48 488

- (3) (b) For each year of the Family Tax Benefit system's operation, the number of Family Tax Benefit overpayments in the electoral division of Chifley which are currently with debt collectors is as follows:

Financial year	
2000-2001	0
2001-2002	2
2002-2003	2

Please note that for items 1(b), 3(a) and (4), information is not readily available and to provide such information would require the expenditure of significant resources.

**Aviation: Sydney (Kingsford Smith) Airport
(Question No. 3280)**

Mr Murphy asked the Minister for Transport and Regional Services, upon notice, on 9 March 2004:

- (1) Did the Assistant Secretary, Airport Planning and Regulation, Department of Transport and Regional Services write a letter to the Chair of the Sydney Airport Community (Consultative) Forum in February 2004 titled "Sydney Airport Air Traffic Forecasts".
- (2) Can he confirm that the letter says that while forecasts such as that by the Centre for Asia Pacific Aviation can be useful for certain purposes, it notes that the forecast addresses a relatively broader aviation setting and for this reason cannot be meaningfully related to the air traffic forecasts in the Sydney Airport Corporation's draft master plan.
- (3) Does the Sydney Airport Preliminary Draft Master Plan (PDMP) 03/04 prepared by the Sydney Airport Corporation state that the International Air Transport Association's (IATA) passenger forecasts show growth from 26.4 million passengers in 2000/2001 to 68.3 million passengers in 2023/24; if so, is this forecast meaningful to the Sydney Airport PDMP.
- (4) Does the Summary of the Environmental Impact Statement for Proposed Second Sydney Airport at Badgerys Creek 1999 state that (a) Sydney Airport will reach capacity in the latter part of the next decade thus a second airport will be needed to handle 10 million passengers per year about ten years after it opens; if so, can this forecast be meaningfully related to the PDMP and, if it cannot, what new evidence is available in the PDMP report that contradicts this forecast, (b) expansion of Sydney Airport is constrained by the airport's layout and by off-site residential and commercial developments; if so, can this conclusion be meaningfully related to the PDMP and, if it cannot, what new evidence is available in the PDMP report that contradicts it, and (c) it is doubtful that a

fourth runway would add greatly to the capacity of Sydney Airport given the current statutory limitation of eighty movements per hour; if so, is this opinion by consultants PPK Environment & Infrastructure meaningfully relevant to the PDMP and, if it is not, why not.

- (5) What has changed in the forecasts between the 1999 Environmental Impact Statement for the proposed second Sydney Airport and the 2003 Sydney Airport PDMP leading to the conclusion that a second airport is not required.
- (6) Can it be concluded that the 1999 report was wrong in its assessments; if so, why; if not, why not.

Mr Anderson—The answer to the honourable member's question is as follows:

(1), (2) & (3) Yes.

- (4), (5) & (6) The 1999 Environmental Impact Statement for the Second Sydney Airport Proposal (1999 EIS) contained scenarios of when Sydney Airport might reach capacity and when a second major airport might be needed, which were based on the demand forecasts and the aviation environment that existed at that time. The scenarios assumed that the capacity of Sydney Airport would be determined by the number of aircraft that could be handled in the peak hours rather than by the number of passengers that could be processed. Using different assumptions in relation to trends in aircraft size and loadings resulted in different estimates of when the capacity of Sydney Airport might be reached. The 1999 EIS acknowledged that the timing of when Sydney Airport might reach capacity could be extended further than in the scenarios presented through action by the airlines to use larger aircraft and to increase load factors. The capacity criterion used in the scenarios was based on a five hour morning peak period and reflected the aircraft movement cap of 80 per hour.

The now approved Sydney Airport Master Plan notes that the terrorist attacks of September 2001 and the collapse of Ansett resulted in a structural change in aviation activity at Sydney Airport, which was more significant for aircraft movements than for passengers. Aircraft movements in 2001/02 were lower than in any of the preceding seven years and are not expected to recover to the level of 2000/01 until later this decade. The Master Plan forecasts that aircraft movements will grow at a slower rate than passenger numbers because of trends towards the use of larger aircraft with greater seating capacities.

The reduction in aircraft movements in 2001/02 together with the latest forecast aircraft movement growth rate results in a significantly reduced longer term level of aircraft movements in the Sydney Airport Master Plan (412,000 annual movements in 2023/24) compared with the 1999 EIS (480,000 movements in 2021/22). When the forecast aircraft movement hourly profile for a "busy day" in 2023/24 is considered, the Master Plan shows that aviation demand can still be accommodated at Sydney Airport within the cap of 80 aircraft movements per hour without the need for a second airport.

Centrelink: Certificate of Residence

(Question No. 3286)

Mr Laurie Ferguson asked the Minister for Citizenship and Multicultural Affairs, upon notice, on 10 March 2004:

- (1) How many New Zealand citizens (a) have been residing in Australia since prior to 26 February 2001, (b) commenced residing in Australia between 26 February 2001 and 25 May 2001, and (c) commenced residing in Australia after 25 May 2001.
- (2) How many New Zealand citizens who commenced residing in Australia between 26 February 2001 and 25 May 2001 have obtained a Certificate of Residence from Centrelink.
- (3) What documentary evidence of permanent residence does each group of New Zealand citizens referred to above have to provide his department in order to apply for Australian citizenship.

Mr Hardgrave—The answer to the honourable member's question is as follows:

- (1) (a) The stock estimate of New Zealand citizens in Australia at 26 February 2001 was 442,863.
(b) There were 10,814 New Zealand citizen settler arrivals to Australia between 26 February 2001 and 25 May 2001.
(c) There were 48,517 New Zealand citizen settler arrivals to Australia from 26 May 2001 to 31 December 2003.
- (2) Centrelink has advised that they have issued approximately 7,500 Certificates of Residence in total, of which over 80 per cent were issued to New Zealand citizens who commenced residing in Australia during the transition period of 27 February 2001 to 25 May 2001 inclusive.
- (3) The documentation required as evidence of permanent residence by the New Zealand citizen applicants for Australian citizenship referred to in part (3) above is:
 - For New Zealand citizens referred to in part (1)(a) above, their New Zealand passport showing that they were in Australia on 26 February 2001 as a Special Category Visa holder, or that they are a permanent resident visa holder;
 - For New Zealand citizens referred to in part (1)(b) above, a certificate, issued under the Social Security Act 1991, (a "Centrelink Certificate") stating that the person was, for the purposes of that Act, residing in Australia on a particular date;
 - For New Zealand citizens referred to in part (1)(c) above, their New Zealand passport showing that they are a permanent resident visa holder.

Employment: Job Network Access Centres

(Question No. 3296)

Mr Albanese asked the Minister for Employment Services, upon notice, on 10 March 2004:

What are the functions of Job Network Access Centres.

Mr Brough—The answer to the honourable member's question is as follows:

The term "Job Network Access Centres" refers to the Employment Self-Help facilities provided through Centrelink Customer Service Centres under Employment Services Contract 2 arrangements. Under the Active Participation Model, new touchscreen kiosks and telephony have been provided to Job Network members and Centrelink offices to assist job seekers look for jobs.

Shipping: Transport Containers

(Question No. 3299)

Mr McClelland asked the Minister representing the Minister for Justice and Customs, upon notice, on 10 March 2004:

Further to the answer to question No. 2511 (*Hansard*, 10 February 2004, page 24187), will the Minister provide the same information in respect of all other Australian ports through which import containers pass.

Mr Ruddock—The Minister for Justice and Customs has provided the following answer to the honourable member's question:

- (a), (b) The following import container figures are for the 2002/03 financial year.

Port	State	Loaded TEU		Empty TEU		Total	
		Per Year	Per Day	Per Year	Per Day	Per Year	Per Day
Burnie	Tas.	177	*	86	*	263	*
Cairns	Qld	652	2	3,633	10	4285	12
Dampier	WA	60	*	0	0	60	*
Darwin	NT	3,002	8	745	2	3747	10
Hobart	Tas.	422	1	0	0	422	1
Port Pirie	SA	10	*	106	*	116	*
Rockhampton	Qld	230	*	0	0	230	*

* The number of containers that pass through lower volume ports on a daily basis can vary significantly and therefore any figures provided would be arbitrary.

