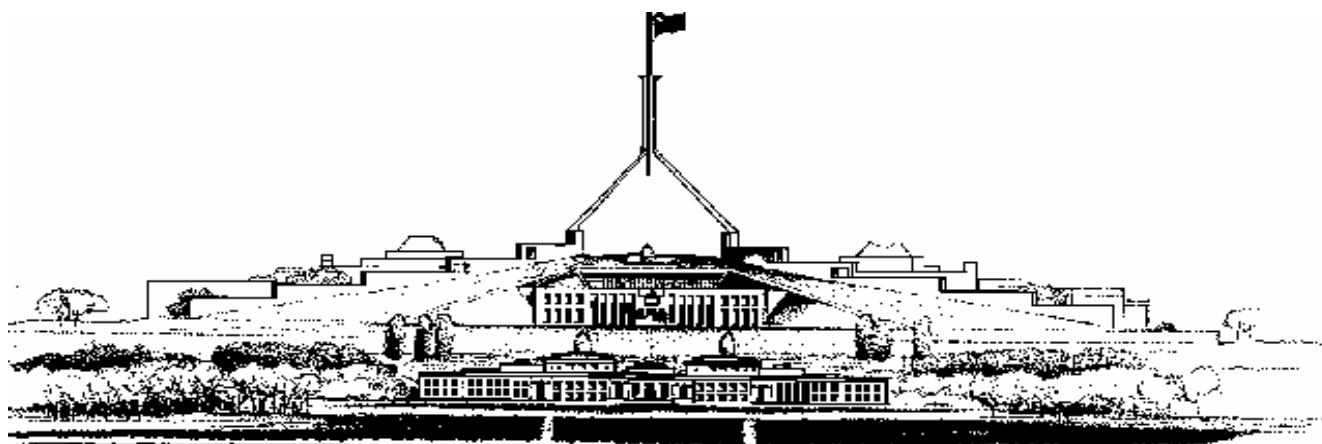




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



Senate

Official Hansard

No. 7, 2005

THURSDAY, 12 MAY 2005

**FORTY-FIRST PARLIAMENT
FIRST SESSION—THIRD PERIOD**

BY AUTHORITY OF THE SENATE

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SITTING DAYS—2005

Month	Date
February	8, 9, 10
March	7, 8, 9, 10, 14, 15, 16, 17
May	10, 11, 12
June	14, 15, 16, 20, 21, 22, 23
August	9, 10, 11, 15, 16, 17, 18
September	5, 6, 7, 8, 12, 13, 14, 15
October	4, 5, 6, 10, 11, 12, 13
November	7, 8, 9, 10, 28, 29, 30
December	1, 5, 6, 7, 8

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**FORTY-FIRST PARLIAMENT
FIRST SESSION—THIRD PERIOD**

Governor-General

His Excellency Major-General Michael Jeffery, Companion in the Order of Australia, Commander of the Royal Victorian Order, Military Cross

Senate Officeholders

President—Senator the Hon. Paul Henry Calvert

Deputy President and Chairman of Committees—Senator John Joseph Hogg

Temporary Chairmen of Committees—Senators the Hon. Nick Bolkus, George Henry Brandis, Hedley Grant Pearson Chapman, John Clifford Cherry, Patricia Margaret Crossin, Alan Baird Ferguson, Stephen Patrick Hutchins, Linda Jean Kirk, Susan Christine Knowles, Philip Ross Lightfoot, John Alexander Lindsay (Sandy) Macdonald, Gavin Mark Marshall, Claire Mary Moore and John Odin Wentworth Watson

Leader of the Government in the Senate—Senator the Hon. Robert Murray Hill

Deputy Leader of the Government in the Senate—Senator the Hon. Nicholas Hugh Minchin

Leader of the Opposition in the Senate—Senator Christopher Vaughan Evans

Deputy Leader of the Opposition in the Senate—Senator Stephen Michael Conroy

Manager of Government Business in the Senate—Senator the Hon. Christopher Martin Ellison

Manager of Opposition Business in the Senate—Senator Joseph William Ludwig

Senate Party Leaders and Whips

Leader of the Liberal Party of Australia—Senator the Hon. Robert Murray Hill

Deputy Leader of the Liberal Party of Australia—Senator the Hon. Nicholas Hugh Minchin

Leader of the National Party of Australia—Senator the Hon. Ronald Leslie Doyle Boswell

Deputy Leader of the National Party of Australia—Senator John Alexander Lindsay (Sandy) Macdonald

Leader of the Australian Labor Party—Senator Christopher Vaughan Evans

Deputy Leader of the Australian Labor Party—Senator Stephen Michael Conroy

Leader of the Australian Democrats—Senator Lynette Fay Allison

Liberal Party of Australia Whips—Senators Jeannie Margaret Ferris and Alan Eggleston

National Party of Australia Whip—Senator Julian John James McGauran

Opposition Whips—Senators George Campbell and Geoffrey Frederick Buckland

Australian Democrats Whip—Senator Andrew John Julian Bartlett

Printed by authority of the Senate

Members of the Senate

Senator	State or Territory	Term expires	Party
Abetz, Hon. Eric	Tas	30.6.2005	LP
Allison, Lynette Fay	Vic	30.6.2008	AD
Barnett, Guy ⁽⁵⁾	Tas	30.6.2005	LP
Bartlett, Andrew John Julian	Qld	30.6.2008	AD
Bishop, Thomas Mark	WA	30.6.2008	ALP
Bolkus, Hon. Nick	SA	30.6.2005	ALP
Boswell, Hon. Ronald Leslie Doyle	Qld	30.6.2008	NATS
Brandis, George Henry ⁽²⁾	Qld	30.6.2005	LP
Brown, Robert James	Tas	30.6.2008	AG
Buckland, Geoffrey Frederick ⁽⁴⁾	SA	30.6.2005	ALP
Calvert, Hon. Paul Henry	Tas	30.6.2008	LP
Campbell, George	NSW	30.6.2008	ALP
Campbell, Hon. Ian Gordon	WA	30.6.2005	LP
Carr, Kim John	Vic	30.6.2005	ALP
Chapman, Hedley Grant Pearson	SA	30.6.2008	LP
Cherry, John Clifford ⁽³⁾	Qld	30.6.2005	AD
Colbeck, Richard Mansell	Tas	30.6.2008	LP
Collins, Jacinta Mary Ann	Vic	30.6.2005	ALP
Conroy, Stephen Michael	Vic	30.6.2005	ALP
Cook, Hon. Peter Francis Salmon	WA	30.6.2005	ALP
Coonan, Hon. Helen Lloyd	NSW	30.6.2008	LP
Crossin, Patricia Margaret ⁽¹⁾	NT		ALP
Denman, Kay Janet	Tas	30.6.2005	ALP
Eggleston, Alan	WA	30.6.2008	LP
Ellison, Hon. Christopher Martin	WA	30.6.2005	LP
Evans, Christopher Vaughan	WA	30.6.2005	ALP
Faulkner, Hon. John Philip	NSW	30.6.2005	ALP
Ferguson, Alan Baird	SA	30.6.2005	LP
Ferris, Jeannie Margaret	SA	30.6.2008	LP
Fierravanti-Wells, Concetta Anna ⁽⁸⁾	NSW	30.6.2005	LP
Fifield, Mitchell Peter ⁽⁷⁾	Vic	30.6.2008	LP
Forshaw, Michael George	NSW	30.6.2005	ALP
Greig, Brian Andrew	WA	30.6.2005	AD
Harradine, Brian	Tas	30.6.2005	Ind
Harris, Leonard William	QLD	30.6.2005	PHON
Heffernan, Hon. William Daniel	NSW	30.6.2005	LP
Hill, Hon. Robert Murray	SA	30.6.2008	LP
Hogg, John Joseph	QLD	30.6.2008	ALP
Humphries, Gary John Joseph ⁽¹⁾	ACT		LP
Hutchins, Stephen Patrick	NSW	30.6.2005	ALP
Johnston, David Albert Lloyd	WA	30.6.2008	LP
Kemp, Hon. Charles Roderick	VIC	30.6.2008	LP
Kirk, Linda Jean	SA	30.6.2008	ALP
Knowles, Susan Christine	WA	30.6.2005	LP
Lees, Meg Heather	SA	30.6.2005	APA
Lightfoot, Philip Ross	WA	30.6.2008	LP
Ludwig, Joseph William	QLD	30.6.2005	ALP
Lundy, Kate Alexandra ⁽¹⁾	ACT		ALP

Senator	State or Territory	Term expires	Party
Macdonald, Hon. Ian Douglas	QLD	30.6.2008	LP
Macdonald, John Alexander Lindsay (Sandy)	NSW	30.6.2008	NATS
McGauran, Julian John James	VIC	30.6.2005	NATS
Mackay, Susan Mary	TAS	30.6.2008	ALP
McLucas, Jan Elizabeth	QLD	30.6.2005	ALP
Marshall, Gavin Mark	VIC	30.6.2008	ALP
Mason, Brett John	QLD	30.6.2005	LP
Minchin, Hon. Nicholas Hugh	SA	30.6.2005	LP
Moore, Claire Mary	QLD	30.6.2008	ALP
Murphy, Shayne Michael	TAS	30.6.2005	Ind
Murray, Andrew James Marshall	WA	30.6.2008	AD
Nettle, Kerry Michelle	NSW	30.6.2008	AG
O'Brien, Kerry Williams Kelso	TAS	30.6.2005	ALP
Patterson, Hon. Kay Christine Lesley	VIC	30.6.2008	LP
Payne, Marise Ann	NSW	30.6.2008	LP
Ray, Hon. Robert Francis	VIC	30.6.2008	ALP
Ridgeway, Aden Derek	NSW	30.6.2005	AD
Santoro, Santo ⁽⁶⁾	QLD	30.6.2008	LP
Scullion, Nigel Gregory ⁽¹⁾	NT		CLP
Sherry, Hon. Nicholas John	TAS	30.6.2008	ALP
Stephens, Ursula Mary	NSW	30.6.2008	ALP
Stott Despoja, Natasha Jessica	SA	30.6.2008	AD
Tchen, Tsebin	VIC	30.6.2005	LP
Troeth, Hon. Judith Mary	VIC	30.6.2005	LP
Vanstone, Hon. Amanda Eloise	SA	30.6.2005	LP
Watson, John Odin Wentworth	TAS	30.6.2008	LP
Webber, Ruth Stephanie	WA	30.6.2008	ALP
Wong, Penelope Ying Yen	SA	30.6.2008	ALP

- (1) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.
- (2) Chosen by the Parliament of Queensland to fill a casual vacancy vice Hon. Warwick Raymond Parer, resigned.
- (3) Chosen by the Parliament of Queensland to fill a casual vacancy vice John Woodley, resigned.
- (4) Chosen by the Parliament of South Australia to fill a casual vacancy vice John Andrew Quirke, resigned.
- (5) Appointed by the Governor of Tasmania to fill a casual vacancy vice Hon. Brian Francis Gibson AM, resigned.
- (6) Chosen by the Parliament of Queensland to fill a casual vacancy vice Hon. John Joseph Herron, resigned.
- (7) Chosen by the Parliament of Victoria to fill a casual vacancy vice Hon. Richard Kenneth Robert Alston, resigned.
- (8) Chosen by the Parliament of New South Wales to fill a casual vacancy vice John Tierney, resigned.

PARTY ABBREVIATIONS

AD—Australian Democrats; AG—Australian Greens; ALP—Australian Labor Party; APA—Australian Progressive Alliance; CLP—Country Labor Party; Ind—Independent; LP—Liberal Party of Australia; NATS—The Nationals; PHON—Pauline Hanson's One Nation

Heads of Parliamentary Departments

Clerk of the Senate—H Evans

Clerk of the House of Representatives—IC Harris

Secretary, Department of Parliamentary Services—HR Penfold QC

HOWARD MINISTRY

Prime Minister	The Hon. John Winston Howard MP
Minister for Transport and Regional Services and Deputy Prime Minister	The Hon. John Duncan Anderson MP
Treasurer	The Hon. Peter Howard Costello MP
Minister for Trade	The Hon. Mark Anthony James Vaile MP
Minister for Defence and Leader of the Government in the Senate	Senator the Hon. Robert Murray Hill
Minister for Foreign Affairs	The Hon. Alexander John Gosse Downer MP
Minister for Health and Ageing and Leader of the House	The Hon. Anthony John Abbott MP
Attorney-General	The Hon. Philip Maxwell Ruddock MP
Minister for Finance and Administration, Deputy Leader of the Government in the Senate and Vice-President of the Executive Council	Senator the Hon. Nicholas Hugh Minchin
Minister for Agriculture, Fisheries and Forestry	The Hon. Warren Errol Truss MP
Minister for Immigration and Multicultural and Indigenous Affairs and Minister Assisting the Prime Minister for Indigenous Affairs	Senator the Hon. Amanda Eloise Vanstone
Minister for Education, Science and Training	The Hon. Dr Brendan John Nelson MP
Minister for Family and Community Services and Minister Assisting the Prime Minister for Women's Issues	Senator the Hon. Kay Christine Lesley Patterson
Minister for Industry, Tourism and Resources	The Hon. Ian Elgin Macfarlane MP
Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service	The Hon. Kevin James Andrews MP
Minister for Communications, Information Technology and the Arts	Senator the Hon. Helen Lloyd Coonan
Minister for the Environment and Heritage	Senator the Hon. Ian Gordon Campbell

(The above ministers constitute the cabinet)

HOWARD MINISTRY—*continued*

Minister for Justice and Customs and Manager of Government Busines in the Senate	Senator the Hon. Christopher Martin Ellison
Minister for Fisheries, Forestry and Conservation	Senator the Hon. Ian Douglas Macdonald
Minister for the Arts and Sport	Senator the Hon. Charles Roderick Kemp
Minister for Human Services	The Hon. Joseph Benedict Hockey MP
Minister for Citizenship and Multicultural Affairs and Deputy Leader of the House	The Hon. Peter John McGauran MP
Minister for Revenue and Assistant Treasurer	The Hon. Malcolm Thomas Brough MP
Special Minister of State	Senator the Hon. Eric Abetz
Minister for Vocational and Technical Education and Minister Assisting the Prime Minister	The Hon. Gary Douglas Hardgrave MP
Minister for Ageing	The Hon. Julie Isabel Bishop MP
Minister for Small Business and Tourism	The Hon. Frances Esther Bailey MP
Minister for Local Government, Territories and Roads	The Hon. James Eric Lloyd MP
Minister for Veterans' Affairs and Minister Assisting the Minister for Defence	The Hon. De-Anne Margaret Kelly MP
Minister for Workforce Participation	The Hon. Peter Craig Dutton MP
Parliamentary Secretary to the Minister for Finance and Administration	The Hon. Dr Sharman Nancy Stone MP
Parliamentary Secretary to the Minister for Industry, Tourism and Resources	The Hon. Warren George Entsch MP
Parliamentary Secretary to the Minister for Health and Ageing	The Hon. Christopher Maurice Pyne MP
Parliamentary Secretary to the Minister for Defence	The Hon. Teresa Gambaro MP
Parliamentary Secretary (Foreign Affairs and Trade)	The Hon. Bruce Fredrick Billson MP
Parliamentary Secretary to the Prime Minister	The Hon. Gary Roy Nairn MP
Parliamentary Secretary to the Treasurer	The Hon. Christopher John Pearce MP
Parliamentary Secretary to the Minister for Transport and Regional Services	The Hon. John Kenneth Cobb MP
Parliamentary Secretary to the Minister for the Environment and Heritage	The Hon. Gregory Andrew Hunt MP
Parliamentary Secretary (Children and Youth Affairs)	The Hon. Sussan Penelope Ley MP
Parliamentary Secretary to the Minister for Education, Science and Training	The Hon. Patrick Francis Farmer MP
Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry	Senator the Hon. Richard Mansell Colbeck

SHADOW MINISTRY

Leader of the Opposition	The Hon. Kim Christian Beazley MP
Deputy Leader of the Opposition and Shadow Minister for Education, Training, Science and Research	Jennifer Louise Macklin MP
Leader of the Opposition in the Senate and Shadow Minister for Social Security	Senator Christopher Vaughan Evans
Deputy Leader of the Opposition in the Senate and Shadow Minister for Communications and Information Technology	Senator Stephen Michael Conroy
Shadow Minister for Health and Manager of Opposition Business in the House	Julia Eileen Gillard MP
Shadow Treasurer	Wayne Maxwell Swan MP
Shadow Minister for Industry, Infrastructure and Industrial Relations	Stephen Francis Smith MP
Shadow Minister for Foreign Affairs and International Security	Kevin Michael Rudd MP
Shadow Minister for Defence and Homeland Security	Robert Bruce McClelland MP
Shadow Minister for Trade	The Hon. Simon Findlay Crean MP
Shadow Minister for Primary Industries, Resources and Tourism	Martin John Ferguson MP
Shadow Minister for Environment and Heritage and Deputy Manager of Opposition Business in the House	Anthony Norman Albanese MP
Shadow Minister for Public Administration and Open Government, Shadow Minister for Indigenous Affairs and Reconciliation and Shadow Minister for the Arts	Senator Kim John Carr
Shadow Minister for Regional Development and Roads and Shadow Minister for Housing and Urban Development	Kelvin John Thomson MP
Shadow Minister for Finance and Superannuation	Senator the Hon. Nicholas John Sherry
Shadow Minister for Work, Family and Community, Shadow Minister for Youth and Early Childhood Education and Shadow Minister Assisting the Leader on the Status of Women	Tanya Joan Plibersek MP
Shadow Minister for Employment and Workplace Participation and Shadow Minister for Corporate Governance and Responsibility	Senator Penelope Ying Yen Wong

(The above are shadow cabinet ministers)

SHADOW MINISTRY—*continued*

Shadow Minister for Immigration	Laurence Donald Thomas Ferguson MP
Shadow Minister for Agriculture and Fisheries	Gavan Michael O'Connor MP
Shadow Assistant Treasurer, Shadow Minister for Revenue and Shadow Minister for Banking and Financial Services	Joel Andrew Fitzgibbon MP
Shadow Attorney-General	Nicola Louise Roxon MP
Shadow Minister for Regional Services, Local Government and Territories	Senator Kerry Williams Kelso O'Brien
Shadow Minister for Manufacturing and Shadow Minister for Consumer Affairs	Senator Kate Alexandra Lundy
Shadow Minister for Defence Planning, Procurement and Personnel and Shadow Minister Assisting the Shadow Minister for Industrial Relations	The Hon. Archibald Ronald Bevis MP
Shadow Minister for Sport and Recreation	Alan Peter Griffin MP
Shadow Minister for Veterans' Affairs	Senator Thomas Mark Bishop
Shadow Minister for Small Business	Tony Burke MP
Shadow Minister for Ageing, Disabilities and Carers	Senator Jan Elizabeth McLucas
Shadow Minister for Justice and Customs, Shadow Minister for Citizenship and Multicultural Affairs and Manager of Opposition Business in the Senate	Senator Joseph William Ludwig
Shadow Minister for Pacific Islands	Robert Charles Grant Sercombe MP
Shadow Parliamentary Secretary to the Leader of the Opposition	John Paul Murphy MP
Shadow Parliamentary Secretary for Defence	The Hon. Graham John Edwards MP
Shadow Parliamentary Secretary for Education	Kirsten Fiona Livermore MP
Shadow Parliamentary Secretary for Environment and Heritage	Jennie George MP
Shadow Parliamentary Secretary for Infrastructure	Bernard Fernando Ripoll MP
Shadow Parliamentary Secretary for Health	Ann Kathleen Corcoran MP
Shadow Parliamentary Secretary for Regional Development (House)	Catherine Fiona King MP
Shadow Parliamentary Secretary for Regional Development (Senate)	Senator Ursula Mary Stephens
Shadow Parliamentary Secretary for Northern Australia and Indigenous Affairs	The Hon. Warren Edward Snowdon MP

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Thursday, 12 May 2005

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

NOTICES

Presentation

Senator Brown to move on the next day of sitting:

That there be laid on the table by the Minister representing the Prime Minister, no later than 3.30 pm on 22 June 2005, all correspondence from January 2002 to the present between the Prime Minister, his staff and department with Gunns Pty Ltd relating to the proposed pulp mill in Tasmania.

Senator Mark Bishop to move on the next day of sitting:

That the following matters be referred to the Joint Standing Committee on Foreign Affairs, Defence and Trade for inquiry and report:

- (a) the ability of the Australian Defence Force to maintain air superiority in our region to 2020, given current planning; and
- (b) any measures required to ensure air superiority in our region to 2020.

BUSINESS

Rearrangement

Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (9.31 am)—I move:

That government business order of the day No. 8 (Australian Institute of Maritime Science Amendment Bill 2005) be considered from 12.45 pm till not later than 2 pm today.

Question agreed to.

Rearrangement

Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (9.31 am)—I move:

That general business notice of motion No. 131 standing in the name of Senator Wong relating to

welfare reform be considered during general business today.

Question agreed to.

COMMITTEES

Selection of Bills Committee

Report

Senator FERRIS (South Australia) (9.32 am)—by leave—I move:

That the order of the Senate of 11 May 2005 adopting the 4th report of 2005 of the Selection of Bills Committee be varied to provide that the Legal and Constitutional Legislation Committee report on the provisions of the Crimes Legislation Amendment (Telecommunications Interception and Other Measures) Bill 2005 by 14 June 2005.

Question agreed to.

BUSINESS

Rearrangement

Senator FERRIS (South Australia) (9.32 am)—by leave—At the request of the Chair of the Legal and Constitutional Legislation Committee, Senator Payne, I move:

That business of the Senate order of the day No. 2, relating to the presentation of the report of the committee on the provisions of the Criminal Code Amendment (Suicide Related Material Offences) Bill 2005, be postponed to a later hour of the day.

Question agreed to.

NOTICES

Postponement

An item of business was postponed as follows:

General business notice of motion No. 133 standing in the name of the Leader of the Australian Democrats (Senator Allison) for today, relating to nuclear weapons technology, postponed till 14 June 2005.

Postponement

Senator CARR (Victoria) (9.34 am)—by leave—I move:

That general business notice of motion No. 130 standing in my name for today, proposing an

order for the production of documents, be postponed till the next day of sitting.

Question agreed to.

Withdrawal

The following notices of motion were withdrawn:

Government business notice of motion No. 2 standing in the name of the Minister for Justice and Customs (Senator Ellison) for today, relating to consideration of legislation.

Government business notice of motion No. 3 standing in the name of the Minister for Justice and Customs (Senator Ellison) for today, relating to consideration of legislation.

BURMA

Senator NETTLE (New South Wales) (9.35 am)—by leave—I move the motion as amended:

That the Senate—

- (a) notes that 27 May 2005 marks the 15th anniversary of the last election in Burma;
- (b) expresses:
 - (i) concern at the recent bomb blasts in Rangoon and the deteriorating conditions of the Burmese people, and
 - (ii) continued support for the Committee Representing the People's Parliament to implement the democratically-elected parliament of Burma;
- (c) calls on the Burmese ruling regime to:
 - (i) resume the reconciliation process with the National League for Democracy and ethnic nationalities in cooperation with the United Nations Special Envoy for Burma, Mr Razali Ismail, and
 - (ii) cease the military offensive against the Shan, Karen and Karenni ethnic minorities;
- (d) restates its call for the unconditional release of Daw Aung San Suu Kyi and all political prisoners in Burma; and
- (e) calls on the Government to express concerns to our regional neighbours regarding the Burmese regime's imminent qualifica-

tion for the chair of the Association of South East Asian Nations in 2006.

Question agreed to.

HOUSING ASSISTANCE REPORTS

Senator BARTLETT (Queensland) (9.36 am)—I move:

(1) That the Senate:

- (a) notes that the Housing Assistance (Form of Agreement) Determination 2003 in Schedule 1, subsections 4(33) to 4(36) requires states to report on expenditure and progress towards their respective bilateral agreements to the Commonwealth within 6 months after the end of each grant year;
- (b) orders that there be laid on the table, no later than 3.30 pm on 12 May 2005, all reports provided by the states and territories to the Commonwealth under those provisions for the financial year 2003-04; and
- (c) orders that all reports provided by the states and territories to the Commonwealth under those provisions be tabled in the Senate within 5 sittings days, or one calendar month, after receipt (whichever is the later), and that the Senate be notified in writing by the Minister for Family and Community Services within 5 sitting days of the expiration of the 6 months if reports have not been provided within the required 6 months.

(2) This order is of continuing effect.

Question put.

The Senate divided. [9.40 am]

(The President—Senator the Hon. Paul Calvert)

Ayes.....	30
Noes.....	<u>25</u>
Majority.....	5

AYES

Allison, L.F.
Bishop, T.M.

Bartlett, A.J.J.
Brown, B.J.

Buckland, G.
Carr, K.J.
Collins, J.M.A.
Faulkner, J.P.
Greig, B.
Hutchins, S.P.
Ludwig, J.W.
Mackay, S.M.
McLucas, J.E.
Murray, A.J.M.
Ray, R.F.
Stephens, U.
Webber, R.