- Figures are from various Customs sources and local port authority statistics.
- The industry standard is to record container statistics in twenty foot equivalent (TEU) unit terms rather than the actual number of containers. Most international containers are either 20 ft (1 TEU) or 40 ft (2 TEUs). On average, the number of containers is equivalent to 75 per cent of the number of TEUs.
- No containers were imported into Abbot Point, Albany, Ardrossan Wallaro, Ballina, Bowen, Broome, Bundaberg, Cape Cuvier, Cape Flattery, Carnarvon, Coffs Harbour, Devonport, Eden, Esperance, Exmouth, Geraldton, Gove, Grafton, Grassy, Groote Eylandt, Innisfail, Karumba, Klein Point, Lord Howe Island, Lucinda, Mackay, Mourilyan, Naracoopa, Port Augusta, Port Bonython, Port Giles, Port Lincoln, Port Stanvac, Port Walcott, Quintell Beach, Skardon River, Southport, Spring Bay, Stanley, Thevenard, Thursday Island, Trial Bay, Wallaroo, Weipa, Welshpool, Westernport, Whyalla, Wyndham, Yamba or Yampi Sound.

(2) (a), (b) All cargo imported to Australia, including containerised cargo, is screened by Customs. In order to manage examination resources effectively, decisions to examine cargo are based on risk assessment.

Variation in cargo examination rates occur because cargo is categorised into different risk types, having regard for factors such as the nature of the cargo, the consignee, the consignor and their importing history. In some regional ports a significant proportion of containerised imports is for well established trading relationships and a high inspection rate is not warranted.

- Container examinations for the 2002/03 financial year are as follows:
- In Burnie, 31 containers were physically examined.
- In Cairns, two (2) containers were physically examined.
- In Dampier, six (6) containers were physically examined.
- In Darwin, 38 containers were physically examined.
- In Hobart, 67 containers were physically examined.
- Containers imported into Rockhampton and Port Pirie were screened but were not selected for X-ray or for physical examination.

Australian Customs Service: X-ray Facilities

(Question No. 3300)

Mr McClelland asked the Minister representing the Minister for Justice and Customs, upon notice, on 10 March 2004:

- (1) In respect of each container x-ray facility at the ports of (a) Melbourne, (b) Sydney, (c) Brisbane, and (d) Fremantle, (i) how much did it cost to construct each facility, (ii) will the Minister list the contracts involved in the construction of each facility, giving the party name and contract amount, and (iii) how much has it cost to operate each facility in each financial year since it commenced operation.

- (2) In respect of each pallet x-ray facility at the ports of (a) Sydney, (b) Adelaide, (c) Brisbane and (d) Perth announced in the 2002-2003 Budget, (i) how much did it cost to construct each facility, (ii) will the Minister list the contracts involved in the construction of each facility, giving the party name and contract amount, and (iii) how much has it cost to operate each facility in each financial year since it commenced operation.

Mr Ruddock—The Minister for Justice and Customs has provided the following answer to the honourable member's question:

- (1) The Melbourne, Sydney and Brisbane facilities were purpose built for Customs. The Fremantle facility was an existing warehouse that was refurbished.

(a) Melbourne

(i) The land is leased from the Melbourne Ports Corporation. The total cost of the construction has been amortised over the term of the lease thus Customs will own the improvements after 10 years.

(ii) Contracts involved in the design and construction of the facility were:

- (a) Jones Lang LaSalle for project management services at a cost of \$98,000
- (b) GHD Pty Ltd for construction management services at a cost of \$304,997
- (c) The total cost of the construction has been amortised over the lease period.

(iii) The costs to operate the Melbourne facility, including lease costs, from commencement on 9 December 2002 were:

2001-2002	\$166,500
2002-2003	\$3,230,000 (full operating costs commenced in November 2002)
2003- Feb 2004	\$3,832,000

(b) Sydney

(i) The land is leased from the Sydney Ports Corporation and the building is leased from Braithwaite Property Pty Ltd. The total cost of the construction has been amortised over the term of the lease thus Customs will own the improvements after 10 years.

(ii) Contracts were with:

- (a) Jones Lang LaSalle for the project management services at a cost of \$74,250
- (b) GHD Pty Ltd for the design and construction management at a cost of \$120,710
- (c) National Property Investments for construction of the facility at a cost of \$1,000,000 and site remediation at a cost of \$1,750,000. Ongoing mediation is occurring about the remediation costs and a proportion of these could be recouped. The total cost of the construction has been amortised over the lease period.

(iii) The costs to operate the Sydney facility, including lease costs, from commencement on 3 February 2003 were:

2002-2003	\$2,867,000
2003-Feb 2004	\$3,628,000

(c) Brisbane

(i) The land and the building are leased from Port of Brisbane Corporation. The fit out costs for the facility were approximately \$1 million.

(ii) Contracts involved in the design and construction management were:

- (a) Jones Lang LaSalle for the project management services at a cost of \$95,000

- (b) GHD Pty Ltd for the design and construction management services at a cost of \$18,650
- (iii) The costs to operate the Brisbane facility, including lease costs, from commencement on 28 March 2003 were:

2002-2003	\$747,000
2003-Feb 2004	\$1,491,000
- (d) Fremantle
 - (i) The land and the building are leased from the Fremantle Port Authority.
 - (ii) Contracts involved in the design and refurbishment of the facility were:
 - (a) Jones Lang LaSalle for project management at a cost of \$84,000
 - (b) GHD Pty Ltd for design and construction management at a cost of \$196,458
 - (c) Cooper and Oxley for refurbishment and fit out at a cost of \$3,500,000
 - (iii) The costs to operate the Fremantle facility from commencement on 24 November 2003 were:

2003-Feb 2004	\$638,000
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- (2) The pallet X-ray machine in:
 - (a) Sydney is located within the container examination facility. No specific facility was constructed for the pallet X-ray.
 - (b) Adelaide has been ordered and is expected to be delivered in September 2004. Customs is currently in lease negotiations for a site for a smaller container examination facility in Adelaide
 - (c) and d) Brisbane and Perth have also been ordered and are expected to be delivered in September 2004. When purchased the Brisbane pallet X-ray and Perth pallet X-ray will be located within the respective container examination facility.

Shipping: International Ship and Port Facility Security Code

(Question No. 3302)

Mr McClelland asked the Minister for Transport and Regional Services, upon notice, on 10 March 2004:

In respect of the capital and expense measures announced in the 2003-2004 Budget for the implementation of the International Ship and Port Facility Security Code:

- (a) what sum has been spent to date,
- (b) what sum has been spent on staff for his department,
- (c) what sum has been spent on consultancies,
- (d) will he list the contracts, giving the party name and contract amount, and
- (e) on what else have funds been spent.

Mr Anderson—The answer to the honourable member's question is as follows:

- (a) \$3.885m has been spent as of 31 March 2004.
- (b) \$2.770m has been spent on staff in the Department of Transport and Regional Services.
- (c) As of 31 March 2004, \$0.051m has been spent on consultancies.
- (d) SMS Management and Technology – Selection of Incident Management System and Implementation Project Management - \$71,360.

- (e) The remaining funds have been spent on:
- supplier costs, such as overheads, travel and expenses for meetings with states and industries;
 - building fit out; and
 - Incident Management System.

Shipping: Foreign Flagged Vessels

(Question No. 3303)

Mr McClelland asked the Minister for Transport and Regional Services, upon notice, on 10 March 2004:

- (1) For the (a) 2001-2002, (b) 2002-2003, and (c) 2003-2004 financial year, (i) how many foreign-flagged vessels have stopped at Australian ports, (ii) how many reports were made of persons missing from these vessels, (iii) how many persons did these reports concern, and (iv) how many vessels did these reports concern.
- (2) On what dates, at which ports and from which vessels were persons reported missing.
- (3) How many of the vessels referred to were operating under (a) a licence to participate in the coasting trade, (b) a single voyage permit, and (c) a continuing voyage permit.

Mr Anderson—The answer to the honourable member's question is as follows:

- (1) (a) (i) Data from Lloyd's Maritime Information Unit shows that 3152 different foreign-flagged vessels made 17,169 calls at Australian ports in 2001-2002.
 - (ii) Information from the Department of Immigration and Multicultural and Indigenous Affairs indicates there were 32 reports of persons missing from these vessels in 2001-02.
 - (iii) Those reports concerned 44 persons in 2001-02.
 - (iv) Those reports concerned 31 vessels in 2001-02.
 - (b) (i) Data from Lloyd's Maritime Information Unit shows that 3156 different foreign-flagged vessels made 17,937 calls at Australian ports in 2002-2003.
 - (ii) Information from the Department of Immigration and Multicultural and Indigenous Affairs indicates there were 26 reports of persons missing from these vessels in 2002-03.
 - (iii) Those reports concerned 36 persons in 2002-03.
 - (iv) Those reports concerned 25 vessels in 2002-03.
 - (c) (i) For 2003-04, comparable figures are not yet available.
 - (ii) Information from the Department of Immigration and Multicultural and Indigenous Affairs indicates there were 15 reports of persons missing from these vessels in the period 1 July 2003 to 29 January 2004.
 - (iii) Those reports concerned 23 persons in the period 1 July 2003 to 29 January 2004.
 - (iv) Those reports concerned 15 vessels in the period 1 July 2003 to 29 January 2004.
- (2) The dates on which persons were reported missing, together with the relevant ports and vessel names, are tabulated below for the years 2001-02 and 2002-03, and for the period 1 July 2003 to 29 January 2004.

Date Deserted	Place Deserted	Vessel
12-Jul-01	Port Adelaide	<i>Iran Jamal</i>
12-Jul-01	Port Adelaide	<i>Iran Jamal</i>
12-Jul-01	Port Adelaide	<i>Iran Jamal</i>
14-Jul-01	Fremantle	<i>Danny F II</i>

Date Deserted	Place Deserted	Vessel
21-Jul-01	Mackay	<i>Stonegate</i>
21-Jul-01	Mackay	<i>Stonegate</i>
01-Aug-01	Townsville	<i>Niugini Coast</i>
02-Aug-01	Sydney Airport	<i>Pina Prima</i>
15-Aug-01	Brisbane Airport	<i>Capitain D'Urville</i>
21-Aug-01	Fremantle	<i>Al Khaleej</i>
21-Aug-01	Fremantle	<i>Al Khaleej</i>
05-Sep-01	Townsville	<i>Ulcas</i>
02-Oct-01	Newcastle	<i>Pacific Guardian</i>
05-Oct-01	Sydney	<i>Mumbai</i>
05-Oct-01	Sydney	<i>Mumbai</i>
21-Oct-01	Geelong	<i>Iran Gilan</i>
06-Nov-01	Wollongong	<i>Amberhal</i>
10-Nov-01	Newcastle	<i>MV 29Ekim</i>
15-Nov-01	Wollongong	<i>MV Sattar</i>
15-Nov-01	Wollongong	<i>MV Sattar</i>
20-Nov-01	Fremantle	<i>Al Kuwait</i>
29-Nov-01	Brisbane	<i>British Skill</i>
30-Nov-01	Fremantle	<i>Al Messilah</i>
01-Jan-02	Mackay	<i>Angelic</i>
01-Jan-02	Port Kembla	<i>Ansac Ace</i>
02-Jan-02	Mackay	<i>Bianca</i>
05-Jan-02	Port Kembla	<i>Ansac Ace</i>
27-Jan-02	Esperance	<i>Iran Khorasan</i>
04-Feb-02	Geelong	<i>Best Pescadore</i>
07-Feb-02	QLD	<i>Seaborn Sun</i>
25-Feb-02	Sydney	<i>Sea Jewel</i>
26-Feb-02	Port Lincoln	<i>Iran Eshragi</i>
26-Feb-02	Port Lincoln	<i>Iran Eshragi</i>
03-Mar-02	Gladstone	<i>New Forest</i>
09-Apr-02	Geelong	<i>Edfu</i>
09-Apr-02	Geelong	<i>Edfu</i>
19-Apr-02	Newcastle	<i>Agios Nektarios</i>
19-Apr-02	Newcastle	<i>Agios Nektarios</i>
20-Apr-02	Mackay	<i>MV Irfon</i>
05-May-02	Portland	<i>Fortuna Australia</i>
20-May-02	Brisbane	<i>Fua Kavenga</i>
04-Oct-02	Melbourne	<i>Ching Ho</i>
29-Oct-02	Brisbane	<i>MV Nicolai Maersk</i>
31-Oct-02	Newcastle	<i>Koyomaru</i>

Date Deserted	Place Deserted	Vessel
03-Nov-02	Melbourne	<i>MOL Golden Wattle</i>
03-Nov-02	Melbourne	<i>MOL Golden Wattle</i>
24-Nov-02	Sydney	<i>Olivia</i>
24-Nov-02	Sydney	<i>Olivia</i>
26-Nov-02	Port Hedland	<i>Stonegate</i>
27-Nov-02	Sydney	<i>Capitaine Tasman</i>
29-Dec-02	Melbourne	<i>Capitaine Tasman</i>
11-Jan-03	Newcastle	<i>Stone Gemini</i>
11-Jan-03	Newcastle	<i>Stone Gemini</i>
11-Jan-03	Newcastle	<i>Stone Gemini</i>
11-Jan-03	Bunbury	<i>Teng Fai Hai</i>
18-Jan-03	Gladstone	<i>Guang Zhong</i>
19-Jan-03	Fremantle	<i>Ocean Breeze</i>
25-Jan-03	Weipa	<i>Kimoliatis</i>
25-Jan-03	Weipa	<i>Kimoliatis</i>
25-Jan-03	Weipa	<i>Kimoliatis</i>
23-Feb-03	Port Walcott (WA)	<i>Waterford</i>
24-Feb-03	Port Adelaide	<i>Maritime Master</i>
16-Mar-03	Port Hedland	<i>Serife</i>
09-Apr-03	Newcastle	<i>Stone Gemini</i>
09-Apr-03	Newcastle	<i>Stone Gemini</i>
20-Apr-03	Port Adelaide	<i>Top Reliance</i>
24-Apr-03	Hay Point (QLD)	<i>Iran Hamadad</i>
27-Apr-03	Fremantle	<i>Superstar Virgo</i>
04-May-03	Fremantle	<i>Superstar Virgo</i>
13-May-03	Fremantle	<i>Al Messilah</i>
17-May-03	Brisbane	<i>Zetland</i>
18-May-03	Brisbane	<i>OOCL Harmony</i>
01-Jun-03	Dampier	<i>Heythrop</i>
04-Jun-03	Newcastle	<i>Great Bright</i>
07-Jun-03	Fremantle	<i>Mar de Maria</i>
07-Jun-03	Fremantle	<i>Mar de Maria</i>
07-Jun-03	Fremantle	<i>Mar de Maria</i>
09-Jul-03	Sydney	<i>Superstar Leo</i>
29-Jul-03	Hay Point	<i>New Navigation</i>
11-Aug-03	Cairns	<i>Yung Yin 232</i>
11-Aug-03	Cairns	<i>Yung Yin 232</i>
11-Aug-03	Cairns	<i>Yung Yin 232</i>
19-Aug-03	Fremantle	<i>Playo Muino Vello</i>
03-Sep-03	Newcastle	<i>Eridge</i>
11-Sep-03	Newcastle	<i>Great Happy</i>
03-Oct-03	Fremantle	<i>MSC Vietnam</i>
16-Oct-03	Fremantle	<i>Al Shuwaikh</i>

Date Deserted	Place Deserted	Vessel
26-Oct-03	Sydney	<i>Capitaine Tasman</i>
01-Nov-03	Sydney	<i>Capitaine Tasman</i>
01-Nov-03	Sydney	<i>Capitaine Tasman</i>
09-Nov-03	Brisbane	<i>MOL Glory</i>
08-Oct-03	Cairns	<i>Yung Chiu</i>
18-Nov-03	Fremantle	<i>Pollux</i>
02-Dec-03	Melbourne	<i>Capitaine Tasman</i>
02-Dec-03	Melbourne	<i>Capitaine Tasman</i>
29-Jan-04	Fremantle	<i>Superstar Leo</i>
12-Jan-04	Newcastle	<i>Incetran</i>

- (3) (a) Records indicate that at the times of the reported desertions none of the vessels referred to in (2) above were operating under a licence to engage in the coasting trade.
- (b) Records indicate that at the times of the reported desertions none of the vessels referred to in (2) above were operating under a single voyage permit.
- (c) Records indicate that at the times of the reported desertions two of the vessels referred to in (2) above were operating under a continuing voyage permit.