NOES

Abetz, E.
Chapman, H.G.P.
Ellison, C.M.
Ferris, J.M. *
Fifield, M.P.
Johnston, D.
Knowles, S.C.
Macdonald, J.A.L.
McGauran, J.J.J.
Patterson, K.C.
Santoro, S.
Tchen, T.
Vanstone, A.E.

PAIRS

Bolkus, N.
Cook, P.F.S.
Denman, K.J.
Evans, C.V.
O'Brien, K.W.K.
Sherry, N.J.

* denotes teller

Question agreed to.

TASMANIAN PULP MILL

Senator BROWN (Tasmania) (9.43 am)—I move:

That there be laid on the table by the Minister for the Environment and Heritage, no later than 3.30 pm on 16 June 2005, all correspondence from January 2002 to the present between the Minister, his staff and department with Gunns Pty Ltd relating to the proposed pulp mill in Tasmania.

Question put.

The Senate divided. [9.45 am]
(The President—Senator the Hon. Paul Calvert)

Ayes..... 31
Noes..... 26
Majority..... 5

AYES

Allison, L.F.
Bishop, T.M.
Buckland, G.
Carr, K.J.
Collins, J.M.A.
Faulkner, J.P.
Greig, B.
Hutchins, S.P.
Lees, M.H.
Lundy, K.A.
Marshall, G.
Moore, C.
Nettle, K.
Ridgeway, A.D.
Stott Despoja, N.
Wong, P.

Bartlett, A.J.J.
Brown, B.J.
Campbell, G. *
Cherry, J.C.
Crossin, P.M.
Forshaw, M.G.
Hogg, J.J.
Kirk, L.
Ludwig, J.W.
Mackay, S.M.
McLucas, J.E.
Murray, A.J.M.
Ray, R.F.
Stephens, U.
Webber, R.

NOES

Abetz, E.
Calvert, P.H.
Eggleston, A.
Ferguson, A.B.
Fierravanti-Wells, C.
Humphries, G.
Kemp, C.R.
Lightfoot, P.R.
Macdonald, J.A.L.
McGauran, J.J.J.
Payne, M.A.
Scullion, N.G.
Troeth, J.M.

Boswell, R.L.D.
Chapman, H.G.P.
Ellison, C.M.
Ferris, J.M. *
Fifield, M.P.
Johnston, D.
Knowles, S.C.
Macdonald, I.
Mason, B.J.
Minchin, N.H.
Santoro, S.
Tchen, T.
Vanstone, A.E.

PAIRS

Bolkus, N.
Conroy, S.M.
Cook, P.F.S.
Denman, K.J.
Evans, C.V.
Sherry, N.J.

Colbeck, R.
Hill, R.M.
Coonan, H.L.
Brandis, G.H.
Patterson, K.C.
Heffernan, W.

* denotes teller

Question agreed to.

BUSINESS

Consideration of Legislation

Senator ELLISON (Western Australia—Minister for Justice and Customs) (9.48 am)—I move:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the Social Security Legislation Amendment (One-off Payments for Carers) Bill 2005, allowing it to be considered during this period of sittings.

Question agreed to.

NATIONAL DAY OF HEALING

Senator RIDGEWAY (New South Wales) (9.48 am)—I, and also on behalf of Senator Carr and Senator Nettle, move:

That the Senate—

(a) notes that:

- (i) 26 May 2005 is National Day of Healing, and that this date commemorates the anniversary of the handing down of the *Bringing Them Home* report on 26 May 1997,
 - (ii) National Day of Healing, previously National Sorry Day, is an opportunity for all Australians to acknowledge and help heal the wounds of the many Aboriginal and Torres Strait Islander people and their families who suffered as a result of the forced removal policies of successive Australian Governments between 1910 and the 1970s, and
 - (iii) National Day of Healing recognises that the journey of healing for the stolen generations depends on and contributes to healing within the wider Indigenous community and between Indigenous and non-Indigenous Australians;
- (b) congratulates those involved in the 'Journey of Healing' and other community-based organisations who are holding events across the country to help all Australians understand the ongoing impact of the removal policies and to rebuild relations between Indigenous and non-

Indigenous Australians in the spirit of reconciliation;

- (c) acknowledges that despite the efforts of many individuals, communities and community organisations, the progress of reconciliation in Australia remains an ongoing challenge for all Australians; and
- (d) urges the Government to finally implement the recommendations of the *Bringing Them Home* report and the subsequent Legal and Constitutional References Committee report of the inquiry into the Stolen Generations in 2000, in particular the recommendation for the establishment of a national Stolen Generations Reparations Tribunal to deliver a humane and compassionate alternative to the adversarial, expensive and traumatic process of litigation.

Question agreed to.

SPYWARE BILL 2005

First Reading

Senator GREIG (Western Australia) (9.49 am)—I move:

That the following bill be introduced: A Bill for an Act to regulate the unauthorised installation of computer software, to require the clear disclosure to computer users of certain computer software features that may pose a threat to user privacy, and for related purposes.

Question agreed to.

Senator GREIG (Western Australia) (9.50 am)—I move:

That this bill may proceed without formalities and be now read a first time.

Question agreed to.

Bill read a first time.

Second Reading

Senator GREIG (Western Australia) (9.50 am)—I move:

That this bill be now read a second time.

I seek leave to have the second reading speech incorporated in *Hansard*.

Leave granted

The speech read as follows—

SPYWARE BILL 2005

With the rapid growth of the use of IT and the Internet, there has been a similar rise in the growth of IT and Internet based crime. There has also been a sharp rise in attacks on the privacy of individuals and businesses. This is the result of an increasingly widespread type of malicious ware, or 'malware', known as Spyware.

Like spam, this new generation of malware has the potential to cost businesses dearly in both economic and social terms and, like spam, may lead to problems in the private use of new technologies.

Spyware is designed to give benefit to others by misusing personal data. It is a program or tracking device on a computer which then changes the behaviour of that computer without the computer owner's or user's consent. These programs run the full gamut from merely embarrassing to full identity theft.

Spyware comes in many forms. Some of these are obviously illegal, yet the issue is further confused by the fact that only some are malicious, depending on the circumstances in which they are being used. One program which records every stroke of the keyboard by a user can be used by hackers to gain credit card numbers or by security conscious financial organisations acting with the full knowledge of their employees.

Indeed, many concerned parents have installed similar programs in order to protect their children. Whilst not normally monitored, they can be useful should any suspicious behaviour arise, however, such a child security type of package can be misused if it is covertly installed and maintained to supply records and screen shots of every activity by every user on that computer. This could include banking and credit card log on details or even sufficient data for extreme levels of identity theft.

With the introduction of any new technology there are always some grey areas with regard to its use. Laws in the past have, by necessity, tended to prohibit specific actions but now more often laws are required to proscribe for the methods under which an action can be taken. Thus a decision on breach of the law is not dependant on

a definition of the event, but rather by whether the event was authorised. In setting the penalty, it is not necessary to define the cause of the injury but merely to seek whether or not the event was authorised and if not, what damage eventuated.

This new technology is also known as snoopware and trespassware. Again there is a wide range with one extreme being the clearly illegal key loggers and screen shot capturing programs designed to give hackers access to and often control over your computer. At the other end of the scale is the more common form of spyware known as 'third-party cookies'. Whilst not being illegal, cookies often stretch the boundaries of what is legal. Third-party cookies are placed on your computer by a company other than the one whose site you are visiting—hence the term third party. However, these cookies have a sinister purpose; namely reporting to base. Unbeknown to the Internet user, a list of all the sites they visit may be transmitted back to the cookie owner. This enables the cookie owner to specifically target advertisements and spam to that Internet user. The more data that is collected, the more information the cookie owner has. Complex computer database interrogators called 'data miners' can then dig through the data until the users' privacy is completely forsaken in the interests of the cookie owners 'bottom line'.

In a survey released in April last year by US Internet service provider Earthlink and privacy firm Webroot Software, it found close to 30 million spyware programs on more than one million computers in a three-month period. This is nearly 28 programs for every computer. A similar sized study undertaken earlier this year found 85 million spyware programs installed over the same period. The problem is getting worse and growing exponentially.

Many advertising firms, such as the giant web advertising firm *DoubleClick* use tracking cookies to determine which advertisements you see when you access a Web page. The first time you view a page with a *DoubleClick* banner ad, the advertisement deposits a cookie on your hard disk. Then any time you view another page containing a *DoubleClick* ad, the cookie on your hard drive sends that page back to the ad agency's server creating a virtual mailing list. Thus begins a de-

tailed clickstream, a history of some of the places you've visited on the Net carefully stored away, ready to be added to and updated and all without any permission from you or even any warning that it is happening. A ready source for some of the most effective data miners to harvest.

Currently, companies such as *DoubleClick* claim that this clickstream is not matched to your individual identity. Instead, each cookie contains a unique global identifier, which lets the ad server track your movements without identifying your actual name or e-mail address. But, it is a very small move to match this global ID to personally identifying information or the Internet address of the surfer and the implications for this are obvious.

In the real world no-one knows where you go or what you do. No-one knows what shops you patronise or what books you read. When you watch television no-one knows what programs you watch or for how long you watch. Yet some websites are already doing this and more, and the average web surfer is unable to know what data is being collected and what is being stored—data that the collecting company can sell to any other company wanting a targeted sales list of people to spam. A European Union study reported in 2001 that only nine percent of the European Web sites studied asks for permission to sell data that they collect from visitors, while fifty per cent do so in the USA.

Companies such as *DoubleClick* make many millions of dollars each year from the sale of data and the targeting of ads, yet their name is not often seen, other than in civil liberties court cases. Even the Federal Parliamentary network has a number of *DoubleClick* cookies on it reporting to its' owners in the US details of which web sites are visited by members, senators and their staff.

Hiding the details of third party cookies in legalistic jingo on the Privacy page of a site is not enough. Especially as the privacy conditions stated on a site apply to that site only and not to the third party which is doing the collecting.

In short, if you go to any website you should be aware that all your internet surfing from that point on may be spied upon without your permission or even your knowledge by a company you have never heard of that is making money out of its

invasion of your privacy. To me, this is not acceptable.

It is time for all sites to open up and come clean with their users, and since they won't come to the party voluntarily, it is time to insist. They are security danger spots. At the very least the user should be offered the following information before a cookie is placed on their site:

- Is information being collected from this computer?
- What information is being collected?
- Will this information be given or sold to anyone else?
- How is the user's privacy being protected?
- Who will be buying the information?

This is not paranoia, it is modern safe privacy practise. Since there appears to be no desire for the market to self regulate, it is time for parliament to protect the rights of those who want safeguards in this new world.

In 2000 the company RealJukebox admitted that it issued a unique identification number for each user and stored the numbers in the same database that holds user names and e-mail addresses. Theoretically, these numbers could track where people go on the Web. RealJukebox said that it had never monitored users' behaviour but this begs the question as to why it went to all the trouble of writing and inserting code secretly that it never intended to use.

RealJukebox admitted that it included the personal number as a result of a court case. Prior to this it had actually denied doing any such thing. As a matter of interest, probably each computer in every Australian parliamentarian's office has the program RealPlayer on it. Every time someone in an electorate or parliamentary office uses this program, it could be telling someone in America about it.

This is not acceptable.

A second and very common form of spyware installation is via the installation of other programs. The notorious Kazaa file transfer program that was used by millions around the world to swap data also included another program designed to turn an infected computer into an ad server of its own. This malware made a computer,

using its own data allowance, send spam to other unknown computers, thereby cutting out the link with Kazaa.

Sometimes these things are referred to in the 'Terms of Use' for the program. These notifications are notoriously hard to understand and are incomprehensible to most people.

Recently a judge in a case involving Ingram Micro, referring to what actually constituted damage in the case of a computer said that:

"At a time when computer technology dominates our professional as well as our personal lives . . . 'physical damage' is not restricted to the physical destruction or harm of computer circuitry but includes loss of access, loss of use, and loss of functionality."

It is time the law reflected this. Making an unauthorised change to a computer should be no different to making an unauthorised change to a car. Hijacking is hijacking whether it is a car or a computer. Similarly, spying is spying, invasion of privacy is invasion of privacy and the time for legal recognition of this fact is long overdue. It is not enough to stand by whilst people are forced at no small expense to buy programs to protect themselves when that is the role of law. Surely it is only common sense to lock a computer just as one locks a car, and any attempt to contravene this is attempting unauthorised access and should be treated the same, whether it is attempting to access a car or a PC.

It is this authorisation that is at the heart of the Australian Democrats' proposals. Namely that no program or cookie or any other form of tracking device is to be installed on any computer without the user of that computer being given full and clear information as to the purpose of the program or tracking device. Further, any such warning must include details of any effect the program will have on the computer and what, if any, data will be gathered, who will have access to the data and what use will be made of it.

After the user has been given all necessary information the user will retain full control with the need for a separate authorisation before installation. Furthermore, once installed each program or monitoring or tracking device must make it easy for the user to completely remove or uninstall it.

Like Spam, the solution to malware will be multi-dimensional. It will require the use of third party programs, ongoing education and legislation. This proposed legislation should be the basis for the law. It is not draconian or prescriptive, it does not violate the rights of advertisers or advertising companies, it just forces them to be upfront. They still have the right to collect data and to advertise, they just have to be honest about what they are doing and to whom they are doing it.

Areas like double program installation by one click (as in the Kazaa/Brilliant Digital installation), are covered by this legislation as it will require separate clicks for installation of each program, and with an explanation of the effects of each program first. In short we want to return control of private property back to its owners.

In drafting this law, I have not dealt with obvious breaches of current law such as those from key-loggers, worms Viruses etc, however this law is an improvement on current legislation in these areas too. It makes proving the crime that much easier because any installation that does not seek informed approval breaches this law and removes the difficulties in establishing the crime in the first place. Law enforcement is therefore made easier to understand and to enforce. The simplicity also helps the educational component.

The final point that I wish to make here is that it is past time to make the penalties fit the crime for these offences. A fine of ten thousand dollars for collecting information worth ten times that, is not a serious impediment.

The new industry is IT, a fact this government seems unable to understand. New crimes are in IT and the new invasions of our rights to privacy are also in IT. It is no longer acceptable to just hope that self regulation will work. It hasn't and it won't.

I commend the bill to the Senate.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

AUSTRALIAN FEDERATION OF PREGNANCY SUPPORT SERVICES

Senator BARTLETT (Queensland) (9.50 am)—At the request of Senator Allison, I move:

That there be laid on the table by the Minister representing the Minister for Health and Ageing, no later than 4.30 pm on Thursday, 12 May 2005, copies of all reports provided by the Australian Federation of Pregnancy Support Services to the Department of Health and Ageing as part of their reporting requirements, including financial statements.

Question put.

The Senate divided. [9.55 am]

(The President—Senator the Hon. Paul Calvert)

Ayes.....	31
Noes.....	<u>28</u>
Majority.....	3

AYES

Allison, L.F.	Bartlett, A.J.J.
Bishop, T.M.	Brown, B.J.
Buckland, G.	Campbell, G. *
Carr, K.J.	Cherry, J.C.
Collins, J.M.A.	Crossin, P.M.
Faulkner, J.P.	Forshaw, M.G.
Greig, B.	Hogg, J.J.
Hutchins, S.P.	Kirk, L.
Ludwig, J.W.	Lundy, K.A.
Mackay, S.M.	Marshall, G.
McLucas, J.E.	Moore, C.
Murray, A.J.M.	Nettle, K.
O'Brien, K.W.K.	Ray, R.F.
Ridgeway, A.D.	Stephens, U.
Stott Despoja, N.	Webber, R.
Wong, P.	

NOES

Abetz, E.	Barnett, G.
Boswell, R.L.D.	Calvert, P.H.
Campbell, I.G.	Chapman, H.G.P.
Eggleston, A.	Ellison, C.M.
Ferguson, A.B.	Ferris, J.M. *
Fierravanti-Wells, C.	Fifield, M.P.
Heffernan, W.	Humphries, G.
Johnston, D.	Knowles, S.C.
Lightfoot, P.R.	Macdonald, I.
Macdonald, J.A.L.	Mason, B.J.
McGauran, J.J.J.	Patterson, K.C.
Payne, M.A.	Scullion, N.G.
Tchen, T.	Troeth, J.M.
Vanstone, A.E.	Watson, J.O.W.

PAIRS

Bolkus, N.	Colbeck, R.
Conroy, S.M.	Kemp, C.R.
Cook, P.F.S.	Coonan, H.L.
Denman, K.J.	Brandis, G.H.
Evans, C.V.	Santoro, S.
Sherry, N.J.	Minchin, N.H.

* denotes teller

Question agreed to.

COMMITTEES

Scrutiny of Bills Committee

Report

Senator GEORGE CAMPBELL (New South Wales) (9.58 am)—On behalf of the Chair of the Senate Standing Committee for the Scrutiny of Bills, I present the fourth report of 2005 of the committee. I also lay on the table Scrutiny of Bills *Alert Digest* No. 4 of 2005, dated 11 May 2005.

Ordered that the report be printed.

Publications Committee

Report

Senator FERRIS (South Australia) (9.58 am)—On behalf of the Chair of the Standing Committee on Publications, Senator Watson, I present the third report of the Publications Committee.

Ordered that the report be adopted.

Corporations and Financial Services Committee

Report

Senator CHAPMAN (South Australia) (9.59 am)—I present the report of the Parliamentary Joint Committee on Corporations and Financial Services entitled *Statutory oversight of the Australian Securities and Investments Commission*, together with the *Hansard* record of proceedings.

Ordered that the report be printed.

BUDGET**Consideration by Legislation Committees****Additional Information**

Senator EGGLESTON (Western Australia) (9.59 am)—On behalf of the Chair of the Legal and Constitutional Legislation Committee, I present additional information received by the committee relating to hearings on the budget estimates for 2004-05.

**CUSTOMS TARIFF AMENDMENT
BILL (No. 1) 2005**

**SOCIAL SECURITY LEGISLATION
AMENDMENT (ONE-OFF PAYMENTS
FOR CARERS) BILL 2005**

**SOCIAL SECURITY AMENDMENT
(EXTENSION OF YOUTH
ALLOWANCE AND AUSTUDY
ELIGIBILITY TO NEW
APPRENTICES) BILL 2005**

First Reading

Bills received from the House of Representatives.

Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (10.00 am)—I indicate to the Senate that these bills are being introduced together. After debate on the motion for the second reading has been adjourned, I will be moving a motion to have the bills listed separately on the *Notice Paper*. I move:

That these bills may proceed without formalities, may be taken together and be now read a first time.

Question agreed to.

Bills read a first time.

Second Reading

Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (10.02 am)—I table a revised explanatory memorandum relating to the Social Security Amendment (Extension of Youth

Allowance and Austudy Eligibility to New Apprentices) Bill 2005 and move:

That these bills be now read a second time.

I seek leave to have the second reading speeches incorporated in *Hansard*.

Leave granted.

The speeches read as follows—

**CUSTOMS TARIFF AMENDMENT BILL
(No. 1) 2005**

The Customs Tariff Amendment Bill (No. 1) 2005 contains amendments to the Customs Tariff Act 1995. Most of the amendments contained in this bill have previously been introduced into the Parliament as Customs Tariff Proposals.

Part 1 of the bill creates a new item 22 in Schedule 4 of the Tariff with effect from 18 October 2003. The new item replaces the existing item 22, which relates to goods for use in oil and gas exploration. The extended coverage of new item 22 accommodates changes in technology in the oil and gas industries.

The new item will reduce the cost of certain goods imported for use directly in connection with the exploration for, and discovery of, oil and gas deposits and the pre-production development of wells on those deposits, by allowing duty-free entry of those goods, provided that substitutable goods are not available from Australian manufacturers.

These amendments not only address industry concerns but also, by reducing the costs of imports, maximise the recovery of Australia's petroleum resources, which is consistent with the Government's objective of encouraging a supportive environment for investment and enhanced productivity.

Part 2 of the bill contains amendments to Chapter 29 of the Tariff to allow the herbicide paraquat dichloride, containing an emetic added for safety reasons, to be classified in subheading 2933.39.00 of that Chapter.

By enabling the inclusion of paraquat dichloride with an added emetic in subheading 2933.39.00, the same duty outcome of free is achieved as for paraquat dichloride that contains other allowable safety measures such as stenching agents.

Part 3 of this bill amends item 68 in Part III of Schedule 4 to the Tariff to extend the South Pacific Regional Trade and Economic Co-operation Agreement (Textile Clothing and Footwear Provisions) Scheme.

On 8 August 2004, the Prime Minister, the Hon John Howard MP, announced that this Scheme would be extended for seven years, to 31 December 2011, from its current legislated end date of 31 December 2004. The Scheme provides for the duty-free entry of certain textiles, clothing and footwear from Forum Island Countries covered by the South Pacific Regional Trade and Economic Co-operation Agreement.

Parts 5 and 6 of this bill amend the rates of customs duty payable on certain alcohol and tobacco products in accordance with Consumer Price Index (CPI) adjustments in February and August of each year. The US Free Trade Agreement Implementation (Customs Tariff) Act 2004 that implemented the Australia-US Free Trade Agreement was introduced into the Parliament prior to the announcement of the August 2004 CPI figures. Consequently, this Act when enacted, contained duty rates that had not been adjusted in accordance with the CPI.

The amendments in Part 5 are effective from 1 January 2005 when the Australia-US Free Trade Agreement came into effect and those in Part 6 are effective from 1 February 2005 when a further CPI increase occurred.

These amendments ensure that rates of duty on US originating alcohol and tobacco products are consistent with duty rates for the same non-US originating goods, in accordance with the terms of the Australia-US Free Trade Agreement.

The remaining amendments in this bill are administrative in nature and do not impact on customs duties.

**SOCIAL SECURITY LEGISLATION
AMENDMENT (ONE-OFF PAYMENTS FOR
CARERS) BILL 2005**

The measure contained in this bill will make bonus payments to carers who are in receipt of carer payment and/or carer allowance.

This bill builds on the support provided to carers by the Howard Government in the 2004-05 Budget package, Recognising the contribution of carers. The bonus payments are made in recognition of the contribution carers make to society and the well-being of the people they care for, and to provide some additional support in meeting the costs of providing this care. These bonus payments are made possible because of this Government's prudent economic management in delivering surplus budgets, which have made it possible to pay these social dividends.

This bill specifically recognises carers in receipt of carer payment and/or carer allowance.

Carer payment is a means-tested income support payment paid to a person with limited income who provides constant care for someone with a disability or frail aged. Carer payment customers will receive a one-off bonus payment of \$1000.

Carer allowance is not means-tested and is an income supplement paid to a person who provides daily care and attention at home for a person with a disability or frail aged. Carer allowance recipients will receive a one-off payment of \$600 for each eligible care receiver they provide care for.

Carers whose children qualify for a Health Care Card only will not be eligible for the bonus payment. Carers who claim carer allowance after 10 May 2005, and whose payment is backdated due to the application of the carer allowance backdating provisions (that is, currently up to 52 weeks in relation to a child or up to 26 weeks in relation to an adult) will not be eligible for the bonus payment even though the backdated period will have included payment for 10 May 2005.

These bonus payments to carers are non-taxable and do not count as income for social security or family assistance purposes.

Payments will be made automatically to the majority of eligible customers by 30 June 2005. It is expected that a small number of claimants will receive the one-off bonus in 2005-06 where they are assessed as eligible for the payment after 1 July 2005 and have their eligibility for the payment backdated to the date of claim, which must have been made on or before 10 May 2005.

The measure contained in this bill demonstrates the Government's firm commitment to carers and will cost \$316.9 million.

**SOCIAL SECURITY AMENDMENT
(EXTENSION OF YOUTH ALLOWANCE AND
AUSTUDY ELIGIBILITY TO NEW
APPRENTICES) BILL 2005**

The Social Security Amendment (Extension of Youth Allowance and Austudy eligibility to New Apprentices) Bill 2005 will provide net outlays of \$383.2 million over three years to providing further assistance to apprentices and trainees in the initial years of their training.

This Government's sound financial management has produced a strong economy. A strong and growing economy requires skilled employees.

This bill supports the Government's intention to address skills shortages in the Australian economy. It encourages people to participate in New Apprenticeships, providing them with the skills needed to enter or re-enter the workforce, re-train for a new job or upgrade for an existing job. This measure will increase the supply of skilled people with a nationally recognised qualification to meet the needs of business and support a more competitive and innovative economy.

This measure, extending eligibility for Youth Allowance and Austudy to full-time apprentices and trainees participating under the New Apprenticeships scheme for the first time, acknowledges how important these people are to our continued economic competitiveness, performance and growth.

The extension of eligibility for Youth Allowance and Austudy payment to full-time New Apprentices will help to ease the financial burden faced by apprentices and trainees in the initial years of their training. New Apprentices will be treated consistently with current arrangements for full-time students under the payments, with the application of parental, personal and partner means testing according to their circumstances.

This measure extends these payments by providing additional support to up to 75,000 more people in 2005-06, increasing to approximately 93,000 by the 2008-09 financial year.