Trade: Free Trade Agreement

(Question No. 3304)

Mr Murphy asked the Minister for Trade, upon notice, on 10 March 2004:

- (1) Did he see the article by Mr Alan Wood titled 'Free trade deal could be a political liability for PM' in *The Australian* on 19 March 2004?
- (2) Can he confirm that the Government refused to refer the draft FTA to the Productivity Commission for independent review because "it required analysis of dynamic effects over time, particularly with the phase-in periods in the FTA, and the Commission specialised in static analysis"; if not, why not?
- (3) Can he confirm that the Government refused to refer the draft FTA to the Productivity Commission for independent review because it "required analysis of the effects if other countries signed bilateral agreements with the US and Australia didn't" and "it considers this beyond the Commission"; if not, why not?
- (4) Can he confirm that the Government refused to refer the draft FTA to the Productivity Commission for independent review because the "analysis required the use of dynamic multi-country models, which the Department of Foreign Affairs and Trade did not consider the Commission equipped to do"; if not, why not?
- (5) Can he confirm that the Government refused to refer the draft Australia-United States Free Trade Agreement (FTA) to the Productivity Commission for independent review because "it needed a comprehensive and quick report by April in time for use by the Joint Standing Committee on Treaties (JSCOT) during its examination of the FTA"; if not, why not?
- (6) Will he now consider so referring the agreement to that body; if so, when; if not, why not?

Mr Vaile—The answer to the honourable member's question is as follows:

- (1) Yes.
- (2) The Productivity Commission was not invited to undertake economic analysis of the FTA because of the very tight time frames required, in particular to make it available for consideration by the Joint Standing Committee on Treaties. Previous discussions between the Department and the Commission had indicated that the Commission would require a longer time frame to complete a review of the AUSFTA than was available to the Government and the Parliament. Against this background, I took the view that an independent private consultant would be better placed to deliver high quality analysis within the tight timeframe required.
- (3) No. See answer to Question 2.
- (4) No. See answer to Question 2.
- (5) No. See answer to Question 2.
- (6) On 25 February 2004 the Department of Foreign Affairs invited independent consultants to tender to undertake economic analysis and modelling of the impact of the FTA. The Department's decision to select the Centre for International Economics was announced on 9 March 2004. The decision, which was made following the unanimous recommendation by a Departmental Tender Board, reflects the proven high quality of the work carried out by the Centre, its expertise in economic modelling and the highly competitive pricing of its tender. There remains no need to invite additional analysis by the Productivity Commission, particularly in view of the fact that the JSCOT is undertaking a detailed review of the FTA, including conducting hearings in all the State capitals as well as Canberra, and receiving public submissions

Health and Medical Research Strategic Review

(Question No. 3316)

Mr Jenkins asked the Minister for Health and Ageing, upon notice, on 11 March 2004:

What steps has he taken to implement recommendation 2.2.3 of the 1999 report of the Health and Medical Research Strategic Review in respect of building capacity for quality research involving health practitioners of all kinds including those in under-researched areas such as alternative and complementary therapy.

Mr Abbott—The answer to the honourable member's question is as follows:

In response to this recommendation the National Health and Medical Research Council (NHMRC) has implemented a number of schemes that provide incentives for Medical and Dental and Allied Health practitioners to enter research both at the postgraduate and postdoctoral levels.

The Practitioner Fellowships Scheme was introduced by the NHMRC in 2001 to assist experienced and productive clinical and public health researchers who wish to maintain both a research and a professional career. The scheme aims to support clinical (medical, paramedical, allied health) and public health professionals who have undertaken a successful research program and wish to continue at nationally or internationally competitive levels. Successful applicants will, for their non-research time, be employed by a health care authority to provide clinical care, or public health services or related policy activity.

The NHMRC Health Professional Fellowships and Part-Time Career Development Awards have been introduced to allow qualified practitioners, including those working in the field of complementary and alternative medicines, to compete for financial assistance to conduct research as well as maintain their professional, mostly clinical, work on a part-time basis.

Such schemes provide an excellent opportunity to health practitioners of all kinds to become involved in research activities while maintaining clinical and professional practice. They provide an environment in which quality research capacity in the areas identified by Recommendation 2.2.3 of the 1999 Health and Medical Research Strategic Review can be built.

**Trade: Free Trade Agreement
(Question No. 3328)**

Ms O'Byrne asked the Minister representing the Minister for Finance and Administration, upon notice, on 22 March 2004:

- (1) In respect of the requirement on Commonwealth agencies to ensure that tenderers meet specified mandatory small and medium enterprise (SME) participation levels for the procurement of ICT products and services for contracts of an expected value of \$20 million or more which had been announced on 21 June 2002; will the Australia-United States Free Trade Agreement prevent the Government from enforcing mandatory SME participation measures.
- (2) Can the Minister confirm that the Singapore-Australia Free Trade Agreement allows the continuation of measures to promote industry development, including measures to assist SMEs; if so, does the Australia-United States Free Trade Agreement provide similar exclusion clauses to facilitate industry development measures; if not, will the Government be forced to withdraw its procurement related industry development initiatives.
- (3) Does the requirement in the Australia-United States Free Trade Agreement that tenders be awarded on the basis of "the lowest price or, the best value or the most advantageous" conflict with the current government procurement guidelines which state "Value for Money is the core principle governing Commonwealth procurement"; if so, (a) will the Australia-United States Free Trade Agreement change this core principle, and (b) will Commonwealth agencies be able to justify purchasing "lowest price" US goods or services on the basis of complying with the Australia-United States Free Trade Agreement.
- (4) What is the definition of (a) 'lowest price', (b) 'best value', and (c) 'most advantageous' as it appears in Chapter 15 of the Australia-United States Free Trade Agreement and what changes will be made to government procurement to accommodate these definitions.
- (5) Will government agencies now be accepting goods or services that are not effective (against a statement of requirement) but are offered at the lowest price.
- (6) Will all jurisdictions (Commonwealth, State, and Local Government) be required to comply with Chapter Fifteen (Government Procurement) of the Australia-United States Free Trade Agreement.
- (7) What impact does the Australia-United States Free Trade Agreement have on the Endorsed Supplier Arrangement program.
- (8) What additional burden will there be on government agencies as a result of having to advise all unsuccessful tenderers in accordance with Article 15.7.

Mr Costello—The Minister for Finance and Administration has supplied the following answers to the honourable member's questions:

- (1) The Australian Government will continue to apply procurement policies that support Small and Medium Enterprise (SMEs). The Australian Government successfully negotiated a general exception regarding support for Small and Medium Enterprises. The exception is detailed in the Annex 15-G to the Government Procurement chapter of the Australia-United States Free Trade Agreement (AUSFTA).
- (2) The Singapore-Australia Free Trade Agreement (SAFTA) allows government procurement to be used to promote industry development, including measures to assist SMEs. The AUSFTA Government Procurement chapter also allows the continuation of policies that assist SMEs. However, the AUSFTA bans offset or preference policies supporting industry development. This will require some modification to the Government's Endorsed Supplier Arrangement industry development requirements for suppliers of information technology and major office machines and the Model Industry Development Criteria policies.

- (3) There is no conflict. Value for money will remain as the core principle of government procurement. Value for money will continue to be assessed on price and non-price criteria based on essential requirements and evaluation criteria determined by the agency.
- (4) The Australian Government's core procurement principle of value for money will remain in place. The terms 'lowest price', 'best value' and 'most advantageous', as they appear in Article 15.9.6 of the AUSFTA, accommodate a variety of existing practices in the United States and Australia for assessing competing tenders. Article 15.9.6 does not bind either government as to which of these options should be applied in any given case but does require that the basis for award of any contract be consistent with the requirements and criteria specified in relevant notices and tender documentation. This agrees with the current Australian practice of setting out the criteria on which value-for-money will be assessed, including the use of price and non-price criteria as appropriate.
- (5) No, this will not be the case. Implementation of the Government Procurement chapter in the AUSFTA will not compel an agency to give more weight to price than is currently the case. An agency will still have regard to non-price considerations in the award of any contract unless price was the only evaluation criterion specified in the tender documentation.
- (6) The Government Procurement chapter applies only to those government entities listed in the annexes attached to the chapter. Annexes 15-A and 15-B list the federal Government entities covered by the chapter. Australian State and Territory government entities are provisionally listed in Annex 15-C, pending final agreement to State and Territory offers by both Australia and the United States. There is no proposal to list local government authorities.
- (7) The general ban on offsets contained in the Government Procurement chapter will require the modification of the industry development assessment criteria of the Endorsed Supplier Arrangement programme for suppliers of information technology and major office machines.
- (8) There will not be any additional burden of advising all unsuccessful tenderers, as this is already a requirement stipulated in the Commonwealth Procurement Guidelines, which requires procurement officials to offer unsuccessful bidders a written or oral debriefing as to why their offers were not successful.

Health: Diabetes Insulins

(Question No. 3329)

Ms O'Byrne asked the Minister for Health and Ageing, upon notice, on 22 March 2004:

Is action being taken to ensure access to alternative insulins, such as porcine or bovine insulin, for people with diabetes who have significant intolerance to the commonly used human insulin; if so, what are the details; if not, why not.

Mr Abbott—The answer to the honourable member's question is as follows:

Porcine insulins were discontinued in major markets many years ago and as a result they are no longer registered medicines in Australia. However, some companies (e.g. NovoNordisk) continue to supply patients as a service under the Special Access Scheme (SAS), a system set up under the Therapeutic Goods Act 1989 to allow patients access to unregistered drugs.

Bovine insulin is still marketed in Australia but the number of patients who receive it is understood to be very small. If discontinued in Australia, the SAS could be used for as long as there is a foreign manufacturer willing to supply patients as a service.

Decisions regarding these matters can only be made by the sponsor companies involved. The Australian Government is not able to compel a sponsor to register nor supply a product in Australia if it chooses not to do so.

Newer insulins that are modified human insulins are now being marketed internationally and Lantus sponsored by Aventis Pharma Pty Limited is one of these that is already registered in Australia.

Social Welfare: Newstart Allowance
(Question No. 3340)

Mr Brendan O'Connor asked the Minister representing the Minister for Family and Community Services, upon notice, on 22 March 2004:

- (1) How many people received Newstart during (a) 1998, (b) 1999, (c) 2000, (d) 2001, (e) 2002, and (f) 2003 in the postcode area (i) 3337, (ii) 3338, (iii) 3435, (iv) 3437, (v) 3438, (vi) 3440, (vii) 3441, and (viii) 3442.
- (2) What was the average length of time that individuals were in receipt of Newstart during (a) 1998, (b) 1999, (c) 2000, (d) 2001, (e) 2002, and (f) 2003 in the postcode area (i) 3337, (ii) 3338, (iii) 3435, (iv) 3437, (v) 3438, (vi) 3440, (vii) 3441, and (viii) 3442.

Mr Anthony—The Minister for Family and Community Services has provided the following answer to the honourable member's question:

(1)-(2) please refer to the table below

Total NSA customers in selected postcodes and calendar years

Source: DETM and customer files dated 26/03/04 and 30/03/01

Postcode	1998		1999		2000	
	Customers	Average duration days	Customers	Average duration days	Customers	Average duration days
3337	2381	156	1779	170	1606	168
3338	1169	153	902	166	810	164
3435	171	174	132	179	147	158
3437	330	144	252	163	233	134
3438	39	147	33	162	29	147
3440	108	148	93	139	96	145
3441	58	140	50	146	51	130
3442	427	158	337	179	322	162
Total	4494	161	3428	176	3195	167

Total NSA customers in selected postcodes and calendar years

Source: DETM and customer files dated 26/03/04 and 30/03/01

Postcode	2001		2002		2003	
	Customers	Average duration days	Customers	Average duration days	Customers	Average duration days
3337	1636	154	1461	160	1368	158
3338	829	162	845	152	785	155
3435	135	171	124	173	104	154
3437	247	128	239	120	198	133
3438	44	100	36	154	33	143
3440	89	126	67	144	65	124
3441	44	132	40	135	21	157
3442	299	154	286	157	234	157
Total	3219	158	3002	159	2727	159

Note: Customers may appear in more than one postcode- hence the total across all postcodes is less than the sum of individual postcodes

Foreign Affairs: China
(Question No. 3343)

Mr Danby asked the Minister for Foreign Affairs, upon notice, on 22 March 2004:

- (1) Is he aware that the Chinese Government has been running a campaign asserting that only those whom China describes as “patriotic”, and who “love the motherland and One Country” can be trusted “with the security, stability, and development” of the country.
- (2) Is he aware that Chinese officials told Mr Donald Tsang, Hong Kong’s Chief Secretary, in Beijing in February, that China’s definition of “patriotic Chinese” excluded anyone who opposed the 2003 draft national-security legislation under Article 23 of Hong Kong’s Basic Law which was withdrawn after 500,000 people demonstrated in Hong Kong in opposition to its provisions.
- (3) Is he aware that democracy activists in Hong Kong claim that the patriotism campaign is an attempt to intimidate Hong Kong voters in the lead-up to the September election and to divert attention from the Chinese Government’s determination to reinterpret the Basic Law and prevent direct elections in 2008.
- (4) Can he confirm that the 1984 Joint Declaration on Hong Kong states that Hong Kong will be autonomous in all matters, except foreign affairs and defence until 2047; if so, is he able to say whether the restrictions on candidates are in violation of the Joint Declaration.
- (5) Can he confirm that Mrs Anson Chan, former Civil Secretary of the Hong Kong Special Administrative Region, visited Australia as a guest of the Australian Government in 2000; if so, what were the circumstances that led to that visit.
- (6) Is he aware of (a) Mrs Chan’s attitude to China’s claim that “only patriots” may be trusted with security, and (b) Mrs Chan’s recent statements about the Chinese interpretation of the Basic Law.
- (7) What is the position of the Australian Government in respect of the interpretation of the Joint Declaration and does the Australian Government support and expect full democratic franchise at the Hong Kong elections in 2007.
- (8) Has the Government made any approaches to the Chinese Government about these breaches of the Joint Declaration; if not, why not; if so, (a) to whom, (b) by whom, (c) when, and (d) what was the response.
- (9) Has the Government raised the issue of electoral freedom in Hong Kong outlined in the Basic Law at the Australia-China Human Rights Dialogue; if not, why not; if so, (a) to whom, (b) by whom, (c) when, and (d) what was the response.

Mr Downer—The answer to the honourable member’s question is as follows :

- (1) I am aware of the debate over proposals for political reform in Hong Kong and various views on the interpretation and relevance of “patriotism”.
- (2) I have read media reports which said the Taskforce on Constitutional Reform, of which Mr Tsang is a member, was told this.
- (3) Yes, I am aware of such claims.
- (4) The Sino-British Joint Declaration states that Hong Kong “shall be directly under the Central People’s Government of the PRC and shall enjoy a high degree of autonomy. Except for foreign and defence affairs which are the responsibility of the CPG, the HKSAR shall be vested with executive, legislative and independent judicial power...”; No.
- (5) Yes; Hong Kong was at the time bidding to hold the 2006 Asian Games and Mrs Chan visited Australia as an Olympic VIP.
- (6) (a) Yes; (b) I am aware of Mrs Chan’s statements about “intervention in Hong Kong freedoms and rights”.

- (7) Since the Joint Declaration is an international treaty between Britain and China, its interpretation is governed by international law. The Basic Law provides that universal suffrage is the “ultimate aim”. Australia will continue to encourage both the Hong Kong SAR Government and the Chinese Government to work together towards achieving this.
- (8) No; the Sino-British Joint Declaration is between Britain and China.
- (9) No; under “One Country Two Systems” the human rights situation is a matter to discuss with the Hong Kong authorities. The Human Rights Dialogue addresses human rights concerns in mainland China only and Hong Kong authorities do not attend the dialogue.

Health: Tobacco

(Question No. 3352)

Ms Plibersek asked the Minister for Health and Ageing, upon notice, on 23 March 2004:

- (1) How much does the Government spend on research into tobacco cessation programs.
- (2) How much does the Government spend on tobacco cessation programs.

Mr Abbott—The answer to the honourable member’s question is as follows:

- (1) Total NHMRC funding in 2003-04 financial year for all smoking research is \$1,778,060, of which \$998,231 is for smoking cessation specific research.
- (2) Delivery of tobacco cessation programs for example, Quitline services, are a State and Territory responsibility. Consequently, the Australian Government does not fund such programs. The Australian Government does however, fund a number of tobacco control projects, for example the establishment of the Centre of Excellence in Indigenous Tobacco Control, the review of health warnings on tobacco products, the development of Smoking Cessation Guidelines for Australian General Practice and the review of the Tobacco Advertising Prohibition Act 1992.

Defence: Illegal Entry Vessels

(Question No. 3363)

Mr McClelland asked the Minister representing the Minister for Defence, upon notice, on 24 March 2004:

What are the (a) general orders, and (b) naval orders applicable to naval officers boarding and intercepting suspect illegal entry vessels.