This amending bill also contains provisions for the exemption from social security and veterans' entitlements for the Commonwealth Trade Learning Scholarships and Tools for your Trade initiative. The Commonwealth Trade Learning Scholarships will be exempt from assessment as taxable income. It is intended that benefits under the Tools for your Trade initiative will also be exempt from assessment as taxable income. This will ensure that these measures are fully effective and that their value to recipients is not eroded.

The Government is introducing a Commonwealth Trade Learning Scholarship to financially assist New Apprentices undertaking New Apprenticeships in trade occupations in skill shortage. The Scholarship will provide payments of \$500 to New Apprentices upon successful completion of their first and second years.

This assistance will encourage and allow many New Apprentices to remain in training and reach their goals of become fully qualified tradespersons. Furthermore, in conjunction with other initiatives being implemented by this Government, there will be greater take up of trade New Apprenticeships as these initiatives break down the barriers and perceptions that currently deter many young people from entering these worthwhile and fulfilling careers.

The Tools for Your Trade initiative aims to help alleviate the financial burden on New Apprentices undertaking New Apprenticeships in trade occupations where there is a skill shortage. The initiative will make tool kits to the value of \$800 available to apprentices undertaking a New Apprenticeship in identified trades.

The initiative will help up to 34,000 New Apprentices a year, targeting trades experiencing skill shortages as listed in the Department of Employment and Workplace Relations National Skill Shortages list. Among those to benefit will be New Apprentices in metals, motor vehicle and building trades, plumbers, chefs and cooks, cabinet makers, furniture makers and hairdressers.

These measures, combined with other initiatives announced and currently being implemented by this Government, represent a significant investment in the future growth of Australian industries and the vocational education and training sector.

I commend the bill to the Senate.

Debate (on motion by **Senator Ellison**) adjourned.

Ordered that the resumption of the debate be made an order of the day for a later hour.

Ordered that the bills be listed on the *Notice Paper* as separate orders of the day.

**CRIMINAL CODE AMENDMENT
(SUICIDE RELATED MATERIAL
OFFENCES) BILL 2005**

**TAX LAWS AMENDMENT
(IMPROVEMENTS TO SELF
ASSESSMENT) BILL (No. 1) 2005**

**SHORTFALL INTEREST CHARGE
(IMPOSITION) BILL 2005**

**WORKPLACE RELATIONS
AMENDMENT (EXTENDED
PROHIBITION OF COMPULSORY
UNION FEES) BILL 2005**

First Reading

Bills received from the House of Representatives.

Senator ELLISON (Western Australia—Minister for Justice and Customs) (10.02 am)—I indicate to the Senate that these bills are being introduced together. After debate on the motion for the second reading has been adjourned, I will be moving a motion to have two of the bills listed separately on the *Notice Paper*. I move:

That these bills may proceed without formalities, may be taken together and be now read a first time.

Question agreed to.

Bills read a first time.

Second Reading

Senator ELLISON (Western Australia—Minister for Justice and Customs) (10.03 am)—I move:

That these bills be now read a second time.

I seek leave to have the second reading speeches incorporated in *Hansard*.

Leave granted.

The speeches read as follows—

**CRIMINAL CODE AMENDMENT (SUICIDE
RELATED MATERIAL OFFENCES) BILL 2005**

This bill—the Criminal Code Amendment (Suicide Related Material Offences) Bill 2005—introduces important new measures that will criminalise use of the Internet to encourage others to take their own lives.

The bill will make it an offence to use a carriage service, including the Internet, to access, transmit or make available material that counsels or incites suicide.

The bill will also make it an offence to possess, produce or supply such material, with intent to make it available on the Internet.

There is a real need to protect vulnerable individuals from people who use the Internet with destructive intent to counsel or incite others to take their own lives.

The Internet contains readily accessible sites and chat rooms that positively advocate suicide and discourage individuals from seeking psychiatric or other help.

Many of these sites also provide explicit instructions on methods of committing suicide.

There have been instances where Internet chat rooms have been used by a person, or even a group of persons, to urge another to commit suicide.

Recent studies have shown that in some cases such Internet chat room discussions have lead to a person attempting suicide, sometimes successfully.

This research points to evidence that vulnerable individuals were compelled so strongly by others to take their own lives that they felt to back out or seek help would involve losing face.

Disturbingly, ABC Online recently reported on a trend in Japan towards strangers arranging suicide pacts over Internet suicide chat rooms.

According to that report, over a three month period in late 2004 at least 35 people made suicide pacts online.

Tragically, these people then met in small groups in remote locations and died together.

The proposed offences recognise the harm that can be done by those who use the Internet with destructive intent.

The bill seeks to protect vulnerable individuals by preventing the use of the Internet in this way but does not seek to stifle legitimate debate on euthanasia or suicide related issues.

Clarifying provisions have been included within this legislation which provide that a person is not guilty of these offences merely because the person uses a carriage service to engage in public discussion or debate about, or advocates reform of the law relating to, euthanasia or suicide.

These provisions make it clear that the offences only apply where the person intends to use the material concerned to counsel or incite suicide, or to promote or provide instruction on a method of committing suicide.

These offences complement existing Customs regulations prohibiting the physical importation and exportation of suicide kits and information related to those kits.

The new offences will carry the same maximum penalty as the Customs offences of \$110,000 for an individual.

This bill was initially introduced on 4 August 2004 but lapsed with the prorogation of Parliament.

The Government remains committed to the protection of the vulnerable in our society.

The importance of the bill is reflected by its early re-introduction.

This bill contains important measures that will protect our most vulnerable and help to prevent the Internet from being used for destructive purposes towards those individuals.

**TAX LAWS AMENDMENT
(IMPROVEMENTS TO SELF ASSESSMENT)
BILL (No. 1) 2005**

This bill implements the first part of the Government's response to the Report on Aspects of Income Tax Self Assessment. The report, which was released on 16 December 2004, identified a num-

ber of legislative refinements to the self assessment system. They are aimed at reducing uncertainty and compliance costs for taxpayers, while preserving the Australian Taxation Office's capacity to collect legitimate income tax liabilities.

Schedule 1 to the bill introduces a new interest regime—the shortfall interest charge—that will apply to under-assessments of income tax. For income tax shortfalls, the shortfall interest charge will replace the existing general interest charge for the period before the taxpayer is notified of the under-assessment. The shortfall interest charge will be set at a rate that is four percentage points lower than the general interest charge rate.

This reduces the interest consequences for taxpayers who may make errors in their returns. The changes will apply to amendments of assessments for the 2004-2005 income year and later income years.

Schedule 2 amends the administrative penalty provisions of the tax laws.

Firstly, this Schedule will abolish the penalty for tax shortfalls resulting from a failure to follow a private ruling issued by the Commissioner of Taxation. This is because of fears that the penalty was acting as a disincentive to applications for rulings.

Secondly, the Commissioner will be required to provide an explanation of why a taxpayer is liable to a penalty and why the penalty has not been remitted in full.

Finally, the bill clarifies the definition of 'reasonably arguable' in the provision which says that a taxpayer can be charged interest in relation to an underpayment, where a claim was not 'reasonably arguable'.

These amendments will broadly apply from the 2004-2005 income year and later income years.

Full details of the measures in this bill are contained in the explanatory memorandum.

I commend this bill.

**SHORTFALL INTEREST CHARGE
(IMPOSITION) BILL 2005**

This bill accompanies the Tax Laws Amendment (Improvements to Self Assessment) Bill (No.1) 2005 just introduced.

The Imposition Bill will impose the new shortfall interest charge as a tax to the extent to which the charge cannot be validly imposed other than as a tax.

Details of this bill are contained in the explanatory memorandum to the Tax Laws Amendment (Improvements to Self Assessment) Bill (No. 1) 2005.

I commend this bill.

**WORKPLACE RELATIONS AMENDMENT
(EXTENDED PROHIBITION OF
COMPULSORY UNION FEES) BILL 2005**

The Workplace Relations Amendment (Extended Prohibition of Compulsory Union Fees) Bill 2004 was introduced into the 40th Parliament. The bill lapsed with the dissolution of the Parliament. The Government is reintroducing this bill in line with the continued commitment to the elimination of bargaining fees in industrial agreements.

This Government's commitment to the principle of freedom of association is a cornerstone of a workplace relations framework that is providing for more productive and more prosperous workplaces. The Workplace Relations Act 1996 reflects the principle of freedom of association with broad legislative recognition of the freedom for employees to join, or not to join, an industrial association.

This fundamental freedom is violated by union attempts to impose so-called 'bargaining agent fees'. Bargaining agent fee clauses in agreements purport to impose an obligation to pay a fee on an employee who is not a member of a union for bargaining services that they did not request. This means non-union workers have to pay for union negotiations at their workplaces even though their concerns may not be represented at all. Effectively, bargaining agent fees act as backdoor compulsory unionism. They are contrary to the principles of freedom of association and should not be included in any form of industrial instrument.

To halt the re-emergence of compulsory unionism in the federal sphere, the Government introduced the Workplace Relations (Prohibition of Compulsory Union Fees) Bill which was eventually

passed through the Senate with support from the Australian Democrats.

The Workplace Relations (Prohibition of Compulsory Union Fees) Act 2003 amended the Workplace Relations Act and prohibited compulsory union fees in federal certified agreements. The amendments expressly provided that a bargaining services fee clause in a federal agreement is void. It also provided that a bargaining services fee clause is an 'objectionable provision' for the purposes of the Workplace Relations Act. This means that an agreement should not be certified if it contains a bargaining services fee or, if an agreement has been certified, the bargaining services fee clause may be removed.

The legislative change also addressed conduct designed to compel workers to pay such fees. The Compulsory Union Fees Act prohibits the making of false or misleading representations about a person's liability to pay a compulsory fee. This was necessary to prevent unions, or employers, from using other methods to create an impression that employees are legally obliged to pay compulsory union fees.

The Workplace Relations Amendment (Prohibition of Compulsory Union Fees) Act 2003 has been successful in addressing bargaining agents fee clauses in federal agreements with bargaining fee provisions removed from 10 certified agreements in January and February of 2004. A further 572 applications made by the Office of the Employment Advocate are currently being considered by the Commission. However, as progress is made in the federal jurisdiction, a number of unions have sought to include such clauses in agreements made under State legislation. Recent cases in State jurisdictions have confirmed that bargaining agent fees clauses can be included in State agreements.

As State Governments appear unwilling to prohibit compulsory bargaining fees in their jurisdictions, it again falls to the Australian Government to show leadership on the issue of protecting freedom of association rights. The Workplace Relations Amendment (Extended Prohibition of Compulsory Union Fees) Bill 2005 will extend the prohibition on the inclusion of bargaining agents fee clauses in agreements beyond agreements certified under the Workplace Relations

Act 1996 to also cover any state employment agreement to which a constitutional corporation is a party. I now turn to the main provisions of the bill.

This bill will amend the freedom of association provisions to provide that a bargaining agent fee clause in a State employment agreement to which a constitutional corporation is a party is void. This will apply to agreements entered into on or after the commencement of the amendments made by this bill. The bill will also extend the prohibition on conduct related to the payment of such fees to the widest constitutional extent possible to protect employees from coercion or misleading conduct about their liability to pay such a fee.

To achieve these aims, the bill will:

- amend the definition of bargaining services to include services provided by an industrial association in relation to a State employment agreement, and
- provide that a provision of a State employment agreement to which a constitutional corporation is a party is void to the extent that it requires payment of a bargaining services fee.

Australian law recognises that there is an important statutory role for registered organisations and the law confers upon them significant rights and obligations. But the legal standing of unions should not come at the expense of individual employer's and employee's right to freedom of association and to protection from coercive or discriminatory conduct.

Unions and employer associations are service providers and should rely on the competitiveness and value of the services they offer to attract members. Trade practices legislation prevents ordinary businesses from providing someone with an unrequested service and then demand payment for it. The same principle should apply to unions and employer associations.

The Government has a strong, proven, commitment to freedom of association and the right of employees to choose whether or not they join a union. Bargaining agent fees are compulsory unionism by stealth and should not be included in any form of industrial instrument. The re-introduction of this bill demonstrates the Australia-

liar Government's ongoing commitment to upholding employees' freedom of association rights and its willingness to act to protect those rights.

Debate (on motion by **Senator Ellison**) adjourned.

Ordered that the Criminal Code Amendment (Suicide Related Material Offences) Bill 2005 and the Workplace Relations Amendment (Extended Prohibition of Compulsory Union Fees) Bill 2005 be listed on the *Notice Paper* as separate orders of the day.

COMMITTEES

Migration Committee

Membership

Message received from the House of Representatives notifying the Senate of the appointment of Mr Price to the Joint Standing Committee on Migration in place of Mrs Irwin.

Environment, Communications, Information Technology and the Arts References Committee

Reference

Senator BROWN (Tasmania) (10.04 am)—I move:

That the following matters be referred to the Environment, Communications, Information Technology and the Arts References Committee for inquiry and report by 9 August 2005:

- whether the new National Heritage List is protecting places of national significance given that only seven places have so far been entered on the list;
- the reason behind the National Heritage Council being granted extensions of time, beyond the initial 12 months, to assess 10 sites nominated for the list, including Recherche Bay and Anzac Cove;
- the need to apply the precautionary principle when considering emergency listings of a place; and
- the damage or threatened damage to Anzac Cove and the north-east peninsula of

Recherche Bay and the need for any action to stop further degradation.

This is a critical motion to have the Environment, Communications, Information Technology and the Arts References Committee look into the impending roading and logging destruction at the north-east peninsula of Recherche Bay in the far south of Tasmania. It is expected that tomorrow or the next day the Prime Minister will make the long-awaited statement about the protection of high-conservation-value forests in Tasmania and the making good of his commitment on forests last year in the run-up to the election—in fact in the last week of the election campaign.

The *Herald Sun* reported on Tuesday that the Prime Minister's commitment of \$50 million will in fact be \$400 million, but the other side of the equation is: is the commitment to protection of Tasmania's high-conservation-value forests likewise going to be much greater than what is actually written into that election promise? The expectation by voters around Australia is that Tasmania's high-conservation-value forests will be protected. The reality, when you look at the fine print, is that the majority will be fed to the woodchippers. Large tracts of the Styx Valley of the Giants; the Blue Tier; Brunie Island; Tasman Peninsula; Wielangta; the Weld, Picton and Huon valleys; the Great Western Tiers; and much more of Tasmania, including the eucalypt-forested components, at least, of the Tarkine, are not likely to get the protection that people expected they would.

However, for one gem of this nation there is going to be an enormous opportunity, if the Prime Minister takes it, in that announcement. I am talking about the protection of just 150 hectares on the peninsula at Recherche Bay. This is one of not just the nation's but the world's great historic landscapes. I will read to the Senate from a sub-

mission by the world authority on contact between Europeans and the first Australians, Professor John Mulvaney AO, CMG, from the Australian National University. He wrote in 2003 about Recherche Bay:

On 14 February 2003 I visited Recherche Bay and concluded that the area constitutes a landscape of national and international significance. Its destruction in the interests of short-term woodchipping would represent vandalism of significant Australian cultural heritage. Its chief values are as follows—

The vista for most of the harbour foreshore is little changed from that described by the French explorers in 1792-93 under D'Entrecasteaux, which they described with wonderment.

They had close and friendly relations with local Aboriginals whom they counted at 48 but from the context the total was greater than this. Their accounts and sketches represent one of the most important descriptions of Tasmanian society at contact.

For these reasons:

... the area must be preserved.

Professor Mulvaney points out that both the Aboriginals and French crisscrossed the area of this little peninsula, so its significance is much greater than the known surviving evidence as future discoveries may be made. It is a complex cultural landscape. It is where many botanical type specimens were collected which still survive. They include Tasmania's floral emblem, the Blue gum, *Eucalyptus globulus*. Professor Mulvaney said:

I visited the recently discovered garden laid out by de la Haie.

Professor Mulvaney made it clear that one of the first things that needs to be done is to evaluate and confirm the garden as being that laid out by the French in 1792. He says:

It is some 8 m x 9 m. It must be preserved and excavated in part to determine its true nature. Phytolith analysis of the deposit may identify some of the introduced plants.

This area has associations with Lady Jane Franklin and botanist R.C. Gunn who searched unsuccessfully for the garden in 1838, but identified another garden plot. Gunn collected further plant specimens which also survive.

Diaries of de la Haie and Rossel have been located in Paris. These may provide further details of activities and observations, so destructive intervention would be premature.

At Bennetts Point, the D'Entrecasteaux expedition conducted experiments linked with others elsewhere, constituting the first survey of global magnetic intensity. This is of international significance.

The area also exhibits traces of later activities:

- a) A convict period coal mine.
- b) A large 21 m long stone construction at Bennetts Point [which needs] ... excavation.
- c) Huts at Bennetts Point already there by 1863.
- d) Early twentieth century timber-getting—a timber trackway survives.

All of these above activities were small-scale and involved selective cutting of timber. The environment remained in balance.

The entire area must be protected if any semblance of the pre-contact environment is to be preserved. Isolated reserves would not suffice because the total cultural features remain unknown today.

Professor Mulvaney concludes:

Given the association of this area with Aboriginal and French contacts in 1792-3 and the scientific experiments undertaken there, this cultural landscape merits world heritage nomination.

It absolutely does merit nomination. It is of world heritage significance. It should be on the new Australian National Heritage List. Due to Professor Mulvaney's foresight it was one of the first six places nominated. You will remember, President, that Anzac Cove went to No. 1 on the list. The Prime Minister had an interest in that.

My motion calls for an investigation by the committee into the imminent roading of both Anzac Cove, where damage has already occurred, and Recherche Bay, where there has been a start on roading through the Southport Lagoon wildlife reserve and conservation area. This has already been very destructive to that area, and there is the imminent go-ahead for further roading and then for the logging of this tiny peninsula.

It may be stated that this peninsula is in private hands and, indeed, it is. It is owned by the Vernon brothers of northern Tasmania. Their grandfather purchased the land. Let me read from a letter from their uncle, Mr Greville RE Vernon, from Riverside in Launceston, to the Hobart *Mercury* on 29 April 2005. Mr Vernon said:

Much publicity has been given to the logging of a portion of the northern peninsula of Recherche Bay. When my father bought the property in about 1948 he was interested in a portion of it that contained very straight trees suitable for jetty piling, which was in vogue at the time.

Also, the James Craig was on the shore of the land which had an old title to the low-water mark and he had a dream of refloating that ship to use as barge for carrying the piles to Hobart.

My brother Robert subsequently paid my father for a half share. Before the plan could be executed ill-health forced my father to abandon the idea. When he died in 1967 all his estate was willed to my mother who, after my brother's death in 1987, transferred the land to my nephews, who are now at the centre of the controversy.

I must say that my father would be horrified if the bulk of this land was to be cleared of the beautiful trees that have grown there.

Selective logging for milling timber we might have agreed with as it had been milled previously. But I feel certain my father would not have been party to clear-felling.

As the existing plan proposes a 14sqm section to be left to create a mosaic effect, this is tantamount to clear-felling.

My father never spoke of the historical importance of the peninsula nor was he cognisant of the garden and the artefacts it contained. As further archaeological work seems essential, I can but propose that logging at any stage be abandoned and my nephews be adequately compensated for the loss that such a measure would entail.

That the State Government should have permitted a road to be constructed through a wildlife sanctuary to reach the land beggars belief.

We have a heart-rending situation with this land. But we also have a Prime Minister who is about to make a major monetary advance to Tasmania for the restructuring of the logging industry to save some—a part, a fraction—of Tasmania's high-conservation-value forests. Clearly, it would be not just sensible but also in this nation's interest if the Prime Minister at this moment rescued the north-east peninsula of Recherche Bay from imminent logging and clump clear-felling, which is to be the form of logging, at the behest of Gunns Ltd, if the road proceeds.

The minister has failed to give the area emergency national heritage listing to protect the north-east peninsula. He has turned that down. The Australian Heritage Council's report to the minister will be with him by 2 July. Interestingly, 12 months was not enough time for the minister to study this matter, as it was not with seven other places that have been listed for the National Heritage List. It is as if the National Heritage List has been on the backburner since the government brought in legislation abandoning the Australian Heritage Commission and the previous listing of 14,000 places.

This is serious and this is critical, but this is fixable. The loss to the nation of this extraordinary site, this historic and cultural landscape—where the French came ashore in 1792 and then circumnavigated Australia and came back to the place, because it was so beautiful, to get fresh water, timber and resupplies for their ship in 1793—if it were to

be bulldozed and logged, is incalculable. It must be protected.

The peninsula is a repository of rare and endangered plants, including one of the rarest—if not the rarest—in Australia, the swamp eyebright. Known only in a quarter-hectare site near Blackswan Lagoon, the species was originally collected in the 1850s and was presumed to be extinct until found again in 1985. The Tasmanian government say:

Action is needed to save this flowering plant from extinction ...

According to the Tasmanian government, that includes the need to 'restrict 4WD access south of Southport Lagoon'. The threat is, they say:

... a logging road through the Conservation Area to private land ...

That is the logging road which is now in dispute. The Tasmanian government leaflet says:

... though recreational 4WD vehicles will be prohibited from using this access, it is still likely to attract significant illegal use. Worse still, the lay of the land will actually channel traffic from the proposed road through the swamp eyebright population ... 4WD use in the area is also likely to spread the root rot pathogen, *Phytophthora cinnamomi*.

That is from a government fact sheet. This is a critically endangered plant. It is on the national endangered list. It is the federal government's responsibility to protect it. It is critically further endangered if this road proceeds, but the minister has not given it emergency listing.

There is here the opportunity for a win-win situation. The Prime Minister's announcement is in hand. The owners can be compensated for their land. The only way in which that land can be roaded is at a great loss to the public, by a destructive road through the existing wildlife reserve and conservation area. It is not cost free for the

public. It is very damaging to public property and it should not proceed.

The federal government has the wherewithal to have a win-win situation here for the Australian people, but so far it has turned its back on that option. So this inquiry is critical to see whether the new National Heritage List is really protecting places of national significance—Recherche Bay's north-east peninsula is absolutely of national and world heritage significance—and to see the reason behind the delay in the National Heritage Council's reporting, not just for this site but for 10 sites nominated for the list, including Recherche Bay and Anzac Cove.

The need to apply the precautionary principle when we are looking at protecting places like Recherche Bay and the damage or threatened damage to Recherche Bay and Anzac Cove, and the need for immediate action to stop further degradation, is critical; it should be supported. The Senate should at least be inquiring into the imminent danger to Recherche Bay. I say to the Labor Party that the Greens supported the motion just two days ago to inquire into the damage done at Anzac Cove and the imminent damage if further roading proceeds through this place of monumental importance in Australian history. Can the Labor Party not rise to ensure that we inquire into an imminent threat to a national and World Heritage site in our own country? It is a threat which is not in the national interest and which I submit is not in the public interest. A private settlement with the owners of that land, who can only access the land by damaging what is already wildlife reserve and conservation area in Tasmania, can be made through this government. I appeal to the Labor Party, in the interests of support for our national heritage, to support this motion.

Senator BARTLETT (Queensland) (10.20 am)—The Democrats support this

motion. I should explain in a bit of detail and on the record the reasons why. I share the concerns about Recherche Bay that Senator Brown has elaborated on, but I would say that if it were a proposed inquiry solely into Recherche Bay then I might not have been sufficiently persuaded to support the motion, important though I think that issue is, because I believe there is probably scope to explore most of the issues that have been raised about that through the estimates process.

Similarly, we all know Anzac Cove, specified here in this reference motion, to be an absolutely critical heritage site for Australians—an iconic site and one that has been the subject of a lot of controversy in recent weeks. However, as was just mentioned, the Senate referred the matter—specifically, what the hell's gone on at Anzac Cove in the last little while; I think it was yesterday—to the finance and public admin committee to look at the specifics. The inquiry is much broader than the problematic aspects of the listing or non-listing of this area on the heritage list, including who was involved, who knew what, what has actually happened—all of those questions that I think need answering. I think that is appropriate as well, which is why the Democrats supported that reference.

I would only say one thing in relation to the Anzac Cove issue: I fully support getting to the bottom of it. There are aspects that are highly concerning, but I would emphasise that it is sometimes forgotten in the commentary about what is happening there that Anzac Cove is a very important site to the Turkish people as well. Occasionally, some of the commentary I see on it suggests that there is no concern from the Turkish side of things about the site and that they are willing to trash it left, right and centre without any worry at all. That is not to say that there might not be some blame on that side, but we

need to acknowledge that more Turkish people died at Anzac Cove than Australians and it was a key site for them in the birth of their modern nation. We need to remember that as well in looking at the issue, but that does not in any way detract from the fact that it is an important issue that should be looked at.

If it is only those two things, they are specifically identified in the terms of reference and that is appropriate. But the inquiry is also looking at the operation of the entire new National Heritage List. These are two good examples to use, I might add. It is good to look at sites that people are very aware of and very passionate about, because that is a key part of a feeling of heritage, and to look at how that is playing out, given the new National Heritage List. There is a real problem with the way the new legislation is operating and the new National Heritage List. In saying that I quite openly say that the Democrats, after a lot of consideration and a lot of work—a lot of wasted work, I might say—negotiating with this government and the previous minister, who proved incapable of honest negotiation, reluctantly supported very flawed legislation, predominantly because, whilst the old heritage regime had lots of lists with lot of sites on them, putting them on the list gave them no protection.