Mr Brough—The Minister for Defence has provided the following answer to the honourable member’s question:

The general and naval orders applicable to naval officers boarding and intercepting suspect illegal entry vessels are contained in classified Defence documents, which cannot be released publicly as they may compromise operational security.

Defence: Illegal Entry Vessels

(Question No. 3394)

Mr McClelland asked the Minister representing the Minister for Defence, upon notice, on 24 March 2004:

Has the Minister’s department developed a boarding guide or other manual to guide officers in respect of suspect illegal entry vessels; if so, what procedures and processes are set out in that guide or manual.

Mr Brough—The Minister for Defence has provided the following answer to the honourable member’s question:

There is no single document that could be used as a guide or manual for officers in respect to boarding and intercepting suspect illegal entry vessels. The information required to conduct the full spectrum of boarding operations is contained in several classified Defence documents, which cannot be released publicly as they may compromise operational security.

Aviation: Sydney (Kingsford Smith) Airport

(Question No. 3399)

Mr Murphy asked the Minister for Transport and Regional Services, upon notice, on 24 March 2004 :

- (1) Did he say in his Media Release on 22 March 2004 titled 'Sydney Airport Master Plan Approved' that the Master Plan shows that Kingsford Smith Airport will be able to cope with Sydney's air traffic needs for at least twenty years and that there is no need to build other airports in unsuitable locations as the Labor Party proposes.
- (2) Is he aware that the most recent statistics provided by Air Services Australia in relation to the Long Term Operating Plan (LTOP) for Sydney Airport show that people living to the north of Sydney Airport are receiving 33% of all air traffic movements in and out of Sydney Airport.
- (3) Is he aware that (a) under the LTOP for Sydney Airport, people living to the north of the airport are supposed to receive only 17% of all air traffic movements in and out of Sydney Airport, and (b) since the introduction of the LTOP for Sydney Airport, the 17% target for air traffic movements to the north of the airport has never been met.
- (4) Can he explain how Sydney Airport will be able to cope with Sydney's air traffic needs for at least the next twenty years when people living to the north of Sydney Airport are already receiving double the number of air traffic movements promised in the LTOP, and the Master Plan he has approved forecasts a further 300% increase in the number of passengers and some 200,000 more air traffic movements over the next twenty years.
- (5) When will the Government take action to reduce air traffic movements to the north of Sydney Airport to 17% of all air traffic movements in and out of Sydney Airport.

Mr Anderson—The answer to the honourable member's question is as follows:

- (1) Yes.
- (2) I understand the Airservices Australia Sydney Airport Operational Statistics Report for February 2004 indicates that 33.33% of movements were over the north and that the March 2004 Report indicates 30.05% of movements were over the north.
- (3) and (5) I have dealt with these issues exhaustively in previous questions.
- (4) See my answer to question 3280.

Environment: Otin Taai Declaration

(Question No. 3404)

Mr Kelvin Thomson asked the Minister for the Environment and Heritage, upon notice, on 25 March 2004:

- (1) Has his attention been drawn to the Otin Taai Declaration (the Pacific Churches Statement on Climate Change) which calls on governments of highly-industrialised countries to ratify and implement the Kyoto Protocol, reduce fossil fuel production and consumption and increase the use of renewable energy, relocate and compensate the victims of climate change as requested by Pacific countries, and "take action immediately because the Pacific people are suffering, crying and dying right now".
- (2) What action, if any, is the Government taking to address the concerns expressed in the Declaration?

- (3) Has the Government been approached by any Pacific island nations seeking to relocate people from that island in the event that climate change makes the island or islands uninhabitable; if so, what was the Government's response in each instance?
- (4) Has the Government given any undertakings to the effect that Australia would resettle or relocate people from any Pacific islands, which become uninhabitable as a result of climate change?

Dr Kemp—The answer to the honourable member's question is as follows:

- (1) The Otin Taai Declaration emphasises the importance of the threat posed by climate change for vulnerable Pacific island countries. It contains a wide range of recommendations to a wide range of organisations, companies and governments, including both Pacific and non-Pacific governments. The Howard Government takes climate change seriously and is committed to effective, practical action. We have in place a substantial domestic program aimed at meeting our internationally agreed 108% target and to position Australia for the longer-term, and we are continuing to work for more effective international action on climate change. The possible consequences of climate change for Pacific island states is a matter of real concern for the Government and we are committed to working with Pacific island countries to respond to the impacts of climate change
- (2) Australia has always been a strong partner of the Pacific and has a financial commitment to climate change expenditure in the Pacific of over A\$15 million with expected expenditure in 2003-04 of almost A\$2.5 million. Australia provides practical assistance on a range of climate-related projects and issues in the Pacific, including monitoring sea levels and climate change; improving climate prediction services; and through the considerable assistance provided to regional organisations that undertake work on climate change. The Government will continue to work internationally to build more effective global action on climate change – and we will continue to work closely with Pacific island countries to this end.
- (3) There have at times been proposals, reported in the media, from some Pacific Island countries that Australia should assist the people of Pacific Island countries, in view of the environmental threat they believe their countries are facing from climate change and sea level rise. The potential threat posed by sea-level rise is a long-term one, which Australia is continuing to monitor. Australia is providing practical assistance in monitoring variations in sea level in the Pacific through the South Pacific Sea Level and Climate Monitoring project. Data from this project will assist in assessing long-term changes in sea level in the region. Australia has a long record of responding generously when needs arise in the Pacific as a result of natural disasters, and we will continue to do so.
- (4) See response to Question 3 above.

Health: Magnetic Resonance Imaging Machines

(Question No. 3406)

Mr Murphy asked the Minister for Health and Ageing, upon notice, on 25 March 2004:

Further to the answer to part (3)(c) of question No. 2812 (*Hansard*, 11 March 2004, page 25840), when will the project plan by the Radiology Management Committee be made available to the public.

Mr Abbott—The answer to the honourable member's question is as follows:

The project plan of the Radiology Management Committee has been completed. It is envisaged that the project plan will be on the Department of Health and Ageing website by the end of April 2004 and accessible at www.diagnosticimaging.health.gov.au.

Attorney-General's: Australian Federation of Islamic Councils

(Question No. 3408)

Mr Danby asked the Attorney-General, upon notice, on 29 March 2004:

- (1) Is he aware that the Minister for Multicultural Affairs has called on the Australian Federation of Islamic Councils to demote Sheikh Hilaly following his meeting in Lebanon with Sheikh Nasrallah.
- (2) Can he say whether Sheikh Nasrallah is the head of Hezbollah.
- (3) In Australia, is (a) the military wing of Hezbollah proscribed, (b) membership of the military wing of Hezbollah a crime, (c) providing financial support to the military wing of Hezbollah a crime, and (d) providing other support to the military wing of Hezbollah a crime.
- (4) Has the Australian Federal Police, or any other law enforcement agency, conducted an investigation into Sheikh Hilaly's meeting with Sheikh Nasrallah in order to determine whether Sheikh Hilaly broke any Australian law; if so, what was the outcome of the investigation; if not, why not.

Mr Ruddock—The answer to the honourable member's question is as follows:

- (1) I understand that the Minister has not called on the Australian Federation of Islamic Councils to demote Sheikh Hilaly. The Minister has 'urged Muslims to express their views on this matter and to question the leadership of Sheik Alhilali [Sheikh Hilaly]'.
- (2) The Secretary General of Lebanese Hizballah is Sheikh Sayed Hassan Nasrallah.
- (3) The term 'military wing of Hizballah' could be taken to mean components of Hizballah within Lebanon, including the Islamic Resistance, as well as Hizballah's External Security Organisation (ESO) which, while based in Lebanon, has an international infrastructure and poses a security threat to Australian interests.
 - (a) ESO is proscribed as a terrorist organisation in Australia under the Criminal Code Act 1995, effective from 5 June 2003.
 - (b)-(d) The proscription of ESO as a terrorist organisation means that it is an offence to belong to, direct, recruit for, train with or provide training for, and receive funds from or make funds available to ESO, by whatever name it might be known from time to time, whether in Australia or abroad. These offences carry penalties of up to 25 years imprisonment.
These offences cover any support provided to ESO by other components of Hizballah, including the Islamic Resistance.
- (4) The Australian Federal Police (AFP) has examined media reports and a transcript of comments purportedly made by Sheikh Hilaly during his meeting with the Secretary General of Hizballah, Sheikh Sayed Hassan Nasrallah, in Lebanon. The AFP has consulted with the Attorney-General's Department and the Commonwealth Director of Public Prosecutions. To date no potential Commonwealth offences have been identified and as a result the AFP does not intend to investigate the matter.