The problem now is we have a list that gives protection but there is nothing or very little on it. That was always the danger and the risk, and I suppose you have to weigh that up. The fact that there are new legal powers that give extra, much clearer and genuine protection to places on a list is certainly preferable to the old regime where there was no protection. It was just a feel-good exercise. But, as is the case with the broader environmental protection laws, the government's will to implement and properly use those laws is proving to be sadly lacking.

As the terms of reference say, there have been just seven places entered so far on the National Heritage List, about a year or so after the legislation was passed. What that means is we are clearly leaving lots of sites with national heritage significance unprotected. The government could say that technically they were unprotected before because, whilst they might have been listed before, that did not give them any legal protection. That might be a legal argument but it is certainly in breach not just of the spirit of the law but also of all the grandstanding statements they made about the heritage regime when they were proposing it and when the legislation was passed. All of the assurances that were made about speedy assessments and rapid transition of sites to the new list have, as with so many other promises by this government, been wiped away. It was in those areas that the Democrats got stuck trying to negotiate clear commitments from the minister and getting them incorporated in the legislation. The government would not nail them down.

As it panned out, the government were able to go the easy route, undercut the negotiations and pass weaker legislation than would otherwise have been able to be passed. I think that is very unfortunate, but that is reliving the debate of a year or so ago. The real value behind this, above and beyond the important issues that Senator Brown has raised, is the National Heritage List and the clear problems that are already developing in that particular area.

I know the new minister, Senator Ian Campbell, was not the minister when this went into legislation, but he clearly has the powers now. He is acting extremely conservatively and very slowly, and I do not think that is satisfactory. We have only had one successful emergency heritage listing to date, which was the Kurnell Peninsula. Whilst I commend that decision, acting to mitigate

the immediate threat to that historic and important site, there are plenty of others under significant risk. So over 12 months after its establishment, the new National Heritage List, which can include land of any tenure, includes only seven places of national heritage importance. The World Wide Fund for Nature identifies at least 50 stand-out sites that should be on the list as a matter of course that are not there as yet. The minister has the power to refer sites directly to the Australian Heritage Council to consider listing, but that has only happened once, with the Anzac site.

We have the Commonwealth heritage list as well that covers lands under Commonwealth ownership and that has about 300 places on it. In order to put places on the new National Heritage List, including places not under Commonwealth tenure, the whole process of assessment and nomination must be done and considered by the seven members of Australian Heritage Council. This work is progressing very slowly and those sites remain unprotected, at least via this act, in the meantime. There is a lack of recognition amongst the community that sites that are listed on the Register of the National Estate are not protected. They are not protected under the new laws; they were not protected under the old laws. It is a nice-sounding phrase. There are some benefits in having them listed, particularly in terms of the recognition factor and the extra momentum that gives to protect that heritage, but there is no legal protection and I do not think people are aware of that. The legal protection, which is so fundamental to the new regime, is being undermined by the extremely slow pace, and that is part of the terms of reference.

Whilst the specific issues of Recherche Bay and Anzac Cove are important, there are other avenues—other Senate committee inquiries for Anzac Cove and the estimates process for Recherche Bay—that can also be

used, but this reference to the ECITA committee would do that specifically in the context of the problems that are already emerging with the new National Heritage List. As many people in Queensland have been reminiscing about in recent times, once you lose that heritage it is gone for good. When we have had debates in the community and in this chamber about the legacy of former Queensland Premier Joh Bjelke-Petersen, one of the things that has repeatedly come up on the negative side of the ledger has been his allowing the destruction of such a large amount of Brisbane's history and heritage—the Belleview Hotel and, particularly from my point of view, Cloudland. On top of that, the overall regime of rampant coastal development presents environmental problems, but it also presents wider problems for important sites throughout Queensland.

While I am very interested in what happens to the heritage areas in Tasmania, I am even more interested, through my responsibilities as a Queensland senator, in what happens in Queensland and the lack of protection that is available there through the National Heritage List regime but which is not being made available. I will give one example: the Cairns Yacht Club. The yacht club is not an overly attractive building to look at but it is extremely significant in a historical and heritage context. This last little tiny square of sand on the Cairns waterfront is surrounded by high-rise tourist hotels and other commercial buildings. It is almost like a little postage stamp boxed in amongst the marinas and everything else. But the yacht club is a key part of Cairns' heritage—and there is not much there anymore. There is not much at all left from the early years of white settlement around Cairns. That site is at immense risk of development. You can see the other buildings looming over it and developers drooling at the prospect of being able to

get that site and complete the commercial takeover of the entire Cairns waterfront.

That yacht club site has been nominated for consideration to go on the National Heritage List. It is a site that is under very real threat. It is certainly something that can never be replaced in any meaningful heritage sense if it is demolished and the site is redeveloped. My understanding is that that nomination does not, under law, need to be decided on by the National Heritage Council until October 2006. Queenslanders know from bitter experience that things can happen pretty quickly when you are talking about waterfront and coastal developments. October 2006 is too far away to wait for a decision on whether or not to put the Cairns Yacht Club site on the National Heritage List.

A more widely known example, and one which I have spoken about in this place before, is the Daintree forest. Most of that is protected through the World Heritage listing but there is a key section of it which is not. Thanks to a lot of hard work by a lot of local people—including the mayor and environmentalists—and, indeed, by the Queensland government, with some begrudgingly tenuous support from the federal government, sites that are not protected and are at risk of being cleared look like they are safe for the moment, but that can change. And Queenslanders have plenty of experience of that happening overnight, with changes in zoning and the like. So, to ensure stronger national protection of what is a national icon which clearly has heritage value, I believe that that site should also be listed.

The Cairns Yacht Club and the Daintree are just a couple of examples from Northern Queensland. I am sure we could all come up with other examples. The key problem is the immense length of time taken to redo this whole process and the enormous number of

sites which are not protected in the meantime. Given that that act has been in place for over 12 months now, I think it is appropriate to look in specific detail at how that process is going, why things are taking so long, whether there are ways to speed it up, and whether there are other mechanisms to ensure that emergency listings are more likely to protect things. Those sorts of broad questions need to be explored, because the government made a lot of grand claims and statements with the new heritage regime.

I know governments tend to make lots of grandiose statements and huge promises and that then, once the law is passed and the immediate feelgood press has appeared, things turn out very differently. But part of the role of the Senate—and it certainly has been its role for some time and needs to continue to be its role—is to see whether or not what is promised to this chamber and to the people when legislation is passed is actually what happens in practice. There are some serious questions about that in relation to our heritage regime and the National Heritage List, and I think it merits a specific examination via a Senate reference, such as the one which has been put up in this motion, both in the broader context of the entire list and through specific examples such as those which have been outlined: Recherche Bay in Tasmania, Anzac Cove and sites in Queensland that I have an interest in, such as the Daintree, the Cairns Yacht Club and many others that are also under threat.

Many things have changed in Queensland since the era of Joh Bjelke-Petersen, but his was certainly not the only state government, and he was certainly not the only state Premier, that has been willing to allow rampant coastal development at great cost to our environment and heritage—and I think we have got another one of those now. Whilst the federal government cannot do everything in relation to dealing with the failings of state

governments, when you are talking about areas of national heritage and national environmental significance, we do have an obligation to do more where state governments fail in their responsibilities. In Queensland, they failed in the seventies and eighties and they are failing again now. This national heritage regime can assist in mitigating some of those failures and preventing some more disasters happening with the destruction of heritage which can never be recovered. However, it appears to me that that regime is not delivering as it should and I believe that examining it through a Senate committee, as proposed in this motion, is timely and a good use of Senate committee time.

Senator ABETZ (Tasmania—Special Minister of State) (10.37 am)—The government opposes the motion. I remind the Senate of the motion carried yesterday dealing with Anzac Cove. A reference was sent to the Finance and Public Administration References Committee dealing with the heritage protection of Anzac Cove et cetera as well as national and World Heritage listing for the area. That issue has already been decided upon by the Senate and referred to an appropriate Senate committee. What we are having here today is a duplication of that and, if I might say so, an opportunistic use of Anzac Cove and then linking in to a particular area, Recherche Bay in Tasmania, to try to gain some credibility for what is otherwise not a very strong argument.

If you have listened to Senator Brown and Senator Bartlett, they do not want an inquiry into this. They have already predetermined their attitude. It is absolutely obvious from all the commentary that was made by both senators that they have already predetermined what the inquiry should determine. They did not come into this place and say: 'There are some issues here. There are some arguments on this side and some arguments on that side. As a result we need a Senate

committee to try to balance up and come to the truth about these issues.' They are the purveyors of the truth on this issue. They know everything there is to know about Recherche Bay. There is no need for an inquiry. This is just a ruse by the Greens to try to get Recherche Bay back onto the agenda.

In relation to damage being caused to Recherche Bay, people in this place may not be aware that the greatest damage in recent times to Recherche Bay was by the undisciplined Green demonstration that trampled large areas of the property. Without the permission of the landowners, the property was trampled and destroyed. Of course, that is all in a worthy cause because it allows Senator Brown to have his picture put into the newspaper! I have been to Recherche Bay—with the permission of the landowners, might I add. That is something I would invite the Greens to try to do in the future: before they go on somebody's private property, they should actually get their personal agreement and approval.

The total area will not be logged. Indeed, the assertion of clear-felling is false. The Wilderness Society for once in its life actually apologised for that false assertion and withdrew that assertion. So, instead of talking about clear-felling, we now get new nomenclature introduced, clump clear-felling; in other words, selective harvesting. We now call it clump clear-felling. Next, when we select only a single log, do you know what it is going to be called? Single stem clear-felling. That is the sort of spin that the Greens will put on any forest harvesting activity. They will dissemble, they will twist, they will mislead the public in relation to these issues. At least Geoff Law of the Wilderness Society had the decency—a very rare display of it, might I add—to apologise for the use of the term 'clear-felling'. Senator Brown can never apologise for anything, including when people assault others and

seek to handcuff them. In the great Green cause all that sort of activity is permissible. But if Geoff Law can apologise for that sort of outlandish use of language, factually incorrect, what does Senator Brown do? First, he does not apologise; and, second, he comes in and uses the term 'clear-felling' but dissembles with 'clump clear-felling'. Next we will hear about 'single stem clear-felling', which of course is a complete misuse of the term 'clear-felling'.

Senator Brown and the Greens have unfortunately for too long told the Tasmanian and Australian community that everything is the rarest, everything is the most urgent. We have now listened to Senator Brown's hyperbole on these issues for a quarter of the century and the people of Tasmania, who have been subjected to it the most, are now getting sick and tired of that sort of hyperbole. It is a pity that the Democrats have jumped on the bandwagon on this one. At federal elections previously about 16 per cent of the vote in Tasmania went to the Greens and Democrats combined, but they suffered a 25 per cent reduction in their combined vote in Tasmania for the Senate at the last election. The people of Tasmania are simply getting sick and tired of the extreme hyperbole that everything is urgent, everything is the rarest. There can be only one that is the rarest. Sure, say it is a rare species, but do not say it is the rarest. Only one can be the rarest. Only one wilderness can be the most pristine and only one tree can be the most important. But we hear this hyperbole time and time again. What has really happened is that as more and more of the forestry practices are coming into line with community expectations the Greens have to become more and more extreme. As a result their language becomes more and more extreme and we now have to suffer their ever-increasing hyperbole because they know that

the facts are not there to support their argument.

The Greens have cried wolf for too long and too often and the people are now, quite rightly, disbelieving them. They know that this government in fact has been looking after the Tasmanian environment, where very shortly we will have over 42 per cent of the Tasmanian landmass locked up forever, preserved. That is a mammoth area, but the Greens now say, 'We'll just add another 150 hectares there; we want this area, we want that area.' What area would the Greens actually allow for forest harvesting? They have not nominated one area that they would actually support for forest harvesting. What is more, they have not supported one single plantation. Without plantations and without native forest harvesting, where would we get our wood supplies and timber fibre from?

I could go on at length about this issue. This is an opportunistic motion. It is a motion that seeks to link in Anzac Cove in a very opportunistic way, especially given the fact that the Senate dealt with this very issue yesterday. It is a duplication of the Senate's processes to have two different references committees inquiring into exactly the same issue, namely, Anzac Cove. The issues relating to Recherche Bay have been overstated by the senator. He has cried wolf too often. The people of Tasmania and Australia are starting to get very tired of that. The government will be opposing the motion.

Senator WONG (South Australia) (10.45 am)—That was a less than measured contribution by the Special Minister of State. I was under the impression we were discussing the proposed referral of matters to the Senate Environment, Communications, Information Technology and the Arts References Committee and not simply having a rant about the Tasmanian forest. Labor are approaching this issue on the basis of the former—that is, we

are discussing whether or not a matter should be referred to a committee.

I state at the outset our attitude to heritage issues. It is the case that this government's record in protecting Australia's heritage is abysmal. I recall being in this chamber when the legislation that we are referring to was being debated. I also recall that, when the new National Heritage List was launched in December 2003, the then Minister for the Environment and Heritage, Dr Kemp, promised:

This will be a list of places that resonate for Australians. It will include places that define critical moments in our country's history, inspire us or reflect our beliefs or show important features of our ancient continent.

They are very fine words, aren't they? I will tell you that they are not resonating at the moment. We have had only seven places listed so far. Only one of them is in Queensland. I am sure you would be concerned about that, Madam Acting Deputy President. We have 16 Australian sites on the World Heritage List but not one of them on the National Heritage List.

What we do have from this government is a pathetic failure of policy and political will. We have a lot of rhetoric but we have a lack of political will, a lack of resources and a lack of willingness to protect areas of national heritage, as is evinced by the treatment of Anzac Cove. Labor do want that matter inquired into. With the support of Senator Brown and the Democrats, we referred this matter to the Senate Finance and Public Administration References Committee because we think Australians do deserve an explanation as to what has happened at Anzac Cove. It is a site of national importance; it is a site that has captured a lot of national attention recently, and there is great concern in the community about what has occurred.

It also is the case that the government had six months grace after these laws were first passed in 2003 to put all of our World Heritage sites onto the National Heritage List. We have yet to hear an explanation from the Minister for the Environment and Heritage, Senator Ian Campbell, as to why this has not occurred. At least six places were nominated by the public to go onto the National Heritage List more than a year ago but there is still no decision on their status. I invite Senator Campbell to give an explanation to the Senate as to why that is the case. They include important places, such as Point Nepean in Victoria and, of course, Recherche Bay, which seems to have been the focus of attention for most of the debate this morning. Also passing without explanation was the 12-month deadline for Anzac Cove, which was referred to the Australian Heritage Council on 19 March 2004.

It is the case that there is great concern in the community regarding not only Anzac Cove but also the current state of the National Heritage List. In fact, Mr Simon Molesworth, who was the head of the National Trust, has described the National Heritage List as 'abysmal'. It is extremely unfortunate that we had the Prime Minister doing a song and dance act when he launched this list but not providing the leadership, the funds, the political will or the political momentum to ensure this system would work. It is an outrage.

We have significant concerns about Anzac Cove, which is one of the sites referred to in this motion. As has been outlined, the Senate has agreed to an inquiry into John Howard's roadworks at Anzac Cove. These have desecrated the cove. The inquiry has been set up to look at a number of issues, including the circumstances surrounding the request by the Australian government in August 2004 to undertake roadworks; the role of relevant ministers; and past, present and future heri-

tage protection of Anzac Cove, including proposals for national and World Heritage listing. Labor are concerned to ensure that we protect Anzac Cove and that we get to the bottom of the roadworks and other construction works at Anzac Cove, which have caused such concern in the Australian community. We do believe that Anzac Cove is a symbol of this government's failure to protect Australia's heritage. In fact, it is a symbol of their contempt for Australia's heritage. We will be participating fully in the conduct of the inquiry to get to the bottom of why this state of affairs has been allowed to occur.

Labor are not going to be supporting this motion. Our view is that there is a Senate estimates process less than a week and a half away. We have already initiated an inquiry into Anzac Cove. We think that matter will be dealt with as it should be because it is in issue that is of great concern across the Australian community. Our view is that the Senate estimates committees are a very important process of accountability for executive government. In my short time here, I have participated in a number of estimates hearings dealing with environment and heritage issues. I have to say, Senator Brown—and I do acknowledge that the resources of the Greens are far fewer than the opposition's—that the attendance by the Greens at the estimates hearings on environment and heritage has been patchy, to say the least.

I invite you to attend the estimates process where we can have a full hearing into and a full consideration of the government's failure when it comes to national heritage. To make it clear, we are not closed to the possibility of further consideration of this matter subsequent to an estimates process. We think it is important that, through estimates, the government is held accountable across the issue of national heritage listings; not just in relation to Recherche Bay but in relation to the

various areas that ought to be on the National Heritage List but which are not—and which are not because of a lack of political will by this government.

Labor agree with the criticism of the government. In fact, we also criticise the government's lack of political will when it comes to heritage matters. We say that this government's record in protecting Australia's national heritage is abysmal. We will be holding the government to account through two processes: firstly, estimates and, secondly, the reference to the Finance and Public Administration References Committee of the issue of Anzac Cove. That is the Labor Party's position in relation to this motion.

Senator BROWN (Tasmania) (10.53 am)—I note Senator Wong's considered comments—

The ACTING DEPUTY PRESIDENT (Senator Moore)—Senator Brown, I missed Senator Kemp's intention to speak. Are you in agreement with Senator Kemp now speaking?

Senator BROWN—Of course I am.

The ACTING DEPUTY PRESIDENT—I do apologise.

Senator KEMP (Victoria—Minister for the Arts and Sport) (10.53 am)—Thank you. I was a trifle tardy in getting on my feet. Thank you, Senator Brown, for your consideration. It is very rare that I thank Senator Brown in this chamber. We do appreciate Senator Brown not blocking a few observations that I would like to make. Senator Abetz has spoken on this motion and he made clear this government's record of and very strong commitment to protecting heritage matters. In fact, I think this government's record is second to none. I have long admired the work of our environment ministers, which of course included my brother at one stage.

Let me address one of the issues that Senator Wong raised about Senate estimates. It is true that Senate estimates is one of the ways that governments are held accountable. It is also true that the Greens very rarely attend Senate estimates. It has long been noticed on this side of the chamber that Senate estimates is one area where a lot of questions can be asked of ministers, where there can be discussion and, to a certain extent, debate. The fact is that the Greens practically never attend Senate estimates. I think Senator Wong's suggestion about the Greens increasing their work rate at Senate estimates is probably a good thing. After 30 June, of course, there will be two more Greens and I think the excuse that they do not have the resources to attend estimates will look even shakier than it does at the moment. With those few remarks, I just make the government's position very clear: we will not be supporting this motion.

Senator BROWN (Tasmania) (10.55 am)—I note the comments of both parties. That is a very easy way to try to paper over the dereliction of responsibility for inquiring into a process which has failed the national heritage listing of what is one of the most important and historic landscapes in this country and on the face of the planet when it comes to the communication and the meeting between the pre-industrial Europeans and the indigenous people at a time when Europe was reaching out, dominating and invading, causing enormous suffering and loss around the world and turning the world into a European resource empire.

Writing in the *Weekend Australian Review* magazine in February 2003, Carol Altmann quoted from the diary of d'Entrecasteaux:

'It will be difficult to describe my feelings at the sight of this solitary harbour situated at the extremities of the world ...'

The great admiral, who led two ships full of scientists, in search of La Perouse, went on to say about the area:

'So perfectly enclosed that one feels separated from the rest of the universe ... with each step, one encounters the beauties of unspoilt nature.'

Ms Altmann wrote:

In search of freshwater and sturdy timber for repairs—

the admiral—

is excited by what he sees. 'Some of these trees seem as ancient as the world and are so tightly interlaced that they are impenetrable ...'

Ms Altmann goes on to record how the two scientists de Labillardiere and Delahaye set about gathering fresh samples of native plants to complete their extensive collection:

While they were foraging, d'Entrecasteaux recorded the pair 'heard voices in the bushes'. Resisting the urge to draw guns, the two encouraged their curious onlookers to step forward. Possibly emboldened by the familiarity of vessels that had returned to their land, a group of Palawa men and women left their hiding place.

'The natives came forward with confidence; and from that moment onwards, the most cordial relationship was established.' Having heard of European explorers in new Holland being attacked by 'ferocious savages', d'Entrecasteaux was surprised at the trust shown by the Palawa towards his party. Mothers passed their children to be cuddled by the strangers. In turn, the younger and more feminine-looking French crew agreed to 'a very exacting inspection' by the Palawa to prove that, despite their assumptions, there were no women onboard—at least officially.

In fact, there was a woman aboard. She had smuggled herself on board in Brest. To defend her honour, she actually challenged another crew person to a duel on the shore at Recherche Bay. She fell in love with one of the crew people and tragically died of fever in Indonesia before they could get home. She was a remarkable woman about whom I am sure a film will be made one of these days.

And what a pity it will be if this peninsula is logged in the meantime: the site where Louise Girardin went onto the boat dressed as a male. Ms Altmann wrote:

The buttoned-down French delighted in the apparent freedom and simple lifestyle of the Indigenous Tasmanians. The two groups watched each other prepare and eat meals. One of the crew cut a Palawa man's hair; others exchanged medals, bells and badges for seashells. 'If our stay at port could have been extended,' ... 'we would have had a real opportunity of obtaining a very interesting insight on the lifestyle of human beings so close to nature, whose candour and kindness contrast so much with the vices of civilisation.'

Now the vice of civilisation is upon Recherche Bay. We should be looking into it. We should be doing everything we can in the Senate to defend this delightful, historic part of our national and World Heritage.

Question negatived.

Rural and Regional Affairs and Transport Legislation Committee

Report

Senator EGGLESTON (Western Australia) (11.00 am)—On behalf of the Chair of the Senate Rural and Regional Affairs and Transport Legislation Committee, Senator Heffernan, I present the report of the committee on the provisions of the AusLink (National Land Transport) Bill 2004 and a related bill, together with the *Hansard* record of proceedings and documents presented to the committee.

Ordered that the report be printed.

SOCIAL SECURITY LEGISLATION AMENDMENT (ONE-OFF PAYMENTS FOR CARERS) BILL 2005

Second Reading

Debate resumed.

Senator McLUCAS (Queensland) (11.01 am)—At the outset, I need to indicate that the Labor Party will be supporting the Social Security Legislation Amendment (One-off

Payments for Carers) Bill 2005. This bill gives effect to a measure announced in Tuesday's budget to provide extra assistance to carers. In view of the proposed timing of payments under the bill, Labor, of course, is happy to expedite the passage of this legislation through the chamber today. The bill will provide three one-off payments that will generally be paid in June 2005: a one-off payment of \$1,000 to recipients of carer payment on budget night 2005; a one-off payment of \$1,000 to recipients of carer service pension on budget night; and a one-off payment to recipients of carer allowance, generally payable as an amount of \$600 for each person being cared for who attracts a carer allowance.

In broad terms, the bill introduces a series of new one-off payments which would each be paid as a lump sum, generally before 30 June 2005; hence the need for us to debate this today. There is no claim process attached to the payments. A person who receives an instalment of carer payment for a period that includes budget night will be entitled to the one-off payment of \$1,000. Similarly, a person who receives an instalment of carer service pension for a period that includes budget night will be entitled to the one-off payment of \$1,000. Subject to certain qualifications, a person will be entitled to \$600 in respect of each care receiver for whom the person receives an instalment of carer allowance for a period that includes budget night. Where the care of that care receiver is shared, the \$600 payment will also be shared. Where qualification for carer allowance depends on the person providing care for two children with a disability, the payment will also be \$600.

As I said, Labor supports these one-off payments as a welcome financial relief for Australia's carers. But I do want to take this opportunity to make some other comments about carers and the payment system that

they have. First of all, we should acknowledge the nature of those who provide care in Australia. Most of us recognise that persons caring for their partner or an older relative are classified as carers, and they are the largest identifiable group of carers in our community. But we also should remember that there are people in this community who are caring for a child with a disability. Most carers, of course, are women, and those caring for a child with a disability are primarily women. There are also carers who are caring for friends. But there is another group of carers, and that is younger people in our community who are often providing care for a parent or family member. Some of these carers are as young as six years old, and I will come back to those people later.

The financial circumstances of those people who provide care in our community are variable. I have to say that most families who are in a care situation face financial pressure. Budgeting for those families is very tight. Planning the weekly budget is something that much attention is paid to. Of course, everyone has welcomed the one-off payments for carers. Money for assistance in the provision of care is always welcomed. But I want to take this opportunity to suggest to the government that, whilst of course carers welcome this payment, there may be other ways in which to support people who are providing care in our community.