I am not prepared to comment in detail on what the Australian Security Intelligence Organisation (ASIO) does and does not investigate, but note that ASIO investigates all credible threats to Australia's national security.

**Aviation: Sydney (Kingsford Smith) Airport
(Question No. 3409)**

Mr Murphy asked the Minister for Transport and Regional Services, upon notice, on 29 March 2004:

- (1) Will he confirm that total aircraft movements are projected to increase to 412,000 over the 20-year life span of the Sydney Airport master plan (ie. by the year 2023/2024) as he stated in response to a question in the House (*Hansard*, 24 March 2004, page 20688).

- (2) Did the 1999 Summary of the Environmental Impact Statement for the Proposed Second Sydney Airport at Badgery's Creek prepared by PPK Environment & Infrastructure state, in support of the need for a second airport for Sydney, that demand for aircraft movements at Sydney Airport is expected to grow to 480,000 in 2021/2022.
- (3) Will he explain the reasons for the disparity of 68,000 aircraft movements between the estimate of 480,000 aircraft movements by 2021/2022 and 412,000 aircraft movements by 2023/2024; if not, why not.

Mr Anderson—The answer to the honourable member's question is as follows:

- (1) SACL's Master Plan indicates that total aircraft movements are forecast to reach 412,000 over the 20 year planning period.
- (2) Yes.
- (3) See my detailed answer to question 3280.

Aviation: Sydney (Kingsford Smith) Airport
(Question No. 3410)

Mr Murphy asked the Minister for Transport and Regional Services, upon notice, on 29 March 2004:

- (1) What is the planning period required by section 72 of the Airports Act 1996 for the Sydney Airport Master Plan.
- (2) When did the airport-lessee company for Sydney Airport publish a notice in a newspaper to comply with subsection 79(1)(a) of the Act.
- (3) Will he provide a copy of the notice referred to in part (2); if not, why not.
- (4) Did he receive written comments on the Sydney Airport Preliminary Draft Master Plan (PDMP) following its exhibition.
- (5) Did he receive a certificate from the airport-lessee company fulfilling the lessee's statutory obligations under subsection 79(2) of the Act; if so, will he make it public and provide a copy to the Sydney Airport Community Forum (SACF); if not, why not.
- (6) Did the airport-lessee company provide him a draft master plan for Sydney Airport under sections 75, 76 or 78 of the Act; if so, will he make it public and provide a copy to the SACF and, if he will not make it public, why not.
- (7) Did he receive a written statement from the airport-lessee company listing the names of the persons consulted and summarising the views expressed by the persons consulted as required by subsection 80(2) of the Act; if so, will he make it public and provide a copy to the SACF and, if he will not make it public, why not.
- (8) On what date did he exercise his power under subsection 81(2) of the Act to approve the Preliminary Draft Master Plan.
- (9) Has any matter or have any matters been brought to his attention by the airport-lessee company that may significantly affect the achievement of the Master Plan as required by subsection 85(1) of the Act; if so, will he make that matter or matters available to the public and provide a copy of each to the SACF; and, if he will not, why not.
- (10) On what date does the 90 day period after the date of approval of the Master Plan that is set by section 86 of the Act, begin.

Mr Anderson—The answer to the honourable member's question is as follows:

- (1) 2003 to 2023.
- (2) 31 July 2003.

- (3) The obligations of the Airports Act 1996 in relation to master planning rest with SACL. The Honourable Member may request a copy of the notice that appeared in the Sydney Morning Herald from SACL.
- (4) Yes.
- (5) Yes. There is no statutory obligation to make the certificate public. However, I am prepared to provide a copy of the signed certificate and list of names to SACF. As the Honourable Member would appreciate, the summary of comments and SACL's responses is not available as it is "Private and Confidential" both to the members of the public and organisations that provided the comments and to SACL.
- (6) Yes, under section 75 of the Act. It is not necessary to provide a copy of the draft Master Plan because the approved draft Master Plan is now the final Master Plan. The Master Plan is the strategic planning document of SACL. SACL is required under the Airports Act to make the final Master Plan available to the public within 90 days after the approval being 20 June 2004. SACF may request a copy of the final Master Plan from SACL.
- (7) Yes. There is no statutory obligation to make the statement public. However, I am prepared to provide a copy to SACF.
- (8) 22 March 2004.
- (9) No.
- (10) 23 March 2004.

Aviation: Sydney (Kingsford Smith) Airport
(Question No. 3411)

Mr Murphy asked the Minister for Transport and Regional Services, upon notice, on 29 March 2004:

- (1) Will he provide the dates and details of the submission, approval and exhibition of the Sydney Airport (a) Preliminary Draft Master Plan (PDMP), (b) Draft Master Plan (DMP), and (c) final Master Plan (MP).
- (2) Will he explain how the submission, approval and exhibition of the Sydney Airport (a) PDMP, (b) DMP, and (c) MP met the statutory requirements of Part 5 of the Airports Act 1996.
- (3) Has the submission, approval and exhibition of the Sydney Airport (a) PDMP, (b) DMP, and (c) MP failed to meet any of the statutory requirements of Part 5 of the Airports Act 1996 in whole or in part; if so, what are the details.
- (4) Does the final MP draw on any document or documents which have not been published or otherwise publicly exhibited; if so, (a) which document(s), and (b) will he provide a copy of each document.
- (5) What action is he taking to amend Part 5 of the Airports Act 1996 to accommodate the eight-point recommendations contained in the Senate committee Report on the Inquiry into the Development of the Brisbane Airport Corporation Master Plan dated June 2000 and, if no action is being taken, why not.

Mr Anderson—The answer to the honourable member's question is as follows:

- (1) (a) The Preliminary Draft Master Plan was released for public comment on 1 August 2003 for three months until 29 October 2003. (b) The Draft Master Plan was submitted for approval on 23 December 2003 and approved on 22 March 2004. (c) Sydney Airport Corporation Limited (SACL) is required to make the final Master Plan available to the public within 90 days of the approval of the master plan ie 20 June 2004.

- (2) As answered above, the statutory obligations in relation to the public comment period and submission and approval were met.
- (3) No.
- (4) The Master Plan is SACL's strategic planning document based on a range of documents some of which are listed in the Bibliography of the PDMP. As answered in 1(c) above, SACL will make the final Master Plan available to the public and it may contain the same Bibliography. It is a matter for SACL's consideration to make reference documents that have not been publicly exhibited available to the Honourable Member.
- (5) The Government's review of the Airports Act 1996 (the Act) has taken into account its response to the recommendations of the Senate Inquiry into the Brisbane Airport Corporation Master Plan. My Department has completed the review and I have considered and endorsed the review's recommendations.
- (6) The implementation timetable is yet to be finalised.

Australian Customs Service: Security

(Question No. 3421)

Mr McClelland asked the Minister representing the Minister for Justice and Customs, upon notice, on 29 March 2004:

Has the Australian Customs Service undertaken studies of the issues involved in arming crew members to provide an armed boarding capability; if so, when did the studies take place and what were their findings.

Mr Ruddock—The Minister for Justice and Customs has provided the following answer to the honourable member's question:

- (1) In 1999, the Australian Customs Service engaged a consultant to review the protection for crew members and joint operators through the revision of working practices and procedures.
- (2) The report, entitled 'Safe Working Practices and Procedures for the National Marine Unit (NMU) and Client Agencies in an Increased Risk Environment' concluded that:
 - It was apparent that the NMU would be subject to greater expectations of government and the likelihood of encountering criminal activity either in their own right or on behalf of client agencies would increase.
 - The degree of desperation of offenders is an indicator of potentially violent responses.
 - The Chief Executive Officer of Customs and managers have a responsibility for duty of care and safety in the field of operations.
 - Law enforcement agencies are equipped with a range of devices.
- (3) The report recommended the following:
 - A policy decision to equip NMU sea-going crew with suitable protective/defensive equipment including Side-arms, Oleoresin Capsicum Spray, Batons (of an expanding type, fastened on the belt), Restraints (handcuffs and flexi cuffs as used by police agencies), Protective Clothing (buoyant anti-ballistic jackets and helmets).
 - Amendments to the Customs Act 1901, to permit Customs officers to utilise automatic weapons (shipboard) and to carry and use firearms in the performance of duties for client agencies.
 - The provision of automatic weapons (shipboard) of a type approved in defence of boarding parties.
 - To negotiate a package of training courses with the Australian Federal Police at the (then) soon to be designated Australasian Law Enforcement College in Canberra to cover all aspects of firearms handling, less than lethal force devices, incident management, conflict resolution and use of force.