As I said, they are working on very tight budgets. They are often working on a weekly budget cycle. A \$600 or \$1,000 payment is of course very welcome, but there are other ways to deliver support to people who provide care. What most people who are carers and what most carer representative organisations talk to me about is access to respite from care. Often the respite for those who care for older people is provided through residential aged care services. There are other daily respite services which are also

very well used and welcomed. The care of older people with dementia, though, provides a challenge and residential aged care is not always the right option. For those people, finding an appropriate respite situation can be very difficult. Regarding the care of young people with disabilities, people who are being cared for in their own homes—often by a parent; usually a mother—it is difficult to find a respite alternative.

For many people the only alternative is residential aged care, and for many—I would suggest most—of those individuals residential aged care is certainly not an option. I met people recently who suggested that residential aged care for a young person with a disability would in fact exacerbate that disability, especially if it was an intellectual disability of any sort. I have to point out that this one-off payment is the second one-off payment, which is an interesting concept. I suggest to the government that, whilst it is welcomed, the need for respite care in a range of settings is something that the government needs to look to. Residential aged care is not the option for most people who require respite, especially from a high-care situation.

As I said, I want to talk about younger people who are providing care in our community. This is a group that is very much overlooked and often forgotten in the public perception of who provides care. I think as a community we think of care providers as being predominantly women in their middle age providing care for someone older. But 388,800 young people under 26 years of age in Australia, six per cent of the young population, are providing care for family members or friends with a disability, mental illness or chronic condition or who are frail aged. That is a lot of people that are hidden in our community. In Australia 17 per cent of all carers are under 26 years of age and 18,800 young people, five per cent of those carers, are the main source of unpaid infor-

mal support for the person they support. A total of 181,100 carers are under 18 years of age. They are a hidden group of people who are not in our consciousness, and we need to remember they are part of the army of carers in our society. Ten per cent of all people in Australia aged between 15 and 25 are carers.

The reason I raise this issue is the reality faced by carers aged under 16. These carers have a lot of difficulty traversing the carer payment situation. One of the regulations about access to carer payment means that, if you are outside of the home for 25 hours or more a week, you do not have the opportunity to access that payment. That means that for those young people school is not an option. I am aware that some discretion is allowed in the application of the regulations, and I would encourage that discretion to be used where at all possible to support these families, many of whom are in crisis. The assessment processes are difficult. For many of us the notion of a young person under 16 caring for an older relative is hard to contemplate. But we as a community have to support those families who are in crisis and facing particularly difficult circumstances so that they do not fall through the cracks and are not missed out in the provision of support and carer pensions.

As I said, Labor will support the passage of this legislation. It is an important recognition of the work that carers provide in the community. I note, though, that the government needs to look at the broader levels of support that families require. Yes, money is important and will be used very well to support the care arrangements of those families, but we also have to look at other care requirements. In particular, I point to the variety of respite care that is required to support those families—the care recipients and, as a consequence, their carers.

Senator GREIG (Western Australia) (11.12 am)—I too rise to speak to the Social Security Legislation Amendment (One-off Payments for Carers) Bill 2005. It was with quite remarkable rapidity that the bill was introduced into the other place yesterday afternoon, giving the Senate fewer than 24 hours to consider its content. This is another example of the government rushing legislation through with insufficient time for the Senate, in its proper role as the house of review, to accord it the deliberate and reasoned consideration that all legislation deserves. That we are told that the bill contains one-off bonuses for carers in the very appealing form of a lump sum payment does not automatically make it infallible, as was clearly demonstrated last year when a whole group of older carers were short-changed in their lump sum payment.

We Democrats strongly assert that the government's insistence that this bill be given less than cursory attention by the Senate is an abuse of parliamentary process. You cannot get a more important issue to many Australian people than help for carers. There is an opportunity for us to get better results for the Australian people. If that can be done then we Democrats will do it. We are not inclined to be bullied by the government into abrogating our role in the Senate.

The bill before us provides for one-off bonuses to carers in three categories: \$1,000 to carer payment recipients, \$1,000 to recipients of carer service pension and \$600 to carer allowance recipients. We do not dispute that repeat payments of bonuses to carers just one year later is a positive move. For too long now, carers of elderly Australians or those with disabilities have been overlooked. Carers are sometimes known as the silent army. There are more than 2.5 million of them in the Australian community. They do an extraordinary, difficult and largely unrewarded job. Carers provide by far the major

proportion of both health and community care for people with special and particular needs. Most do so willingly for members of the family or friends, for love or duty, often with a substantial sacrifice of their own life and commitments.

However, caring often causes stress in financial, practical and emotional terms. For too long, carers have been calling upon the government to recognise their role and to identify key areas of action such as health and social care, access to respite, information support, young carers and employment. We Democrats know that it is no exaggeration to say that carers are the backbone of our whole community care system. We simply could not manage without them and the vital work that they do.

The bill before us, while paying carers a \$1,000 bonus, does nothing to recognise the crucial role of carers as partners in providing care, nor does it give them any more rights and recognition than they have had in the past. The bonus does not compensate carers for their work. I recall the remarks, on last year's bonus, of an elderly carer who was caring for her two severely disabled adult children. She said she had no time to herself and was simply too weary to go out and spend the money. Last year, we Democrats pointed out the glaring oversight in the payment of the \$1,000 up-front bonus to carers. Certainly the carer payment is made to people who provide constant care in the home of the person under care—adults and children with a severe disability or medical condition which requires such care. But there are many people who have a primary entitlement to another social security income support—such as the age pension, disability support pension or parenting payment—who are providing the same level of care. Because the carer payment is paid at the same rate and using the same income test, there had been no advantage to them swapping to carer

payment, and Centrelink have advised people of that. To make it worse, social security income support recipients who were on carer payment would have been automatically transferred over to the age pension when they reached the age of 65.

Last year's budget changed the 'no real advantage' rule because the bonus of \$1,000 was going to be paid to people on only the carer payment and not other pensions, notwithstanding that those people may provide equal amounts of care. The end result is that the number of people on the carer payment is significantly less than the number of people who are providing full-time care to disabled and highly dependent family members or friends, because they receive other social security income support. As we pointed out last year, this created the anomaly whereby the many carers who receive income support payments other than the carer payment from Centrelink missed out on the full \$1,000 bonus—receiving instead only \$600 or nothing at all. It was we Democrats who last year recognised that those carers who would miss out on the bonus of \$1,000 were the ones who could least afford not to receive it. So we moved amendments to ensure that people could transfer from their present payment to the carer payment and be entitled to receive the bonus. They would not have been double-dipping and would rightfully qualify for the bonus.

Amazingly, Labor did not support our amendments last year. Senator Collins said at that time that she thought that the government should offer these families this payment and that they should not recognise some carers and not others. But, despite paying lip-service to the anomaly, Labor would not support the amendment to redress this. As a consequence, carers missed out. Those who missed out were predominantly older Australians whose own failing health was made worse by caring responsibilities.

The government have now had a full year to fix that anomaly—one full year in which to ensure that all Australians who valiantly provide full-time care for family members or friends are treated equally. But they have not fixed that anomaly. We therefore assert that it is not an oversight that thousands of carers will miss out on the full \$1,000 but a deliberate, intended outcome of government policy. It is an intended outcome which I think is mean. The government seem to be more than happy to have Australians bearing the cost of caring for the frail, elderly or disabled—saving the government millions of dollars in residential and personal care costs—but are too mean to pay them a \$1,000 one-off bonus.

The government's trickiness does not stop there. Just two days ago, hidden away in the budget papers, the government announced that they were going to reduce the backdating period for carer allowance, which would save the government \$107 million. This is just a case of the government milking carers to fund tax cuts for higher income earners. Carers often unexpectedly find themselves in a caring role. It is a new experience for many of them, and almost always it is an exhausting and time-consuming one. Their lives are significantly changed and they must learn to deal with the needs of the person for whom they are providing care, with the consequence that their own needs are often put last. They are the group least likely to have time to sit down and ponder their government entitlements, and they are likely to have not even heard of the carer allowance. They are even less likely to have the necessary time to fill in the forms, get the medical information completed and then get the application to Centrelink—all within 12 weeks of assuming care. Presently they have six months, but the government have decided to cut that back to 12 weeks.

Returning to the bill, we Democrats will support it because we recognise the worth of carers. We do note, though, that we will not be supporting the backdating provisions when they come before the Senate. My office receives, as I am sure many others do, many heartfelt pleas from carers of people with severe disabilities who write out of sheer desperation—wearied with fatigue, in many cases, but with a resolute commitment to continue caring. We know we cannot rely on the government to ensure they are treated equally, and Labor's record in supporting our amendments in this area is a negative one. But I can assure the Senate that we Democrats will continue to voice these concerns. As part of that process, I move the second reading amendment standing in my name:

At the end of the motion add:

“but the Senate:

- a) condemns the Government for failing to take this opportunity to ensure that all persons who receive a social security or veterans income support payment, other than youth allowance, Newstart allowance or Austudy payment and who are providing constant care to a person who has a physical, intellectual or psychological impairment and where that care is needed permanently or for an extended period, qualify for the full carer payment bonus of \$1,000; and
- (b) notes the Government's failure to rectify this situation which was first brought to the notice of the Senate in May 2004; and
- (c) calls upon the Minister for Family and Community Services (Senator Patterson) to recognise this inappropriate result and to use her powers under Item 1 of Schedule 2 to make a special payment to make up the shortfall”.

Senator McLUCAS (Queensland) (11.22 am)—I note that Senator Greig talked about the speed with which the Social Security Legislation Amendment (One-off Payments

for Carers) Bill 2005 has been introduced into the chamber. Like him, Labor have had very little time to deal with the legislation but, like the Democrats, we will be supporting it. As a consequence of the speed with which the legislation has been introduced into the chamber, we have seen the second reading amendment only in the last 20 minutes. I recognise that the Democrats have raised this issue in the chamber before, but that was when I did not have this responsibility. Labor cannot support the amendment at this point, simply because we have not had the time to look at the implications of such an amendment, but the point that Senator Greig has made will be the subject of some research by my office and we will continue to be in discussion about the issues that have been raised. At this point in time, simply because of the speed with which we have had to deal with this matter, we cannot commit to supporting that amendment.

Senator COLBECK (Tasmania—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (11.23 am)—I thank senators for their contribution to the debate on the Social Security Legislation Amendment (One-off Payments for Carers) Bill 2005. Carers make a vital contribution not only to the wellbeing of people they care for but also to society generally, facing extra costs as they do so. The Howard government, through this bill, builds on the substantial support provided in the 2004-05 budget package to extend bonus payments to carers receiving carer payment and/or carer allowance. The bonus payments have been made possible because of this government's prudent economic management. Surplus budgets have given the capacity to pay these social dividends.

The measure addressed in this bill specifically recognises carers receiving carer payments and/or carer allowance. Carer payment is a means based income support payment

paid to a person with limited income who provides constant care for someone with a disability or for the frail aged. Carer payment customers will receive a one-off bonus payment of \$1,000. Carer allowance is not means tested. It is an income supplement paid to a person who provides daily care and attention at home for a person with a disability or for the frail aged. Carer allowance customers will receive a one-off bonus payment of \$600 for each eligible care receiver in their care.

Carers who claim carer allowance after 10 May 2005 but whose payment is backdated under the carer allowance backdating provisions will not be eligible for the bonus payment, even if the backdated period includes 10 May 2005. These bonus payments to carers are non taxable and do not count as income for social security or family assistance purposes. The majority of eligible customers will be paid their bonus automatically by 30 June 2005. A small number of customers will receive the one-off bonus in 2005-06. These will be people who claimed their payment on or before 10 May 2005 but who are assessable as eligible after 1 July 2005 and have their eligibility backdated to the date of the claim.

I would like to address some points raised regarding respite care for younger and older carers. The Howard government recognises that young carers require particular services, including respite services and age-appropriate information to help them stay in education while also providing care. At least 500 young carers each year will benefit from the almost \$27 million which has been allocated to establish respite and information services for young carers. Young carers at risk of leaving education prematurely and not completing secondary education will be able to access up to five hours respite per week during the school term to attend education or training. In addition, young carers at

risk will have access to two-week blocks of respite time to undertake activities such as study for exams, training or recreation. Delivery of the respite services has been negotiated with the Commonwealth carer respite centres. Carers Australia has been contracted to deliver a range of initiatives including information referral services that will support young carers in the many challenges they face as part of their caring role. All young carers will benefit from the new information and referral services network, including a telephone hotline available through the existing Commonwealth carer resource centres, online advice and an age-appropriate information package.

In its 2004-05 budget the Howard government offered to provide state and territory governments with an additional \$72.5 million over four years to improve the availability of respite care for older carers. Funds were made available to provide up to four weeks respite a year for parent carers aged 70 years of age and over and up to two weeks respite a year for parent carers who are aged between 65 and 69 years of age and who need to go into hospital. This offer was conditional on state and territory governments matching the Australian government's offer and managing the combined funds so that they directly assisted older Australians who have devoted most of their lives to a caring role. So far, five state and territory governments—Victoria, Tasmania, South Australia, Western Australia and the Northern Territory—have made a formal offer to provide extra funds.

Respite care is primarily a state and territory government responsibility. The state and territory governments know that additional Australian government funding is available right now. They agree that there are urgent unmet needs for respite care for people being supported by older carers. With additional Australian government funding available, it

is up to the rest of the state and territory governments to act. It is this government, Senator McLucas, that has delivered measures to address concerns of younger carers and it is this government that is putting pressure on the states to match Commonwealth funding for respite care for older carers. I commend the bill to the Senate.

Question negatived.

Original question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

HIGHER EDUCATION LEGISLATION AMENDMENT (2005 MEASURES No. 1) BILL 2005

Second Reading

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

That this bill be now read a second time.

Senator CARR (Victoria) (11.30 am)—I would like to say a few words about the Higher Education Legislation Amendment (2005 Measures No. 1) Bill 2005. This bill effects a series of amendments to the Higher Education Support Act 2003—the new legislative regime that was introduced by the government in December 2003. The main aspects of the new arrangement did not come into effect until 2005. Many of the amendments contained in this bill are described by the government, in the explanatory memorandum, as mere housekeeping measures, nothing more than minor adjustments needed to tidy up the new regime. I was somewhat astonished to discover this description, because the sections of the act—which was only passed, as I say, in December 2003, some 18 months ago—have already been subjected to 137 amendments and changes since then. Bills before the parliament, including this one, would make a further 80

amendments to the act. This comes on top of the 100 amendments that the government itself made at the very last minute back in 2003. There are now in total some 300 amendments to this government's 'perfect' package of measures introduced some 18 months ago.

We said at the time, and I remember arguing long and hard in this chamber, that the legislation was poorly conceived from the very beginning. We were told of course that it was well-nigh perfect and that none of the amendments that the Labor Party—or any of the other parties on this side of the chamber—had proposed should be given the time of day. In fact all of them were unilaterally rejected without consideration. That was the nature of the deal done late at night with sections of this chamber, a deal which was found to be grossly in error in that it produced an act which could be referred to now, I think, as nothing more than a dog's breakfast.

We have a situation where we have an unsustainable funding and regulatory regime for Australia's universities which has been brought about as a result of an act of parliament which was poorly conceived to begin with, has been extraordinarily ineptly exercised and contains, in my judgment, the seeds of the financial destruction of some of Australia's universities. Dr Nelson and the government have been left with a piece of crippled legislation that constantly reveals problems that need to be patched up. Frankly it is a terribly embarrassing situation for the government.

We have this legislation presented to us now with these so-called minor housekeeping matters. The amendments in this bill would allow institutions listed on table B of the HESA to have access to Commonwealth funding through the Capital Development Pool, known as the CDP. The institutions in

question are two private universities—the Notre Dame and Bond universities—and a private college, the Melbourne College of Divinity. Table B exists to allow these institutions access to certain limited types of research funding. It recognises these institutions have a significant emphasis on post-graduate training.

It is somewhat strange to read that the government now wants to amend the act to allow table B providers access to funding under the Capital Development Pool program, which is a small program of only \$42 million per annum, which of course is allocated on the basis of a competitive process. It has to be competitive because there is so precious little to go round. It could well be argued that the capital needs of our Australian universities would be in excess of half a billion dollars just to catch up with the normal maintenance arrangements, but there is \$42 million offered annually by this pool. It is a grossly inadequate sum of money. The government has described the two types of projects to be supported by this money as 'electronic delivery infrastructure' and 'new campus developments that involve collaborations with TAFE'. Neither of these are research related activities; they are teaching related activities, especially undergraduate teaching related activities. The extension of the CDP funding to table B institutions runs against the very clear purpose for which table B exists.

This is a proposition that again highlights the intellectual paucity of this government when it comes to policy development for higher education. The government puts up propositions time and time again which are fundamentally inconsistent with the policy objectives that it establishes in other quarters. Furthermore, to extend eligibility for the limited funding pool to the extra three universities potentially spreads the funding available even more thinly. It actually makes

worse an already appalling situation. I say the whole thing makes no sense.

The Senate inquiry that we conducted into this legislation was intended to provide an opportunity for the government to explain its position. It has failed to do so. We have from the Department of Education, Science and Training a proposition that says that the government wants to give the three providers—all three of them—permanent access to the CDP because they say a couple of years ago the government promised Notre Dame University \$2 million in capital funds for a new medical school. When the newer legislation came into effect the revised classification of Notre Dame, which was previously on table A of the old HEFA act, to table B of the new HESA act meant that, technically speaking, it was no longer eligible for this sort of capital funding.

So what does the government do to fix up this problem? It does not adopt what would be a sensible approach—namely, to make a one-off special grant of \$2 million to Notre Dame, which the Minister for Education, Science and Training has the power to do. What it seeks to do instead is to provide permanent access to this very limited funding pool. The government has moved to make an unnecessary change to table B because it has failed to have the political gumption to do what it ought to do—fix the mistake of its own creation. The government has yet to explain why it has not adopted that approach. What we have here is the government's policy objective in higher education of seeking to fundamentally shift the balance between public and private funding and between public and private provision. It is seeking to do that incrementally and in an ad hoc manner, and this is one of those further measures that does that.

This move is not insignificant. It is just another step along the path of the destruction

of the public education system in higher education. We have seen this government open up new fee-paying regimes for undergraduate students in our public universities. We have also seen a new student loan scheme, the FEE-HELP program, designed specifically to encourage students into fee-paying places and fee-paying private institutions. Dr Nelson and the government want to change the primary emphasis in Australia on public higher education provision to one based on private provision and private financing of that provision, which is a polite way of saying 'slugging students for the full cost of their education through full fees'. This little move, widening access to the Capital Development Pool, takes us one step further down that track.

There is another bill coming into the Senate shortly, a bill to add a fourth private provider to table B—another private institution that will enjoy the same access to the public subsidies. Perhaps the word 'institution' is too generous a term to use in this context, because here I speak of Melbourne University Private. I will have a fair bit to say when that measure is brought into the chamber. But it will not be the last of these operations that will be given access to the public purse. There will be many more. I make this predication on the basis that there are already 28 private higher education providers enjoying indirect Commonwealth subsidies through the FEE-HELP student loan scheme. What we have seen is, again, in the dead of night, quietly and without fanfare, the minister has exercised his approval power to add 28 providers to the list of those whose students—both undergraduate and postgraduate—are eligible for FEE-HELP.

All these providers offer state accredited courses at the higher education level. There are probably as many as 50 such providers waiting in the wings and already operating in Australia that have yet to be approved by the

minister. We also have many others, I am told, that want to come in from overseas to do exactly the same thing. I have no doubt that down the track the minister will decide to extend more direct forms of public subsidy to those providers as well. We are seeing the privatisation of the higher education system in this country, and it is being done by stealth.

The financial health of our universities is something that more public attention ought to be directed upon. Nothing could illustrate more clearly the slide in the health of our public institutions since the Howard Government came to office than the recent announcements of Newcastle and other universities that have highlighted that their deficits have gone further into the red. The Productivity Commission has calculated that, just between 1995 and 2001, the Commonwealth funding cut per student has amounted to seven per cent. Since then, according to one estimate, the funding decline has grown to as much as 13 per cent per student. That means, in stark terms, a diminution in the quality of the environment in which students are asked to undertake higher education in this country. Staff to student ratios under this government have moved from 1 to 14 to 1 to 22. I would suggest to anyone who was to tell me that that would not do anything other than reduce the quality of education that they have another good think about it.

University revenues have grown but only a small fraction of the growth has been in Commonwealth funding. Only 40 per cent of university income now flows from the Commonwealth. Most of the balance comes from local and overseas students in the form of fees. Fourteen per cent of all university revenue is generated by international student fees alone. This amounted to \$1.7 billion in 2004. Public higher education institutions are now heavily reliant upon fee income, including that from overseas students. The gov-

ernment knows this well, and I say that this is a policy of deliberate intent—a policy to radically shift the balance in university funding away from reliance on the public purse to that of private sources. The government has shown time and again that it takes no responsibility in terms of the defence of public education and it takes no responsibility for the decline in quality that inevitably follows such a policy direction.

Universities have overestimated their future income projections from international students, and we have seen time and again through Senate estimates that the Commonwealth sits on its hands and allows this to happen. Even though senior officers have had detailed discussions with every university on an annual basis, nothing is done to seriously investigate the financial implications or the planning assumptions that allow that to develop and to occur. Some universities have an undue reliance on international students. At Central Queensland University, for example, 49.8 per cent of its student load is now international students. That is according to the latest figures, the 2004 figures that I have. The previous assumption that 40 per cent of its income would now be generated by international students seems inadequate in view of that. Overseas students now make up 49.8 per cent of the student load. That is an extraordinary proposition for an Australian university.

This is a volatile and changing market. It is heavily dependent on the prosperity of the Asian economy. Rapid growth in higher education systems in some of our traditional rival countries in terms of international students, such as Malaysia and other places, may well put in question the market's long-term sustainability. Frankly, you cannot maintain a position where 49.8 per cent of enrolments in a university are from international students and say that that is going to

produce continuing prosperity for that particular university.

We are increasingly seeing countries in our region providing greater access and higher quality programs, and they are now serious competitors against Australia's international higher education system. We are in a situation where the Commonwealth cannot rely upon the presumption that the market will determine good quality outcomes for Australian universities, nor can we take the precarious position that the financial state of our universities is not a matter for the Commonwealth of Australia—that it is not a matter of public interest or Commonwealth responsibility. We have a vital national resource that has to be managed. It has to be protected. We cannot have a situation where the Commonwealth cuts back funding and says to these universities, 'You go out and find replacement funding. When you get it from the international student market, whatever you do is okay.' Clearly, that is not a sustainable position. The proposition that a university has nearly half its student load coming from international students is just not sustainable.

We have seen in recent times universities posting large losses. RMIT posted a loss of \$24 million. The University of Newcastle announced a loss of \$28 million. The University of Western Sydney posted a negative result of \$26 million. These are huge losses. These are huge changes that are occurring in our higher education system. We probably have a record number of universities in deficit this year.

The University of Newcastle is now moving to address this situation by sacking 20 per cent of its staff. In 2005 there was a drop in the international student load of nine per cent in one year. It has been hit very hard by these changes. As a consequence, the university has now moved to sack 470 staff. Of

course, that means the abolition of entire courses and reduced subject offerings in others. It will mean that degrees in economics, science, fine arts and health will not be provided. The vice-chancellor's report has recommended that the courses available in business, finance, economics, commerce and management be reduced from five to just two within two years. For the students in the New South Wales Hunter region and for their families, and for the economy of that region, these are very serious issues.

In apportioning responsibility for the failure of the education system in this regard, the buck cannot be passed on to local management of universities; the Commonwealth has to face up to its share of the blame when things go wrong. We cannot have a situation where the universities are reliant upon private income and the Commonwealth washes its hands of it.

On top of that, we now have a situation where the universities are being told that they cannot rely upon the Commonwealth to get proper indexation arrangements in place. The review of higher education indexation completed by the Department of Education, Science and Training has, not surprisingly, produced a result where, despite all the promises made before the last election, universities will not see any improvement in their operating margins. This is as a result of the Commonwealth funding universities on the basis of meeting inflationary needs, because the indexation propositions that the government has pursued have clearly been grossly inadequate to meet the cost pressures facing universities. I move the second reading amendment standing in my name:

At the end of the motion, add:

“but the Senate notes with concern:

- (a) that the Government has failed to provide a clear or adequate rationale for amending the Higher Education

Support Act 2003 to allow the institutions listed on Table B access to funding from the Capital Development Pool, and that this gives rise to concerns that the Government is attempting to expand subsidies to private higher education providers by stealth; and

- (b) that the Government is proceeding to expand public subsidies to private higher education providers in the absence of the stringent quality requirements, as well as the public reporting and other accountability requirements, placed on public universities”.

Senator STOTT DESPOJA (South Australia) (11.50 am)—I will begin with the second reading amendment moved by Senator Carr on behalf of the Labor Party and indicate to the chamber that I agree entirely with the sentiments of the amendment, as do the Democrats as a whole, and I agree with Senator Carr’s comments in the chamber during his speech in the second reading debate. But I am a little confused about the Labor Party’s position on the relevant section in relation to so-called privatisation by stealth—that is, the issue of table B providers. Item 2 in schedule 1 of this bill deals with that issue. I am going to think about whether or not the Democrats support the Labor Party second reading amendment, because I think it is all words and no action. If they are going to oppose the relevant provision in the bill then, sure, I am happy to support their second reading amendment. But there is no point in moving a second reading amendment that talks about how much you hate privatisation of higher education and then voting for the legislation in toto. If that is the position of the Labor Party, I am afraid that is not really good enough. Having said that, though, I agree with the sentiments expressed by Senator Carr. I just hope that his

vote reflects his contribution in the chamber today.

This is yet another bill designed to fix up some of the problems that were in the original higher education legislation changes that went through in 2003. As honourable senators would recall, that bill went through after a deal among four Independents and the government. Obviously, the legislation that we have passed since then has not addressed the issues—and we have had numerous amendments, let us face it, to fix up some of the problems, some housekeeping and some of the administrative changes. The list goes on. We have had three amendment bills to the Higher Education Support Act 2003 and now we have got some more. We welcome the amendments; we are just wondering at what point the act that was passed is going to be fixed up. Nonetheless, we welcome the particular amendments before us that ensure there is an automatic recrediting of a person’s student learning entitlement and FEE-HELP balance when a private provider is no longer able to provide a particular unit of study.

The question again to the government is: what was so wrong with the original drafting of the legislation and why have we continued to need to ameliorate some of the problems through legislation? Perhaps this reflects on the fact that the government was so keen to introduce that legislation so quickly in 2003 after that deal that they left too many mistakes in the original legislation. Let us hope we only need five amendment bills and we do not have to be confronted with more to fix up the shambles created during that process.

I also want to reflect on some comments made in a second reading speech by the minister in the other place. He made a comment on leading scientists who attend the Prime Minister’s science prizes. He stated, I think, in his speech:

They come to the nation's capital annually to see the Prime Minister award the most prestigious award for science in the country ...

That is true—however, not last year. Let us not forget that the Prime Minister was not able to make it to the award ceremony last year in September. I admit: I was not there either. I had a few pressing health reasons that made it difficult for me fly and get to that event, but I am not sure how missed I was. There was a much more conspicuous absence, and that was the Prime Minister. That is okay. We all have other obligations, but when I turned on the television and saw our Prime Minister with Miss Universe at the rugby awards, I felt a little sorry for the scientists because they obviously missed out to an event that was clearly evident of our Prime Minister in campaign mode.

Senator McGauran—I am sure they would understand his choice.

Senator STOTT DESPOJA—Maybe, Senator McGauran, it is because—I should not have acknowledged that interjection. I am going to presume it was a comment on sport. As a South Australian with not the greatest rugby knowledge, I will leave it at that and not proceed too much further. I thank the minister for raising the issue of that prestigious and very important science dinner and prize. It is an important prize, but I do want to put on record that the absence of the Prime Minister was noted and I think the minister should be wary in making those comments in relation to the dinner that was held on 7 September 2004.

The indexation review was one aspect of the deal that was cobbled together in 2003 during those late night sittings to get that legislation through. As honourable senators would know, and more importantly as the sector now knows, they were duped. The indexation review has taken place. The announcement was made in April that the gov-

ernment were not going to do anything. They are not going to stop the rot on indexation as they indicated they were going to do. I wonder why it was announced in April. I guess I now know why: it was one less thing that people could criticise about the budget. So indexation was not in this year's budget—what a surprise! I wonder if those four Independent senators were truly shocked, or maybe they just felt better committing to a review that promised vice-chancellors and students absolutely nothing. Weren't they suckers!

The explanatory memorandum for this bill tells us that the bill will increase the overall appropriation under the Higher Education Support Act by \$48.726 million for the years 2005 to 2008. Again, what an insult that is to universities. Just compare these election commitments to the amount of funding the Australian Vice-Chancellors Committee believe this government have short-changed them by. The AVCC estimates are that inadequate indexation has cost them \$586 million since 1997. That is a lot of money. Sadly, though, a lot of people will not necessarily understand the importance of adequately indexing university grants, but of course that does not make the impact of this decision any less severe.

On 20 April this year, the *Australian* newspaper reported the AVCC warning the government that its decision would:

... place pressure on the present cap of 25 per cent for HECS increases.

In the same article, AVCC's vice-president, Professor Gerard Sutton, stated something that the Democrats knew or suspected back in 2003—that is:

Most universities have increased their HECS fees because of the shortage of funding ...

Professor Sutton indicated that without adequate indexation the 'natural direction'—his words, not mine—for universities to go in

now would be to seek further increases in HECS fees from the government. So you got it folks: we have had the 25 per cent increase taken up by most universities, unfortunately; but, because they have had inadequate funding, they felt they have had no choice. We all know what the access and equity implications are, particularly for disadvantaged students and various groups in our communities.

The universities and the vice-chancellors are now flagging that they are going to come cap in hand again to the government with a request to increase the amount that they can charge through HECS and, I have no doubt, through upfront fees as well—postgraduates and undergraduates. This is not news. I am sick of being surprised by this. I have been almost ten years in this place and every time we debate a higher education bill—I am used to it now—if it is not a CPI increase on HECS it is something else: up-front full-cost fees or whatever. For those senators who did the deal, I hope you are feeling a little embarrassed today. HECS fees are up by 25 per cent, and that is your doing, Independent senators. Well done! I am not wanting to take that away from the government, of course, but they had a choice. They had a choice as to whether or not students faced additional fees and charges and they blew it, and now fees and charges are set to go up.

As for university vice-chancellors, I know them well. I have just been meeting with vice-chancellors briefly today and they are stunned by the indexation result and they still name it as their No. 1 priority. I think their No. 2 priority is student income support but I will not get onto that tangent today as we have a very important Senate committee looking into that issue too. So inadequate indexation—the writing is on the wall—will mean increased fees and charges. We are not investing in the future of this nation at all

when it comes to human capital through higher education and education generally.

The review findings relating to indexation openly state that income from HECS hikes and increases in full fee paying places are two mechanisms through which the sector can continue to achieve strong revenue growth. Clearly, it is a recommendation as to how universities can get more funds. We know that around 70 per cent of commencing students will be paying HECS rates higher than the pre-2005 rates. In my home state of South Australia, that involves all students other than nursing and teaching students. DEST has estimated that, as a result, students will be paying an additional \$828 million in HECS over the period 2005 to 2008. This amount is similar to the \$821 million that South Australians currently owe in HECS. They are huge debts. We have budgets with huge surpluses and ministers going out and saying that they do not want to burden the next generation. Who are they kidding? The debts that students owe to this government are going to be crippling and they are going to have generational impacts—but we all know that.

HECS increases have already had an impact on students. This year, applications dropped by 12,123. That is after years of increases in applications. For only the second time in the last 50 years, the number of HECS places in Australian universities declined by 8,354 places in 2004. In his second reading speech, Dr Nelson said:

... this year there are 180,000 Australians who owe the taxpayer HECS repayments for the 25 per cent of their university education that recipients pay for and who will pay no HECS at all because the repayment threshold has gone up to \$36,000.

We know that is a joke. Students are contributing much more than 25 per cent of the cost of their education. We know that estimates from groups such as the National Tertiary

Education Union show that students at a university that has increased its HECS fees by 25 per cent will be paying on average more than half the cost of the education that they are obtaining. The minister seems to be forgetting that his policies are contributing to lifelong debts for some students. Each year that students do not repay their debts means another year with that debt hanging over their heads, and we all know the consequences of that.

For many years the No. 1 priority of the higher education sector has been to secure a realistic indexation formula for their grants. The so-called compromise in the Higher Education Support Act for an indexation review was never going to deliver what they wanted or what they needed. I think it was perhaps the most significant failure of that legislation. What we saw from the government in its review process was a sign of the growing arrogance brought on by their knowledge of a Senate majority. Having said that, they got that majority not through the coalition ranks but through four Independent senators who had a choice, but chose to increase fees and charges.

I do not think the review of indexation was serious and I never thought it was intended to be. It was a sop to those Independent senators and, I might suggest, to vice-chancellors as well. They fell for it. The review was not public. It was not an independently run review; rather, it was undertaken by the department—and, no reflection on the department, but it should have been an independent review. It was done in cooperation with the Department of Finance and Administration and in consultation with the Department of the Prime Minister and Cabinet and the Treasury. The fact that the review took only one submission, from the AVCC, is evidence enough of the quality and thoroughness of that review process.

Another issue that arose this year was the approval of private higher education providers. The Democrats share concerns that have been expressed publicly and in this place—in particular in a mooted disallowance motion from Senator Nettle—about the minister approving numerous private providers before we had actually had the public debate on the national protocols. Those protocols will decide the future composition of the higher education sector, particularly in relation to the mix of public and private institutions.

On page 31 of the *Australian Financial Review* of 14 March 2005, Sophie Morris stated that Senator Nettle's actions 'would have delayed students who had already been promised the loans from accessing them this semester'. The article went on to say that ACPET had emailed its members saying that the effect of this disallowance would be a 'disaster for students and private higher education providers', who had enrolled students on the basis that they would get the loans. I would also like to quote from ACPET's *National Monday Update*, edition 129 of 14 March 2005, article 2. It is entitled 'ACPET pressure on Greens forces withdrawal of Senate motion—FEE-HELP goes ahead'. The article says:

With Senator Nettle's motion, students who had already commenced the academic year and made financial commitments based on the assumption that they would be able to access FEE-HELP, would have been severely affected.

The Democrats are very concerned that there were students who would have assumed that they were able to access FEE-HELP and had commenced their study based on that assumption, because it was a false assumption. The most likely way that the students could have reached that assumption was if they received incorrect advice from the higher education provider, who in turn may have relied on advice from either the department or the minister's office. Either way, it seems

that both students and providers failed to fully understand the provisions of the Higher Education Support Act 2003, for whatever reason.

The information pack for bodies seeking approval as higher education providers under the Higher Education Support Act 2003 published by DEST in May 2004 clearly states that provider status takes effect only after the disallowance period has passed. I am sure that the Minister for Education, Science and Training understands this procedure—and I am sure that Senator Eric Abetz also understands this procedure. The minister would also know that once notice to disallow his approval is made, the parliament has a further 15 days before the motion is debated. DEST should also be aware of this procedure. But it appears to have come as a surprise to the private providers, who were expecting a smooth transition into their new ministerially approved status. The information pack states:

However, it is the responsibilities of bodies seeking and achieving HEP status to become familiar with the provisions of the HESA and all relevant Guidelines ...

If all providers had followed this instruction and passed on this information to their students, no students would have been fooled, no students would have been taking it for granted that they would be able to access FEE-HELP in the first semester of 2005, and any anger that resulted from Senator Nettle's motion would have been totally baseless. Interestingly, KvB Institute of Technology is one private provider that acted responsibly in its approach to gaining higher education provider status. On their web site they actually warned students and said:

... students will only be entitled to FEE-HELP for a unit of study which has a census date after the date on which the Institution becomes a HEP ...

Thus KvB was acknowledging that their application to become a higher education pro-

vider was subject to a disallowance by the Australian parliament.

If all private providers had operated in this way, yes, students may have experienced a delay possibly by one semester in their study. No student, though, would have been able to complain as a result of that disallowance. Again we have the government proceeding with the privatisation of higher education without explanation and without transparency of the approval process. This is another flaw of the legislation which we are amending today.

The Democrats understand that most of the provisions of this bill before us are non-controversial and technical in nature. However, the Democrats do have an issue with item 2 of schedule 1 of this bill. That is why we supported the committee reference for that provision of the bill. The Democrats did not agree with the majority report on the bill but we wholeheartedly support the majority of the content and conclusion of the opposition senators' report. Unfortunately, though, despite all their concerns, all 6½ pages of them, they are not going to oppose that part of the bill today. Or maybe I am wrong. After the strong language in this chamber earlier by Senator Carr, maybe they will. The significant decline in Commonwealth funding of education relative to other government portfolios over the past 30 years is of particular concern to the Democrats, as are the recent HECS and other fee increases. We believe that government policy should work to reverse universities' reliance on private sources of income—not exacerbate it, not increase it.

The evidence presented to the committee—I will not go into it here because we are all familiar with it, or at least it is all in the report if people choose to read it—and many of the arguments raised in the opposition senators' report warrant much stronger rec-

ommendations. That is what the Democrats recommended in our supplementary report; that is what I put in my report. So it is important to get on record the position of all parties in this place. Indeed, it is probably good to get on record in this place the Independent senators' views on privatisation of higher education. As the ALP indicate in their report, they do not support further privatisation of higher education by stealth. That is in the second reading amendment. So I expect the Labor Party to support today my amendment, which will delete the relevant section of the legislation in relation to item 2 of schedule 1 of the bill. I do not expect the government to support it, obviously. Senator Abetz and I were talking earlier. I do not like the position of Senator Abetz or the government but I have to grant you consistency. What I am a little confused about is the inconsistency in the chamber today in relation to privatisation of higher education and particularly the report that came from Senator Carr on behalf of the opposition senators.

To ensure that everyone inside and outside this place is clear about our position and that of other senators, I will move an amendment to this bill during the committee stage that is in line with our recommendation contained in the committee report. The amendment seeks to remove the controversial and unnecessary provision that would provide access to Commonwealth funding through the Capital Development Pool to table B institutions. I look forward to hearing the explanation of all parties in this place for their position on this particular provision in the bill.

Senator ABETZ (Tasmania—Special Minister of State) (12.10 pm)—I want to thank all senators who took part in this debate on the Higher Education Legislation Amendment (2005 Measures No. 1) Bill 2005, although it will not come as a surprise that I did not necessarily agree with those contributions.

Senator Carr—You didn't hear it. How would you know?

Senator ABETZ—Senator Carr says that I did not hear it. Little does he know that we have got a TV monitor and, sick as it may seem to honourable senators, I actually did tune in for a while to listen to what Senator Carr said; I might call it a speech but I think it was more of a rant. Nevertheless, I will not be too unkind to him after the bollocking he has just received from Senator Stott Despoja. The inconsistency that she highlighted has saved me from having to make mention of that. I think Senator Stott Despoja put it very eloquently, so to those aspects of the speech can I simply say ditto.

I want to reiterate a few points on this particular bill. The legislation is necessary to update appropriation amounts in the Higher Education Support Act 2003 for the years 2004-08 to provide for commitments made during the election. These important funding measures include 100 new radiation therapy places as part of the Strengthening Cancer Care package, \$2 million in infrastructure funding for improved information technology at Charles Darwin University and \$12 million in infrastructure funding for a new veterinary science and agriculture school at James Cook University. This bill also contains some additional funding measures, including 40 additional aged care nursing places, extra funding for the additional 12 medical places at James Cook University announced in the 2004-05 budget, \$16.5 million in increased national institute funding for the Australian National University and a transfer of funds related to the establishment of the Australian Maritime College's Point Nepean campus.

The Australian government is also taking this opportunity to make a number of technical amendments to enhance its effective implementation and to give certainty to higher

education providers. These include: enabling table B higher education providers to apply for capital infrastructure funding; clarifying the way tuition assurance requirements interact with certain provisions in the act; adjusting the Higher Education Funding Act 1988 to make it consistent with the new act in terms of the administration of student assistance; and amending the Maritime College Act 1978 to ensure that the Australian Maritime College complies with the national governance protocols.

The Senate Employment, Workplace Relations and Education Legislation Committee recently conducted an inquiry into the amendment in this bill to allow table B providers to apply for capital infrastructure funding. The committee released their final report yesterday in time for the debate, and I thank the majority and opposition members of the committee for recommending that the bill be passed without amendment. I would like to take this opportunity to comment on some of the issues raised in the opposition senators' report on the particular amendment in question. That is also referred to in the second reading amendment moved by Senator Carr. Firstly, they seek a rationale for not providing a one-off payment to the University of Notre Dame Australia for the allocation of capital infrastructure funds granted under the previous framework. As I am sure all honourable senators are aware, the University of Notre Dame was listed as a table A provider under the Higher Education Funding Act 1988, making it eligible for capital infrastructure funding prior to the introduction of the Higher Education Support Act 2003.

Under the Higher Education Funding Act, the university was granted funds under the Capital Development Pool for payment in 2006. This would provide \$2 million in funding for UNDA's medical school in 2006. UNDA, which is the acronym for the Uni-

versity of Notre Dame Australia, is now listed as a table B provider under the Higher Education Support Act 2003, meaning a change to the legislation is required to allow the university to receive these Capital Development Pool funds that were previously committed.

It is in the interests of fairness and consistency that the Higher Education Support Act is being amended to extend the eligibility for Capital Development Pool funding to all other table B providers—currently Bond University and the Melbourne College of Divinity—so that all such providers are afforded the same treatment which the University of Notre Dame Australia has previously enjoyed. A one-off payment to the University of Notre Dame Australia for already committed funds would be inequitable to the other providers on table B. I must emphasise that this amendment does not guarantee that table B providers will receive capital infrastructure funding in future rounds; it only ensures that, like institutions in table A, they will now be able to apply for a share of funding.

Secondly, opposition senators query the future direction of government policy in relation to all private higher education providers in light of this amendment. This amendment applies only to table B providers and only relates to eligibility for the Capital Development Pool. This amendment does not relate in any way to other non-listed approved higher education providers. I am aware that the Senate will have an opportunity to debate the inclusion of Melbourne University Private in table B at a later date. Any additions to table B will need to come through the parliament and will be transparent to the Australian community. I urge all honourable senators to support the bill to ensure that these benefits can be delivered smoothly and in the most efficient way possible.

Senator STOTT DESPOJA (South Australia) (12.17 pm)—by leave—I understand that Senator Carr wants to call a division if there is disagreement on the motion before the chamber. I want to place on record that the Democrats will be supporting the second reading amendment because we agree with the content. That is why we will move an amendment in the committee stage to bring into effect the words and the substance of the amendment, but there will be no need to divide on it unless it is suggested by the government.

Question agreed to.

Original question, as amended, agreed to.

Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator STOTT DESPOJA (South Australia) (12.19 pm)—The Australian Democrats oppose schedule 1 in the following terms:

(1) Schedule 1, item 2, page 3 (lines 12 to 14), TO BE OPPOSED.

As indicated in my contribution to the second reading debate, the effect of this amendment is that it opposes what Senator Carr would call the privatisation of higher education by stealth. I believe that is the term that we have adopted in the second reading amendment that has just been passed by the chamber. Now is the opportunity for Senator Carr to put his vote where his mouth is. I commend the amendment to the committee. I have spoken repeatedly and at length during this debate about the issue involving table B institutions and the increasing commitment of public funding—public funding that should be used for public institutions and in other ways to assist public education. In this case, the Democrats do not support the provision that provides access to Commonwealth funding through the Capital Devel-

opment Pool to table B institutions. My understanding from the rhetoric from the opposition is that they do not support it either. Now I want to see how they are going to vote on that issue, especially after the second reading amendment that we have just adopted which talks about the privatisation of public education by stealth.

Senator CARR (Victoria) (12.20 pm)—Having shamed the Democrats into supporting that amendment, I think it is appropriate that we do hear from the Democrats why it took them so long to understand the nature of this legislation, because it is quite clear that privatisation of the university system by stealth is the government's policy. With that in mind, I ask the minister if he can explain to us why it is that 49.8 per cent of the Central Queensland University's total student load now comes from international students. That is almost 50 per cent! We have an Australian university which now has 49.8 per cent of its total student load coming from international students. Can the minister explain to us how that has happened? How many other universities would have that sort of student enrolment from international students?

Senator ABETZ (Tasmania—Special Minister of State) (12.22 pm)—Very easily. I know it is very dangerous to accept at face value what Senator Carr says, but on this occasion I am willing to take that great step of faith.

Senator Barnett—A leap of faith.

Senator ABETZ—If what he is saying is correct, I indicate to him that the Central Queensland University has been very successful in attracting overseas students. If behind what he is saying is the assertion that they may somehow be displacing Australian students then that assertion would be wrong.

Senator CARR (Victoria) (12.22 pm)—Given the answer to that question, can the

minister confirm what I put to him? He can ask his officials. He has experts in the advisers box. Is it true that in 2004—

Senator Abetz interjecting—

Senator CARR—No, I want to know from the officials: is it true that the higher education statistics for the first half of 2004 show that 49.8 per cent of students at the Central Queensland University are now regarded as international students?

Senator ABETZ (Tasmania—Special Minister of State) (12.23 pm)—Senator Carr can go through every single university around the country and ask us about the break-up of the particular figures and, believe it or not, I do not have those figures in my back pocket. As I was saying to this chamber, I was willing to take that great step of faith with Senator Carr. In fact, I think Senator Barnett is more correct: I was willing to take a leap of faith—not simply a step of faith—in accepting at face value what Senator Carr has asserted in this place. If my leap of faith is misdirected, I will come back and advise the chamber.

Senator STOTT DESPOJA (South Australia) (12.24 pm)—Obviously in a very non-joking way, I want to make it very clear that up until this morning Senator Carr had the support of the Democrats for his second reading amendment because we agree with the substance of it. When I got into this chamber and found out that the Labor Party were not supporting the amendment that would actually bring into effect the rhetoric of his second reading amendment, I was not sure we should support it, because I do not think you should reward bad behaviour. Also, I do not think you should have rhetoric in second reading amendments that is not supported in the body of the bill. This committee stage may be a joke for some people, but if you really feel strongly about privatisation of higher education and you really dis-

agree with those private providers and those in table B having additional access to public funding that should go to universities that are public institutions then you should vote for the amendment that is before us. It does not matter how many questions you ask in the committee stage, you are still going to bring in, by stealth, this privatisation with which I thought a majority of us disagreed. I commend the amendment to the committee and I hope that it will be supported.

The CHAIRMAN—The question is that schedule 1, item 2, stand as printed.

Question agreed to.

Senator STOTT DESPOJA (South Australia) (12.26 pm)—I ask the Labor Party to confirm their opposition to my amendment or their support for the schedule as printed—obviously the numbers indicate it. I want to make it clear that, with the government, the Labor Party supported the schedule standing as printed. I just want to record that that is how they voted.

The CHAIRMAN—I call Senator Carr.

Senator CARR (Victoria) (12.26 pm)—Thanks for your assistance, Mr Chairman!

The CHAIRMAN—That is all right.

Senator CARR—I have obviously taken a while to get around to this point. Thank you for the opportunity, Senator. The opposition made its position very clear in the report. Mr Chairman, if I could draw your attention to the report, in the report we noted that the government have failed to provide a rationale for these changes. They have effectively pursued a policy of privatisation. We are left in a situation where it is extremely difficult to actually do anything about that until there is a change of government and we can pursue the matter.

Bill agreed to.

Bill reported without amendment; report adopted.

Third Reading

Senator ABETZ (Tasmania—Special Minister of State) (12.28 pm)—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

BUSINESS

Rearrangement

Senator ABETZ (Tasmania—Special Minister of State) (12.28 pm)—I move:

That intervening business be postponed till after consideration of government business order of the day No. 4, Criminal Code Amendment (Trafficking in Persons Offences) Bill 2004 [2005].

Question agreed to.

CRIMINAL CODE AMENDMENT (TRAFFICKING IN PERSONS OFFENCES) BILL 2004 [2005]

Second Reading

Debate resumed.

Senator LUDWIG (Queensland) (12.29 pm)—I rise to speak on the Criminal Code Amendment (Trafficking in Persons Offences) Bill 2004 [2005], which the opposition believes is a worthy bill. It is my pleasure to speak on it today. There is an obvious need for this bill because it is primarily about the protection of the vulnerable. The bill is colloquially known as a device against sex trafficking of women and children. This may reflect the interest of the many organisations who have made comment on the exposure draft or to the Senate inquiry or both.

Trafficking of persons for use as sex slaves may not be an entirely new crime, but it is becoming more prevalent as the world increasingly opens up its borders for freer movement of goods and people. The trouble is that, as we globalise, so do the criminals—in fact, in many cases, even before us. Sex trafficking is becoming more prevalent worldwide. It presents a major problem in

the European Union, for example, where unscrupulous gangs are preying on vulnerable women from eastern Europe and Russia for use as sex slaves. In the UK, for example, the Solicitor-General stated that an estimated 80 per cent of prostitutes in London are foreign. The idea that these are women who have chosen to sell sex is clearly wrong. Recently, too, the US State Department identified the possible emergence of the sex-trafficking problem in Singapore.

It is not clear how widespread the problem is here in Australia. Women who are trafficked as sex slaves often work illegally, possibly with the wrong type of visa or even with none at all. To that extent, they are difficult to locate, and I am sure that the criminals who control these women make full use of this fact. Estimates have varied as to the numbers of women involved from between 30 to 1,000. Clearly, even at the maximum level, that is probably nowhere near the scale of the problem in some parts of Europe. But, in a sense, the numbers do not matter. If this bill were only to stop one woman or child from enduring the horrors of being trafficked as a sex slave it would still be a worthwhile exercise from Labor's point of view. The provisions relating to the trafficking in persons offences are not limited exclusively to trafficking for the purpose of sexual services. They also relate to trafficking in instances where someone is using force, or threats of force, to facilitate the entry or receipt of a person into Australia.