- To adopt the national Police Research Unit (now Australasian Centre for Policing Research) report, 1998, 'Minimum guidelines for incident management, conflict resolution and use of force' and to accept as a model the South Australian Police (SAPOL) report 'Operational Safety Review' of 1998.
- To adopt as a model, the SAPOL General order 2780 (Support Services) – care and counselling support for staff.
- To accept as a model, the SAPOL General Order 3375 (Firearms – Police Issue) on the care, maintenance, handling of firearms and General Order 2245 (Commissioner's Inquiry) to investigate firearms incidents.
- To upgrade the selection of NMU members. (Positions descriptions, personal profiles and as necessary, the selection process). For Customs Training Officers to make a 1 week visit to Special Tasks and Rescue Division, SAPOL.

Employment: JobSearch Kiosks

(Question No. 3426)

Mr Albanese asked the Minister for Employment Services, upon notice, on 30 March 2004:

Would he provide details on the location of all JobSearch Kiosks (eg Job Network offices, Centrelink offices, etc).

Mr Brough—The answer to the honourable member's question is as follows:

As at 6 April 2004, there were 1,967 JobSearch kiosks located in Job Network offices. New state of the art JobSearch kiosks have now replaced older Touch Screen Units. There are 971 JobSearch kiosks located in Centrelink offices, 26 kiosks located in Indigenous Employment Centres & one kiosk in a Supported Accommodation Assistance Site.

Defence: Visiting Warships

(Question No. 3438)

Mr Melham asked the Minister representing the Minister for Defence, upon notice, on 1 April 2004:

In respect of each visit to an Australian port by a United States Navy or Royal Navy vessel during the period 1 August 2003 to 31 March 2004, (a) what was the name of the visiting vessel, (b) what was the type or class of the vessel, (c) was the vessel nuclear powered, (d) which Australian port did the vessel visit, and (e) what were the dates of arrival and departure from the port.

Mr Brough—The Minister for Defence has provided the following answer to the honourable member's question:

Ship Name	Class	Nuclear Powered	Port Visited	Arrival Date	Departure Date
USNS <i>Watkins</i>	Cargo ship	No	HMAS Stirling	2 Jul 03	5 Aug 03
USS <i>City asOf Corpus Christi</i>	Submarine	Yes	HMAS Stirling	6 Aug 03	6 Aug 03
USAV <i>Joint Venture</i>	High Speed Vessel	No	Fremantle	7 Aug 03	11 Aug 03
USNS <i>Pomeroy</i>	Cargo ship	No	HMAS Stirling	7 Aug 03	28 Aug 03
USS <i>City Of Corpus Christi</i>	Submarine	Yes	HMAS Stirling	8 Aug 03	11 Aug 03
USAV <i>Joint Venture</i>	High Speed Vessel	No	Hobart	13 Aug 03	14 Feb 04
USS <i>City Of Corpus Christi</i>	Submarine	Yes	HMAS Stirling	15 Aug 03	20 Aug 03
USNS <i>John Ericsson</i>	Oiler	No	Mackay	25 Aug 03	30 Aug 03

Ship Name	Class	Nuclear Powered	Port Visited	Arrival Date	Departure Date
HSV <i>Swift</i>	High Speed Vessel	No	Sydney	28 Aug 03	29 Aug 03
USS <i>Curtis Wilbur</i>	Guided Missile Destroyer	No	Townsville	29 Aug 03	1 Sep 03
USS <i>O'Brien</i>	Destroyer	No	Townsville	29 Aug 03	1 Sep 03
USS <i>City of Corpus Christi</i>	Submarine	Yes	HMAS Stirling	29 Aug 03	6 Sep 03
HSV <i>Swift</i>	High Speed Vessel	No	Darwin	1 Sep 03	4 Sep 03
MV PVT <i>Franklin J Phillips</i>	Cargo ship	No	Gladstone	1 Sep 03	13 Oct 03
USS <i>Curtis Wilbur</i>	Guided Missile Destroyer	No	Brisbane	12 Sep 03	16 Sep 03
USS <i>O'Brien</i>	Destroyer	No	Brisbane	12 Sep 03	16 Sep 03
USS <i>Helena</i>	Submarine	Yes	Brisbane	13 Sep 03	19 Sep 03
USS <i>Pasadena</i>	Submarine	Yes	HMAS Stirling	14 Oct 03	19 Oct 03
USS <i>Essex</i>	Amphibious Assault Ship	No	Darwin	25 Oct 03	29 Oct 03
USS <i>Fort Mchenry</i>	Landing Ship Dock	No	Darwin	25 Oct 03	29 Oct 03
USNS <i>San Jose</i>	Combat Store Ship	No	Darwin	4 Nov 03	7 Nov 03
USAV <i>Spearhead</i>	High Speed Vessel	No	Fremantle	13 Nov 03	18 Nov 03
USAV <i>Spearhead</i>	High Speed Vessel	No	Hobart	20 Nov 03	20 Feb 04
USCGC <i>Polar Star</i>	Ice Breaker	No	Sydney	2 Dec 03	6 Dec 03
USCGC <i>Polar Star</i>	Ice Breaker	No	Hobart	9 Dec 03	14 Dec 03
USNS <i>Guadalupe</i>	Oiler	No	Fremantle	10 Dec 03	15 Dec 03
USS <i>Fletcher</i>	Destroyer	No	Fremantle	10 Dec 03	02 Jan 04
USCGC <i>Polar Sea</i>	Ice Breaker	No	Sydney	15 Dec 03	20 Dec 03
USS <i>Greenville</i>	Submarine	Yes	HMAS Stirling	23 Dec 03	29 Dec 03
USNS <i>Lawrence H Gianella</i>	Oiler	No	Brisbane	26 Dec 03	01 Jan 04
SS <i>Cape Jacob</i>	Cargo Ship	No	Townsville	7 Jan 04	13 Jan 04
USNS <i>Concord</i>	Combat Store Ship	No	Darwin	20 Jan 04	26 Jan 04
USS <i>Jarrett</i>	Guided Missile Frigate	No	Broome	1 Feb 04	6 Feb 04
USS <i>Germantown</i>	Landing Ship Dock	No	Darwin	3 Feb 04	8 Feb 04
USS <i>Decatur</i>	Guided Missile Destroyer	No	Darwin	4 Feb 04	8 Feb 04
USS <i>Peleliu</i>	Amphibious Assault Ship	No	Darwin	4 Feb 04	9 Feb 04
USNS <i>Guadapule</i>	Oiler	No	Darwin	6 Feb 04	8 Feb 04
USNS <i>Lawrence H Gianella</i>	Oiler	No	Brisbane	15 Feb 04	21 Feb 04
USAV <i>Joint Venture</i>	High Speed Vessel	No	Cairns	16 Feb 04	18 Feb 04
USCGC <i>Polar Sea</i>	Ice Breaker	No	Adelaide	16 Feb 04	22 Feb 04

Ship Name	Class	Nuclear Powered	Port Visited	Arrival Date	Departure Date
USS <i>Port Royal</i>	Guided Missile Cruiser	No	Melbourne	18 Feb 04	22 Feb 04
USS <i>Port Royal</i>	Guided Missile Cruiser	No	Sydney	24 Feb 04	29 Feb 04
USCGC <i>Polar Star</i>	Ice Breaker	No	Adelaide	26 Feb 04	1 Mar 04
USCGC <i>Polar Sea</i>	Ice Breaker	No	Sydney	27 Feb 04	1 Mar 04
USCGC <i>Polar Star</i>	Ice Breaker	No	Melbourne	3 Mar 04	8 Mar 04
USCGC <i>Polar Sea</i>	Ice Breaker	No	Townsville	6 Mar 04	11 Mar 04
USS <i>Higgins</i>	Guided Missile Destroyer	No	Sydney	9 Mar 04	14 Mar 04
USCGC <i>Polar Star</i>	Ice Breaker	No	Brisbane	12 Mar 04	17 Mar 04
SS <i>Cape Jacob</i>	Cargo ship	No	Darwin	29 Mar 04	5 Apr 04