This bill will also, for example, make deceptive conduct in recruiting a person to work in the sex industry illegal and punishable by seven years imprisonment, or nine years for an aggravated offence. The offence of debt bondage is also introduced as a most welcome measure. The debt bondage measures will cover all workers, no matter what industry they are in. Perhaps it is best if we call debt bondage by its real name—serfdom.

Serfdom is not entirely unknown, even in modern times in Australia, as the living experience of many Indigenous Australians bears witness. We have, thankfully, stopped this form of exploitation, but the struggle against serfdom continues around the world. Now this insidious action of traffickers, people smugglers and unscrupulous employers has brought the problem back to Australia, taking advantage of vulnerable citizens from some of South-East Asia's poorest countries. Labor will support the debt bondage measures because we are philosophically opposed to the notion of debt bondage or serfdom. In fact, for these reasons alone, the bill represents a significant improvement on what is available to our law enforcement agencies in dealing with some of these transnational scourges.

There are already a number of people-smuggling offences in the Migration Act 1958 and in the Criminal Code. For example, the Migration Act includes offences of bringing an unlawful noncitizen or a group of such persons into Australia. These measures alone are not enough to deal with all circumstances of sex trafficking and exploitation. Further offences were added to the Criminal Code with the passage of the Crimes Legislation Amendment (People Smuggling, Firearm Trafficking and Other Measures) Act in 2002. These offences apply to what might be called international smuggling—for example, the smuggling of people in a foreign country, whether or not via or through Australia.

The new people-smuggling offences are, in general, based on the Protocol against the Smuggling of Migrants by Land, Sea and Air, the smuggling protocol. I will talk about the origins of this UN protocol. To combat the growing phenomena of transnational crime in 2000, the UN adopted a convention against transnational organised crime, which was supplemented by the UN trafficking pro-

tol. Australia signed the UN convention in late 2000, and it entered into force generally in 2003. After a national interest analysis had been performed on the UN trafficking protocol, Australia signed up to that as well, in late 2002. The government has indicated its intention to ratify the UN trafficking protocol once legislation is in place to meet the protocol. Before it can do that, it has to ensure that our laws against trafficking in persons meet the requirements of the protocol. This is what this bill is about. It is aimed at meeting Australia's obligations under the protocol.

The bill was derived from the transnational response to organised crime some years ago. The United Nations adopted a convention against transnational organised crime. As I said, we signed up to that in 2000. Out of this convention, a protocol to prevent, suppress and punish trafficking of persons, especially women and children, was established, and Australia signed the protocol in 2002—again, after a national interest analysis was performed. Perhaps it is worth while explaining that a national interest analysis is where the Australian government make a decision about whether it is in Australia's national interests to sign something. So, in other words, they examined it in that context and decided that it was a worthy protocol to sign.

However, this is not the sole source of law impetus for the changes in this area. As I acknowledged in my speech on the committee's report, the current laws reflect, and indeed are, an updated version of the old imperial anti-slavery legislation, one of Britain's legal legacies to Australia and an heir to a statutory tradition that goes back to the time of Wilberforce and other anti-slavers from over 200 years ago. It was in examining the inadequacy of this current regime that the report into the trafficking of women for sexual servitude of the Parliamentary Joint Committee on the Australian Crime Com-

mission—which has a watching brief and, indeed, a statutory responsibility to examine trends and changes in the methods and practices of criminal activities—made nine very good recommendations for government. Recommendations 4, 5 and 6 relate to the need for improved legislation, speedy implementation of the legislative review and the introduction of the measures into parliament in early 2005.

The second origin of the measures contained in this bill is the issue of trafficking in persons for sexual servitude purposes that was investigated by the parliamentary joint committee in June 2003. The PJC reported the following year and recommended that the government ratify the UN trafficking protocol as soon as possible. Among other things, they recommended a review of the adequacy of existing provisions in the Criminal Code dealing with the recruitment, transportation and transfer of women for the purposes of trafficking. They recommended an amendment to section 270.7 of the Criminal Code dealing with deceptive recruiting for sexual services ‘to broaden the offence to include deception regarding not only the type of work to be done but expressly the kinds of services to be provided, whether of a sexual nature or not’. They also recommended that all trafficked women accepted onto the victim support program or receiving the criminal justice stay visa be exempt from compulsory return to their country of origin.

However, the government did not pick up the baton all that well. They demonstrated the need for the bill—and all sides of politics are clear on that—but I think the Minister for Justice and Customs and the Attorney-General let us down in the process. Ordinary bills of this type—that is, bills that create or amend federal crimes—are usually referred to the Model Criminal Code Officers Committee. You would expect them to be referred there, or to the Standing Committee of Attor-

neys-General—or SCAG, as it is referred to—if they might have an impact upon state law as well.

This is not done for the health of those involved. The aim of SCAG and the Model Criminal Code Officers Committee is to develop uniform national criminal laws. These committees address other matters, but that is one of their briefs. If something the Commonwealth does impacts or has the potential to impact on the criminal law of the states then you would imagine it would also be a very good idea to consult with the states. This did not happen with this bill. Even though the bill is primarily directed towards preventing the trafficking of women and children for the purposes of prostitution, the government chose not to consult with the very level of government that regulates prostitution. It is extraordinary that this could be so.

This was just the beginning of the non-consultation process, if we can call it that, overseen by Minister Ruddock and Minister Ellison. The next major stakeholders the Attorney-General left off the consultation list were many of his own agencies. The Human Rights and Equal Opportunity Commission, which is under the Attorney-General’s portfolio, was not contacted by the Attorney-General or the Minister for Justice and Customs to comment on either the exposure draft or the bill. To be fair, they put it on the web site and put out a draft. But that is where it was left. Also to be fair, there was an election in the middle of the process. You would expect that post that they would have picked up the ball and ran with it, but they did not. It sounds extraordinary until you consider Minister Ruddock’s record in immigration, where his ticking time bomb of what can only be described as maladministration is beginning to blow up in Senator Vanstone’s face.

It has fallen to Labor and the committee to ensure adequate public consultation on this bill. Labor has in effect taken on part of the role of ensuring proper consultation on this legislation. The bill should have been dealt with some time ago but, following the committee's report on the bill's inadequacies, the government elected to rework it very significantly, with some 20 or more amendments.

Turning to the Senate committee report, the legal and constitutional committee made 13 substantive recommendations in relation to this bill. Seven of the recommendations have now been incorporated in the bill and Labor welcomes these additional measures. A further two measures were partially adopted by the government, while three measures were rejected. Let us examine the rejected measures first. Recommendations 11 and 12 relate to the inadequate consultation by government on this bill. Labor's efforts to alert interested advocacy groups in the community and action to ensure the bill went to committee represented the only meaningful consultation, in our view, that occurred. I earlier outlined the failings of the government in its consultations, and perhaps enough has been said on that issue. Now that Labor and the committee have shouldered this burden, the measures are possibly redundant and it is frankly a little late in the piece for the government to start taking consultation in respect of this matter seriously.

Recommendation 8 relates to the inclusion of servile marriage in the bill. However, it was recognised that this may have been beyond the scope of the bill as its effect in relation to the Marriage Act was unclear. Labor also accept that this recommendation is a large one in its effect to be accommodated in this bill, but we reserve the right to investigate the matter further to determine whether an offence should be created for this type of conduct and, if so, by what methods and what means.

We now turn to the recommendations that were partially rejected. Recommendation 6 called for adoption of the actual wording in the definition of 'exploitation' and 'trafficking in persons' contained in the UN protocol on trafficking. The Attorney-General's Department has offered advice that it is more appropriate to use terms and words in the definition that are already defined and clearly understood in Australian statutes and court-made law. Labor accedes to this advice.

The other recommendation that was partially rejected was the inclusion of non-commercial exploitation of adults. It has been put by the government that, while it may be undesirable, it is a question of whether this conduct should be made illegal or an offence should be created in relation to it. Labor think that this matter should be looked at a little further, but we do not want to hold up the bill due to the other important measures that this legislation will bring. For that recommendation, we think that more work can be done, given that non-commercial exploitation, particularly of children, will be criminalised with the adoption of this bill.

Let us now move to the recommendations of the committee that we support. I would like to run through some of those for the record: the removal of reference to consent under sections 271.2 and 271.5; the inclusion of elements of purpose of exploitation in sections 271.2 and 271.5; the removal of doubt that sections 271.2 and 271.5 contain; each means of trafficking to be listed, consistent with the definition of 'trafficking in persons' contained in article 3(a) of the UN Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, Supplementing the United Nations Convention Against Transnational Organized Crime; the inclusion in section 270.7 of reference to deception in the quantum of any

debt or purported debt owed or to be owed by the person; the inclusion of various express references to deception in sections 271.2 and 271.5; the inclusion of the element of a purpose of exploitation; the inclusion of non-commercial exploitation of children; the inclusion of offences of debt bondage; the definition of debt bondage in division 270; and the extension of part 1AD of the Crimes Act 1914 to offences against division 271.

These new measures all came from the committee process. In addition, the government has added new offences to cover instances of trafficking from Australia to other countries. This is a commonsense measure. The government has also increased the maximum sentence for trafficking in children from 20 to 25 years to bring it into line with slavery offences, and that is a worthy aim.

You can see from the outset that there has been significant movement concerning this bill and significant amendment has come from predominantly one source. The committee had the ability to look closely at the legislation and make significant recommendations which were then acted upon, accepted and reworked by the government to improve the outcome of this bill. Therefore, most of the concerns Labor had with the bill are now addressed.

Debate interrupted.

**AUSTRALIAN INSTITUTE OF
MARINE SCIENCE AMENDMENT
BILL 2005**

Second Reading

Debate resumed from 10 March, on motion by **Senator Coonan**:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

BUSINESS

Rearrangement

Senator COLBECK (Tasmania—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (12.45 pm)—I move:

That the sitting of the Senate be suspended until 2 pm.

Question agreed to.

**Sitting suspended from 12.46 pm to
2.00 pm**

QUESTIONS WITHOUT NOTICE

Ms Vivian Alvarez

Senator LUDWIG (2.00 pm)—My question is to Senator Vanstone, the Minister for Immigration and Multicultural and Indigenous Affairs. Minister, I refer you to the case of Vivian Solon, also known as Vivian Young and Vivian Alvarez. Isn't it true that the Howard government deported this poor woman to the Philippines four years ago and first found out about the mistake two years ago? Is the minister aware of the comments made by the Australian Catholic priest Father Mike Duffin, who, when asked about the Howard government's claim it knew nothing, said:

I find that very, very hard to believe when they are the ones who told her before she left Australia she was coming—

to the missionary—

to Mother Teresa Sisters, and then when they brought her, they left her with the Mother Teresa Sisters, the missionaries of charity. So I find it very hard that the Government don't know where they left her. Do they have no records or do people forget things as soon as they do them?

Is that the case, Minister? Does the Howard government keep no records or do you simply forget things as soon as you do them?

Senator VANSTONE—Senator, I thank you for the question. The only person I know who has consistently, repeatedly had the ‘I can’t recall’ disease is a former Labor minister, Dr Lawrence, who, as you will recall, was judged by a royal commission to have been lying at the time.

Mr President, in response to Senator Ludwig’s question, which is in relation to some remarks made either late last night or this morning by a local Catholic priest in the Philippines: yes, I am aware of those remarks. I am further advised that the particular Catholic priest became aware of Ms Alvarez’s importance to Australia sometime over the weekend. So, while he may have been aware of her for some considerable period of time before that, he was not aware of her particular circumstances. It is since that period of time, when he has had a number of conversations with her, that he has drawn the conclusions that have encouraged him to make this particular remark.

Without being critical of the priest, because he, I am sure, is saying what he believes to be the case, I can assure you that the person who met Ms Alvarez in the Philippines was a woman from the overseas women’s welfare agency. That is the woman that I have indicated publicly we are trying to find. She no longer works with that agency. I have been advised, but have not seen the record myself, that the Queensland police officer who acted as an escort for Ms Alvarez thought that the woman from the overseas women’s welfare agency was an Australian official, whereas in fact she was not. So Ms Alvarez may also have been under the impression that the person who met her was an Australian official. Nonetheless, the advice I have is that that agency, as advised by Ms Alvarez, looked after her for a couple of days in hotel accommodation and then made the arrangements for her to go to the place that she now resides at.

So it is not the case, on the advice that I have at this point, that Ms Alvarez was told in Australia that that was where she would be going. It is the case that there is some indication on the file of her interest in speaking to a particular nun in the Philippines, but not, as I am advised, which order or where that nun came from. Because the Palmer inquiry is looking into the matter and Mr Palmer has rightly requested that more senior people in the department do not second-guess the inquiry and go and speak to potential witnesses, we have desisted from interviewing the people who made those file notes. But what is clear is that she was told she would be met, that she was met and that the Queensland police officer was there as the escort and delivered her to the woman from the overseas women’s welfare agency, who then cared for her through the agency for a number of days and then made the arrangements for her to go to the convent.

Senator LUDWIG—Mr President, I ask a supplementary question. Minister, you cannot hide behind the Palmer inquiry. Your answers, in my view and Labor’s view, are highly convenient. Isn’t it the case that, the whole time since the Cornelia Rau affair first became news, this minister has done little more than provide the Australian public with a contemptible example of evasiveness and blame shifting?

Senator Hill—Mr President, I rise on a point of order. This is a speech, and a feeble one at that. The task of the opposition is to ask questions and take the answers. The honourable senator has the chance to ask a supplementary question. He should be asking the supplementary question rather than sharing with us his views and making a statement.

Senator Chris Evans—Mr President, I rise to speak on the same point of order. There is no point of order. Senator Ludwig

was asking a question of the minister. The fact that she has failed to answer any question seriously about the series of bungles in her department is an outrage, but she was asked a serious question by Senator Ludwig on a very serious issue that she does not seem to take as seriously as the rest of Australia does. The question is very much in order.

The PRESIDENT—Can I just say this: if the senator had addressed his question through the chair, I do not believe we would have these points of order. In fact I remind the senator to address his remarks through the chair and remind him of his request to ask a supplementary question. I ask him to return to that particular matter.

Senator LUDWIG—Thank you, Mr President, I will. Can the minister provide the Australian public with a full and complete explanation of the facts of the action to this parliament today?

Senator VANSTONE—I have indicated before—if not in this place, at least elsewhere publicly—that there is a serious risk when there is a very serious matter of rushing to judgment. The appropriate thing to do is to get the facts. We have chosen to give Mr Palmer the task of getting the facts. I have indicated that they will be made public. This government will be accountable for what has happened. But you would prefer, of course, for bits and pieces of the facts that you allege we have at hand to come out. The only way that I can add to what is available on the written record is by having someone go and interview witnesses. That would be an appalling indictment of a minister when there is an inquiry—to go and interview the witnesses ahead of the inquirer. We will get the facts and we will be accountable. We will not make the mistake Mr Beattie made of suggesting on air that she was deported within three days. We will not make the mistake the

ABC made of assuming that there was a car accident. We will not make a range of numerous other mistakes that commentators keen to rush to judgment have made. (*Time expired*)

DISTINGUISHED VISITORS

The PRESIDENT—Order! I draw the attention of honourable senators to the presence in the chamber of a delegation from the Grand National Assembly of Turkey led by His Excellency, Mr Bulent Arinc, MP. On behalf of all senators I wish you a warm welcome to Australia and particularly to our Senate. With the concurrence of honourable senators, I invite His Excellency to take a seat on the floor of the Senate and help me control the chamber—in the spirit of Anzac.

Honourable senators—Hear, hear!

Mr Arinc was seated accordingly.

QUESTIONS WITHOUT NOTICE

Budget 2005-06

Senator FERRIS (2.09 pm)—My question is to the Minister for Defence, Senator Hill, the Minister representing the Prime Minister. Can the minister explain to the Senate the benefits of the government's tax reforms that were announced as part of this week's federal budget? Can the minister tell us whether there are any other policies?

Senator HILL—I thank Senator Ferris for her question.

Senator Faulkner—Mr President, I raise a point of order. Is the question asking whether the minister can tell us whether there are any 'other policies' in order or consistent with other rulings that have been made, or is it to be ruled out of order by you?

The PRESIDENT—I thought I heard the senator ask if the minister was aware of any alternative policies.

Senator Faulkner—Mr President, I am asking you to rule that part of the question out of order.

Senator HILL—Mr President, on the point of order, I respectfully suggest to you that there is not a big difference between ‘other’ and ‘alternative’. In fact, I think most would say it amounts to exactly the same thing. Whilst it is pleasing to have a contribution from Senator Faulkner from the back row on a matter of great substance which clearly deserves careful thought and consideration, I think he should quietly sit down.

The PRESIDENT—Senator Hill, your point of order is taken. But whether I rule the latter part of the question in or out, I have no doubt that in the answer there may be comment on other policies. Senator Ferris, I would ask you to review your questions in future as to the wording of that particular part.

Senator HILL—Mr President, I was reminding the Senate of the fact that one of the key Howard government platforms has been our commitment to keeping taxes as low as possible as part of good economic management. The major benefit for Australian workers in this week’s budget is the change to the tax thresholds that will ensure that over 80 per cent of taxpayers face a marginal rate of no higher than 30 per cent. These cuts amount to fundamental reform that will improve productivity and build a stronger economy. So, Mr President, you can imagine the shock on the part of government members, on the part of opposition members, I might suggest, and particularly on the part of the community when they learned from the Leader of the Opposition that Labor will block all tax changes.

Labor will block all tax cuts. This means that Labor is going to vote against the personal income tax cuts worth \$3 billion in the coming financial year alone. They are going

to vote against reducing the 17 per cent marginal tax rate to 15 per cent. They are going to vote against increasing the 42 per cent tax threshold from \$58,000 to \$63,000 on 1 July 2005 and then to \$70,000 in 2006. They are going to vote against increasing the 47 per cent threshold from \$70,000 to \$95,000 and on 1 July 2006 to \$125,000. This means that senators opposite are going to vote against tax cuts that assist the low- and middle-income earners of Australia. They are going to vote against a boost in disposable income. They are going to vote to deny tax cuts to senior Australians eligible for the senior Australian tax offset. They are going to deliberately damage Australian workers and families by denying them money in the pocket that they rightfully deserve.

For every week that Labor deny these tax cuts, there would be a loss to Australian families of some \$60 million. How could they do this? How can they justify this, Mr President? What Mr Beazley said today was that it was justified because they needed to be a tough opposition. To show toughness, he has to vote down all of these tax benefits to all Australian people. What hypocrisy! While hundreds of thousands of hardworking Australians are going to miss out on the money in the pocket that they deserve, Mr Beazley is going to demonstrate his toughness. So, is there an alternative, I am asked—he is going to vote it down; is there an alternative?

Senator Faulkner—You weren’t asked that.

Senator HILL—Mr Beazley was asked. He was asked what tax rates he would apply—what would be his top tax rate? His answer was, ‘Well, if you—I wouldn’t express a view on that at this point.’ So, for toughness’s sake, he is going to deny Australians the tax break that they deserve and, when he is asked what alternative he has, he

says that he does not have a tax alternative at this point. Mr President, does that sound familiar? Is that a familiar tale? After nearly 10 years, we have an opposition that still does not know where it stands on tax except that it will vote against all tax reductions. That is a familiar story, because the history of the Labor Party is that it is the party of the high-tax alternative. So the truth has come out here: they will not support a government in reducing the tax burden on Australians and astonish their own members by taking this position, but they will be damned by—(*Time expired*)

Immigration

Senator CHRIS EVANS (2.16 pm)—My question is directed to Senator Vanstone, the Minister for Immigration and Multicultural and Indigenous Affairs. I refer the minister to comments she made in answering a question on the sick immigration detention system when the minister sought to belittle the suffering of the victims by saying, 'We are only talking about 0.2 per cent of the cases.' Is the minister seriously making the outrageous contention that we should ignore incidents like those in the media at the moment simply because they supposedly form a small percentage of the general population? Is the minister so arrogant that she does not think she owes the families of Cornelia Rau and Vivian Alvarez, and indeed the wider Australian people, a full and frank explanation of these issues? Does Minister Vanstone accept that she is responsible for the administration of the immigration department? Will the minister make a full statement to the parliament today on the Vivian Alvarez case or will she again continue to hide behind the Palmer inquiry?

Senator VANSTONE—Senator, your question comes in two parts. Does that simple and factual statement—that the cases that we are looking at where there may have been

problems amount to 0.2 per cent of the cases that were dealt with at the time—amount to a belittling of the suffering of those people concerned? The short answer is no. With respect, Mr President, the senator should not even need that to be pointed out. If we have got to the stage of cheap politics in this place where you cannot make a simple factual statement without some bad faith being attributed then we have really sunk to the very bottom. But I ask myself, Mr President, why am I saying this, because I look opposite and realise where they already are.

It is a simple factual statement so that people who choose to listen to question time or who are in other places where I have made that remark can understand the perspective. As you will understand, Mr President, there are people who would like to think that every single case the immigration department handles is in this category, and so it is important that Australians understand that 99.8 per cent of the cases are not in this category. But it is this category that we are focusing on; they are particularly important. As for the second part of your question, Senator—will I make a statement today, before having all the facts from Mr Palmer?—of course I will not.

Senator CHRIS EVANS—I ask a supplementary question, Mr President. Will Senator Vanstone tell us what she is responsible for within the department of immigration? Or is Mr Palmer responsible now for all matters relating to the department? What is Senator Vanstone responsible for, what is she accountable for and when will she front up and explain the terrible abuse of these people that has occurred in her care?

Senator VANSTONE—I note that the standard of the supplementary question has not assisted the standard of the overall question. The question is: what am I responsible for? The same as any minister is responsible for, and that is the administration of govern-

ment policy, which includes the administration of the department. Does that mean, however, that I must make a statement on a day of the opposition's choosing—those that have not been elected? No, it does not. It means I am charged with the responsibility for getting the facts and, when we have the facts, being accountable for them and making them public. It might suit the opposition to have some facts in advance, but it is not good government. Good government requires, when there is a problem, that you get the facts, that you do not seek to get them yourself, that you get an independent person to get them and that when you have got them then you make decisions about what to do and then you release the facts as the independent inquirer has established them. (*Time expired*)

Budget 2005-06

Senator SCULLION (2.20 pm)—My question is to the Minister for Family and Community Services. Will the minister inform the Senate of how the Howard government's strong economic management is delivering benefits to carers? Are there any alternative policies?

Senator PATTERSON—I thank Senator Scullion for his question. What he has asked is a very important question about people who undertake an enormous role in our community. It is only when you have a strong economy, when you have a plan for the future, that a government can provide assistance to Australians from all walks of life. It is because of our strong budgetary position that the Howard government are able to further recognise the vital role that carers play in our society.

Today the Senate passed budget legislation that will provide new funding of nearly \$317 million to all eligible carers in the form of a one-off bonus payment. This will allow an additional \$1,000 to be paid to the 90,000

people who receive the carer payment and an additional \$600 payment to the 300,000 people receiving carer allowance. These payments will be made before the end of June. We value the work that carers do, and they deserve recognition. They deserve some share in the dividends of the benefits of running a sound economy. These payments will not affect the carers' social security entitlements and are tax free. I am pleased to be able to once again offer these payments. Labor disparaged these payments last year as an election bribe, but in reality they are for people who are helping those who cannot help themselves. Again, it is a bonus based on the dividends of good management.

This payment allows us to build on previous support by the Howard government for carers. The Australian government provided carers with direct payments, including bonuses, totalling nearly \$1.9 billion in the 2003-04 year. This is more than a 140 per cent increase since 1999-2000. In addition, the number of hours a carer receiving carer payment can work, train or study has increased from 20 to 25 hours a week, up from just 10 hours under Labor. This change came into effect on 1 April 2005 at a cost of \$19 million over four years.

We have a strong commitment to ensuring that carers, especially older parent carers, are supported in their valuable role. This includes helping to provide greater certainty to older parent carers by developing options for the future care and support of their sons and daughters with a disability. I have led the way with the establishment, with the relevant state ministers, of a multijurisdictional working group to look at accommodation and care planning issues. These are the issues that older carers raise with me and that require the states and Commonwealth to work together on.

The Howard government will also fund a national meeting of young carers every two years. We had the first meeting ever last year. During Carers Week I also announced that the Howard government would soon embark on a major national research project entitled 'Long-term impact of caring'. The Australian government recognises that young and older carers may require particular services, including respite services. We introduced a package for young carers, including respite services and a telephone helpline which I just recently launched, and age appropriate information has been delivered.

The Australian government has committed \$72½ million over four years to provide additional respite services for older parent carers, subject to a matching effort from state and territory governments. I have to say that some state governments have been faster out of the blocks on that issue than others. Negotiations are currently under way with the state and territory governments and, as I said, I would like to see some of them taking Western Australia's lead and signing off on those agreements. It is disappointing to see that states such as Queensland have still not signed on.

I have to say that Queensland, when I look at what they are doing in services for disabilities, are falling a long way behind the other states. I hope that Senator McLucas can maybe encourage—I know she is interested in this area—some of her state colleagues to come up to the mark and do more for people with disabilities than is being done in Queensland at this time. Queensland really needs to lift its game with the care of people with disabilities. (*Time expired*)

Immigration

Senator ROBERT RAY (2.24 pm)—I direct my question to Senator Vanstone. Why is it that Liberal ministers, on the basis of flimsy evidence, can rush out and do press

engagements on 'children overboard' and two days later have one of their colleagues issue bogus photos relating to that, but you remain mute, silent for 21 months on the deportation of an Australian citizen? Isn't it a fact that the discovery of the whereabouts of that citizen occurred not through the efforts of Federal Police or diplomatic staff but by publicity, and if this had been publicised 21 months ago that person might have spent 21 months fewer in a hospice for the dying? Finally, isn't the real problem a culture in the Department of Immigration and Multicultural and Indigenous Affairs that does not take criticism and that does not take complaints seriously because from day to day they deal with difficult and often mendacious people and they cannot actually divine the truth anymore?

Senator VANSTONE—The question with respect to what ministers may have said about 'children overboard' I think has been dealt with at length in Senate inquiries, and I will leave you to conclude what you choose to on the basis of that. The second part of your question is: how can I remain mute for 21 months? If I had known 21 months ago, I can assure you I would not have been mute. But the plain fact is that I did not know. Mr Palmer will be able to establish how far up in the department were the personnel who did in fact make a connection some time ago that this tragic mistake had been made. When we have that information, when the Palmer report is made public, we will all be able to have a discussion about that.

The third point you raise is one of particular interest to me because you say: isn't this is a department that has a culture of not accepting criticism well? Senator, I think you rightly identify that they do have to put up with a tremendous amount of criticism, some of which you describe as mendacious—with respect, I think you have been very diplomatic in your description of that criticism. I

believe that it is true that people who are subject to relentless, unfair criticism do become defensive. It is a natural human reaction. The degree to which people are able to rise above that and sort out the wheat from the chaff is the very question you are asking me.

I am presuming that your question relates to that portion of the department that is dealing with what is a contentious policy but one that is adopted on both sides—that is, mandatory detention. One is contentious to the public, because clearly not a majority but a minority of people are very vocal about it—that is, mandatory detention and compliance issues. The remainder of the department is not subject to the level of criticism to which you refer, although that does happen with other migration issues where business visas, tourist visas or spouse visas might be declined. There is nothing like the volume and the mendacity of criticism in those areas.

I am in the process of working with the department on how we can ensure that officers are able to separate out what is an unfair, cheap political criticism or a statement made for the purposes of winning a benefit that one otherwise might not be entitled to and what is a plain fact. That is the exercise of judgment that has to be made on a daily basis by hundreds if not thousands of officers. It is quite clear that that culture—generically, talking about those particular divisions that deal with that—does need attention.

Senator ROBERT RAY—Mr President, I ask a supplementary question. If the minister is claiming the paramountcy of the Palmer inquiry and will not make a statement in this house giving the full details, why is it, Minister, that every time I hear you do a press interview you give out new information there that you will not put down here?

Senator VANSTONE—I am unaware of what new information you think I have given out that I am unprepared to give here. This is obviously a very important place. One should not make a statement here unless one believes it to be correct.

Opposition senators interjecting—

Senator VANSTONE—I don't know why you think that is funny. It is not a stricture or a discipline, I note, that applies to the media or to many commentators in this area, who feel no compunction whatsoever in making false assertions and letting them run on radio day after day after day, because they simply have not bothered to check the facts. I am unaware of facts that I have revealed that I have had much choice about, Senator, but I am happy to talk to you later about that if you feel that I am being selective in this matter.

Budget 2005-06

Senator CHERRY (2.30 pm)—My question without notice is to the Minister for Family and Community Services. Given that your government now intends to fully suspend payment of parenting payment to widowed, separated and single parents on the word of the Job Network and before any questions have been asked, how is that going to help parents to provide food and urgent medical needs for their children? How do you justify this change of policy, given current practice shows that six out of seven breaches recommended by the Job Network have been found by Centrelink not to be justified? How can this government claim to be pro family when it is stopping payments to families—payments needed for the rent, clothing and food—with no questions asked and no Centrelink investigation, but merely on the word of a private sector Job Network provider?

Senator PATTERSON—I will just remind Senator Cherry that the question should

have been directed to Senator Abetz, but let me just say that what we want to do is to ensure that people are complying with the social security regime and complying with any obligations that they have. We have a large number of people on social security and we have to ensure that we have it sustainable into the future. One of the interesting things I found when I was at the OECD conference in Paris with Mr Andrews only a couple of weeks ago was that every jurisdiction, every country, is talking about the issue of people of working age not being in the work force, how you ensure that they go into the work force and what sorts of measures you undertake to do that.

Part of this is an overall plan, but we are saying that we have expectations that the people who are paying their taxes, the vast majority of Australian taxpayers, believe that the people who are capable of working—and there would be different requirements depending on your situation; whether you have a mild disability or are a parent of a child over six with reduced obligations to work—would do so. There are some people who repeatedly do not meet their obligations. If you want any more details you should ask the question of Senator Abetz, who represents the relevant minister.

Senator CHERRY—Mr President, I ask a supplementary question. I do hope it is sorted out as to who is responsible for this area because I thought that, Senator Patterson, as the minister responsible for families, you would be interested in the impact of the budget on families. In particular, have you heard the comments from the Catholic Welfare head, Frank Quinlan, today? He described the ‘three strikes and you’re out’ breaches plan for parents as ‘Out of home, out of food, out of clothes and even further excluded from society’. With Catholic Welfare, Anglicare and UnitingCare all urging the government to reconsider the impact of

its proposed welfare reforms on families, particularly on children, can this government, and can you as the minister for families, give an absolute assurance that no child will be worse off as a result of your welfare reforms?

Senator PATTERSON—Yes, I am interested in the area. Of course I am. And I am interested in Indigenous affairs, but I do not actually answer questions on Indigenous affairs. Let me just say that all our policies have been focused on families and this policy is focused on ensuring that we reduce the number of children in this situation. The criticism from the welfare agencies is that we have thousands upon thousands of children in jobless families. That is the criticism. The only way, especially with sole parent families, that I can work out that you can actually reduce the number of children in jobless families is to assist and encourage people in a single parent family, if the child is of school age, to get into the work force.

That seems to me to be a logical way of reducing the number of jobless families: to give them increased disposable income, to give them the likelihood that they will be employed into the future, to actually also address the problem that, as their children grow up, we have got a reducing employment pool and we are going to have to ensure that as many people as possible of working age are able to continue working. Being out of the work force until your youngest child is 16 is no way of ensuring that those people will be ready for work. (*Time expired*)

Telstra

Senator CONROY (2.34 pm)—My question is to Senator Minchin, the Minister for Finance and Administration. Is the minister aware of comments by National Party Senator elect Barnaby Joyce that he will not support the sale of Telstra unless ‘a large portion of the funds are directed to regional infra-

structure'? Is the minister aware that this is the position of the entire Queensland National Party? Does the minister believe that it would be prudent to spend a large portion of the Telstra sale proceeds in the way suggested by Mr Joyce? Is the minister concerned that the objectives of the future fund could be undermined by attempts by the National Party to engage in pork-barrelling with the sale proceeds? Is the minister prepared to stand up to the National Party to ensure that this does not occur?

Senator Faulkner interjecting—

The PRESIDENT—Order! Senator Faulkner, your colleague has the floor and I could not hear the final part of his question for your shouting across the chamber. I ask you to come to order. I hope the minister could hear what was being asked.

Senator MINCHIN—Senator Conroy was yelling, so I was able to hear his question. It is his wont to yell across the chamber. As I said yesterday, the government has not yet presented sale legislation. As and when it does, we trust that it will pass this parliament. The government would then be in a position to decide whether it exercised the authority then granted to sell its remaining shares in Telstra. As is well known to the opposition and the Australian people, it has been the government's longstanding in-principle position that the government should not own Australia's largest company and our most significant telecommunications company, and that it is an extraordinary conflict of interest for the government to be the 51 per cent shareholder in Telstra.

It is a reflection on this opposition that, after 9½ years, it is still clinging to the old doctrine that the government should continue to own half of this company. Socialism apparently is not dead within the Labor Party. The Labor Party have absolutely no credibility on economic reform whatsoever, given

that they have completely given up on industrial relations and they have completely given up on the question of the sale of the government's remaining shares in Telstra—a company that they commercialised. They created Telstra and made it operate on commercial grounds, and now they say that the government should retain this \$34 billion investment in a telecommunications company. As to the potential proceeds of a sale of Telstra, if the legislative authority is granted, if the government decides to sell and if there are proceeds, we have not made any decisions yet about what we will do with those proceeds.

It is our position that, unlike the Labor Party, we do not use the proceeds of asset sales for recurrent expenditure. The great scandal of the Labor years was that they flogged off the silver—the Commonwealth Bank, Qantas and other things—which they were very happy to sell in government, completely contrary to their current position in relation to Telstra, but of course when they got the proceeds they just used them for recurrent spending; they had nothing to show for the sale of those taxpayers' assets. We believe those assets should be used in the first instance, as we have, to reduce debt but in future they will enable us to hold assets in alternative form. Putting them into the future fund is a logical step. If it were agreed that the future fund should hold some Telstra shares then we could do that by way of transfer. It would obviously not be the case that we would send a cheque to the future fund and they would then go out and buy Telstra shares. We would simply transfer whatever proportion of the shares it was deemed appropriate for the future fund to hold, were we to make that decision. That is obviously an option for the government. But we have not made any final decisions at all about to what extent, if any, proceeds will go to the future fund or what we will do with those proceeds.

That will be a question we will address as and when we have proceeds.

Senator CONROY—Mr President, I ask a supplementary question. Is the minister aware of these comments this morning by the Deputy Prime Minister, Mr Anderson:

If normal commercial forces are not going to drive critical investment in infrastructure and if it becomes apparent that government intervention is needed, then the logical first option to fund it would be from the sale proceeds.

Can the minister advise the Senate whether he agrees with his Deputy Prime Minister? Is the minister prepared to support the diversion of Telstra sale proceeds to National Party sponsored infrastructure projects?

Senator MINCHIN—I can only repeat that the government has made no decisions about the proceeds of the Telstra sale if the Telstra sale proceeds. I note with great interest the considered views of Mr Anderson and obviously within the coalition there will be a healthy discussion about this matter. The Treasurer and I obviously have a view that, to the extent that there is dividend income from the sale of Telstra then those proceeds should be used in such a way that they earn funds. I note that the Labor government's Queensland Corporation actually earns considerably more from its asset portfolio than we do from our shares in Telstra. So the Treasurer and I will obviously have a preference to ensure that the proceeds are used in such a way that they add to the funds within the future fund to help pay superannuation liabilities.

Forestry

Senator BROWN (2.40 pm)—My question is to the Minister representing the Prime Minister. With the Prime Minister on his way to Tasmania in the next 24 hours to announce the forest package, are the reports, including those in the *Herald Sun*, that there will be \$400 million allocated to the restructuring of

the logging industry true? If that is so, did the Prime Minister not make an 800 per cent mistake in saying in the election campaign that he would protect the forests for \$50 million? Will there be a commensurate eightfold increase in the amount of forest being protected in Tasmania, or is the 120,000 hectares of public land the Prime Minister committed to, which is just a fraction of the high-conservation-value forest, all that he is going to protect?

Senator HILL—I think I will allow the Prime Minister to make his own announcements, but there are a few things about which I can assure the honourable senator. The first is that this is a government committed to good environmental outcomes whilst at the same time also committed to economic development and the material wellbeing of all Australians. What we have found through good government is that both objectives can be achieved. It is possible to achieve win-win outcomes, and that was in effect the commitment that was made during the last election, which was widely applauded by the Australian people and Tasmanian people in particular. It is the commitment to which the Prime Minister, forestry minister and environment minister have been working since the election. I for one am confident that they will achieve that goal.

In terms of the promise that was made, there will be a significant increase to the conservation reserves in Tasmania, but that will be accompanied by an opportunity for further development of sustainable forest reserves in order to gain economic benefit for the Tasmanian people in particular. We make no apology for being interested in jobs for the Tasmanian community. We make no apology for seeking outcomes that can benefit the environment and the economy. We think we might say with all due modesty that we have done that quite well in our period in government, and we will continue to work

along that path. So I urge Senator Brown to remain patient for just a little while longer and to heed the message of the Australian people in the last election, which was that they do want a government that can achieve those objectives of good environment, jobs and economic benefits. I know this will not occur, but ultimately he should come on board and support what I am confident will be a very worthwhile package.

Senator BROWN—Mr President, I ask a supplementary question. How much of this package will go towards compensating contractors and others who are currently being cut back by Gunns, which has announced a 20 per cent cutback to contractors in the north-west of Tasmania? Is it a fact that the Prime Minister's announcement for protected forest will include some 10,000 hectares in the North Styx which was already announced as protected when Mark Latham visited those forests last year? In other words, is this double-dipping by the Prime Minister, who is going to short-change the environmental side of this balance in Launceston on Saturday?

Senator HILL—At least Senator Brown dares to mention the word 'Latham', which is more than the Labor Party will ever do. Talk about deserting their former leaders. Talk about forgetting the past and trying to create the new future—

Honourable senators interjecting—

The PRESIDENT—Order! There is too much noise in the chamber from both sides. I ask you to come to order.

Senator HILL—All the Australian community are getting from the new leadership of the Labor Party—the recycled leadership—is a pledge not to reduce taxes. I urge Senator Brown to be patient for a little while longer. I am confident that, in the same way as we have been able to elsewhere, we will deliver an outcome that will bring economic

advantage and increase conservation reserves, which will allow for certain forest resources to be harvested in a sustainable way, and be fair to the total community. *(Time expired)*

Budget 2005-06

Senator McLUCAS (2.45 pm)—My question is to Senator Patterson, the Minister for Family and Community Services. Can the minister confirm that there is no link in the budget between funding for additional after-school places and the welfare changes announced in the budget on Tuesday night? Doesn't this mean that none of the sole parents who are forced to work 15 hours a week as soon as their youngest child turns six has any guarantee that they will be able to get a before- or after-school child-care place? Don't sole parents desperately need access to these extra places to enable them to meet their new obligations so that they do not lose their payment altogether? Can the minister explain why the government will now cut payments from sole parents when they are unable to meet their activity test because they do not have a child-care place?

Senator PATTERSON—I welcome the question from Senator McLucas because it gives me the chance to repeat what was announced in the budget on Tuesday night. We announced 84,300 new outside school-hours care places. This is linked to the people who are being asked to undertake work if their child is of school age. Therefore, we indicated and I argued that there would be an increase in demand for outside school-hours care places. In the last election, Labor did not promise 18,000 places. They did not promise 28,000 places. They did not promise 84,300 places; they promised 8,000 outside school-hours places. I know why they did that: they knew that, once they got into government, unemployment would go up and the demand for child care would go down—as it

does when you have unemployment—yet they offered only 8,000 outside school-hours places.

Senator Jacinta Collins—It is a drop in the ocean!

Senator PATTERSON—Senator Jacinta Collins said 84,300 is a drop in the ocean, but 8,000 outside school-hours places is a drop in the ocean. We knew what you were predicting on the other side. You were predicting increased unemployment and a reduced amount of outside school-hours care. I observed that when I saw that you were only offering 8,000 outside school-hours places.

The PRESIDENT—Minister, please address your remarks through the chair.

Senator PATTERSON—Because of an increase in demand for outside school-hours care as a result of increased employment, particularly of women in the work force, we rolled out 40,000 additional child-care places in outside school-hours care last year and we are now promising another 84,300 child-care places. It is a requirement that child-care providers have a policy that people who are working have priority. I will be reminding child-care providers of that commitment. I do not think that Labor have a leg to stand on when it comes to offering child-care places. On Tuesday night we announced more child-care places and outside school-hours care places than Labor had in toto when they left government. We will be rolling out 84,300 places. We expect people who have children of school age to work. Some of those people will be working during school hours and will not require child care. Some of them will use informal child care. Some of them will use shared child care. We will be monitoring very closely the rolling out of those places. Those 84,300 places constitute more outside school-hours places than Labor had when they came to government. With that additional announcement, we have increased the

number of outside school-hours care places by around 400 per cent. Labor's promise of 8,000 places is a mere drop in the ocean.

Senator McLUCAS—I ask a supplementary question, Mr President. Does the minister absolutely guarantee that all sole parents seeking a before- or after-school child-care place will obtain that place and not be unable to meet their activity test?

Senator PATTERSON—Mr Andrews has indicated that, in taking into account the obligation of people to work, there will be various issues that will be addressed—for example, if a person has a child with a disability or if a person is caring for someone else. Let me say that, with 84,300 outside school-hours places, people will have greater opportunity for having outside school-hours care than they ever would have under Labor's 8,000 places and with increasing unemployment. Child-care providers will be required to ensure that people who are meeting their working obligations will be given priority in those 84,300 places.

Budget 2005-06

Senator BOSWELL (2.50 pm)—My question is addressed to Senator Ian Macdonald, the Minister for Fisheries, Forestry and Conservation. Will the minister update the Senate as to how the federal budget will help rural Australians who depend on the agriculture, fishing and forestry sectors for their livelihoods? Is the minister aware of any alternative policies?

Senator IAN MACDONALD—Senator Boswell has long been a champion of rural Australia and he will well understand that country Australians, like all Australians, benefit from the Howard government's very strong and sound economic management, and they will particularly benefit from the proposed tax cuts that will reduce the bottom marginal rate from 17 per cent to 15 per cent. Senator Boswell, the bad news for country

Australians is that the Labor Party want to block those tax cuts for struggling rural families.

As well, the budget has good news for rural Australians in the health area with massive increases in health spending. We are funding the rural medical investment fund, which will provide up to \$200,000 to rural councils to set up medical centres. That funding honours an election commitment, Senator Boswell, that you will recall was made by the coalition. Low interest rates, of course, help rural businesses. The \$200 million investment into the Living Murray program to rehabilitate and enhance productivity in that very special part of Australia will be well received. It is a pity that the New South Wales state Labor government has cut back its funding to the Living Murray program. Mr President, \$144 million will go to bolster quarantine and reduce the costs to rural producers. Unfortunately, Australia is entering some uncharted waters with the drought. If we do not get some rain in the next month, we will be looking at some of the worst conditions since—

Opposition senators interjecting—

Senator IAN MACDONALD—The Labor Party seem to think the drought is fairly funny, Mr President.

The PRESIDENT—Order!

Senator Carr—That was a bore joke, wasn't it!

The PRESIDENT—Order, Senator Carr! Senators on my left will come to order.

Senator IAN MACDONALD—I am disappointed that the Labor Party are laughing at country people who are experiencing problems with the drought. Labor have no policies for the drought, just as they have no policies for anything else. The government are committing over \$1 billion—in fact, we will spend whatever is necessary to help ru-

ral families in times of drought. Forty million dollars will go to help defeat the weed menace which costs Australia some \$4 billion annually and \$2 billion will go to the Australian water fund, providing certainty for our rural industries. In my own area there will be an extension of the 12-month rule for investment in forestry plantation—something the Labor Party tried to stop, you might recall, Mr President. The review into taxation arrangements for long rotation timber crops will be very welcome, and we hope it will lead to further investment in the longer rotation timber crops.

In the fishing and border protection area, Australians will benefit from the Howard government's commitment to those strong border protections. As we speak, the *Oceanic Viking* is down in the Southern Ocean looking after Australia's interests in those distant waters. Over \$300 million has been provided by the Howard government for fisheries and border protection.

Tuesday's budget is another strong budget for all Australians and will be welcomed by those of us who live in the country, just as it will be welcomed by city Australians. The budget will provide sustained growth for our rural exporting commodities and will provide a sound future for country Australia. There are only two things standing between country Australia and a prosperous future: one is the drought and the other is the Labor Party, who want to knock off all of those good things in the budget that will flow to the country people from tax cuts and other initiatives.

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Senator WONG (2.55 pm)—My question is to Senator Abetz, the Minister representing the Minister for Employment and Workforce Relations and the Minister for Workforce Participation. Is the minister aware that there are around 1.3 million Australians on the

parenting payment and disability support pension? Does the minister agree that a person is most likely to get a job if they have the skills an employer needs? Can the minister explain whether it is actually a mistake or a series of typographical errors in the budget papers that shows only 136,000 new Job Network places for these 1.3 million welfare recipients? When will this error be corrected, Minister?

Senator ABETZ—What we have yet again is an opposition bereft of any policies to deal with the issue of work force participation. They are unable to come up with a positive policy and, as a result, they go around seeking to nitpick. I have seen the figures in relation to parenting payments and disability payments. One of the disturbing statistics is that there are now more people on the disability support pension than there are on the unemployment benefit. On the OECD figures, we are out of whack with other comparable countries. In Australia, I think the figure is about 45 per cent, whereas the figures are less in the United Kingdom and New Zealand. We are seeking, quite unashamedly, to encourage those who can work into employment with our incentives. Those who actually do want to work will be provided with incentives to do that. Those who do not want to work will be provided with a disincentive to remain in that situation.

All those people whom we are encouraging to go into the work force will not, as of necessity, have to go through the Job Network to find themselves a position. There are a lot of positions available in the community that people will find out about by word of mouth and by discussion with local employers, without the need to go through their local Job Network provider. As a result, to try to match up the one million people to whom Senator Wong referred with the 136,000 places is an interesting exercise in mental gymnastics. When you actually examine the

assertion being made, Senator Wong herself must surely realise that not everybody seeking 15 or 20 hours work or some part-time work will, as of necessity, have to go through the Job Network to get the employment opportunities that are available. To try to marry those two figures clearly makes no sense. I suggest to Senator Wong that the people on supporting parent benefits and the people on disability support pensions want a government that is going to assist them into employment. Also, these low-income earners want a reduction in their rate of taxation once they do enter the work force—something that Senator Wong and her colleagues are absolutely opposed to supporting.

Senator WONG—Mr President, I ask a supplementary question. I take it from the minister's answer that it was not an error. Can the minister therefore explain why there is only one Job Network place for every seven parenting payment recipients? Can the minister also explain why 600,000 parents have to fight with 65,000 mature age unemployed for 12,300 vocational training places? When will the minister acknowledge what everyone knows—that the Howard government has failed the test of welfare reform? When will the minister acknowledge that all the government is doing is moving welfare recipients from one welfare payment to a lower welfare payment?

Senator ABETZ—Absolutely not. What we as a government are trying to do is assist people off welfare into the work force. That is clearly our policy. It has been enunciated time and time again, and the vast majority of social commentators are in fact supporting our approach: Patrick McClure, for example—the CEO of Mission Australia. This is a broad package of incentives which will advance the cause of welfare reform.

Opposition senators interjecting—

Senator ABETZ—They do not want to hear what others say about this package, Mr President. Dan Pekin, who currently employs 15 disabled people in his furniture factory in Melbourne, said: ‘We have had no financial subsidies to date. Now with this budget we will look into what we can get.’ Mr Max Dyason of Adelaide’s Bedford Industries said: ‘Almost everyone wants to have a meaningful job. This will make it easier.’ That is what the government is on about. I invite Senator Wong to come on board. (*Time expired*)

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

**QUESTIONS WITHOUT NOTICE:
TAKE NOTE OF ANSWERS**

Immigration

Senator CHRIS EVANS (Western Australia—Leader of the Opposition in the Senate) (3.01 pm)—I move:

That the Senate take note of the answers given by the Minister for Immigration and Multicultural and Indigenous Affairs (Senator Vanstone) to questions without notice asked by opposition senators today relating to the deportation of Ms Vivian Alvarez.

I think all of Australia was shocked and disturbed in February this year when we learnt of the case of Cornelia Rau, a woman who had been imprisoned and held without her family’s knowledge despite the fact she was an Australian permanent resident. She was treated as an illegal immigrant. She had serious mental health issues but she was held as a prisoner by her own government. I think we are even more concerned now that we have heard the story of Vivian Alvarez, an Australian citizen in poor health who was deported from her own country and dumped in a hospice in the Philippines. That is how her government sought to treat her.

These two cases are among a group of over 30 that the Minister for Immigration and Multicultural and Indigenous Affairs has agreed are cases where people—Australian citizens and Australian permanent residents—have been illegally detained. We have known of these cases since February. The concern of the community has been growing since that time. We have known of the case of Vivian Alvarez since 1 May. We also now know that the minister’s department knew of the case of this woman, knew of their illegal deportation of this Australian citizen, some two years ago and did nothing. There can be no more horrific story than the story of Vivian Alvarez. It comes on top of the horrific story of the treatment of Cornelia Rau.

All Australians, whatever their personal, political and religious views, are extremely disturbed that Australian residents and Australian citizens can be treated by their own government in this way. If you have a mental health issue, if you are unwell, if you do not speak English properly or if you are going through some sort of period of crisis in your life, any Australian citizen, it seems, could find themselves deported and dumped in a foreign country merely because it suited the policies of the minister’s department. I think we all accept that is not good enough. But we have known about this since the beginning of May—the minister has known about these issues since the beginning of May. She has done nothing to explain to the Australian public, to reassure the Australian public, that she is on top of this problem.

The Senate yesterday took the most serious step it could and moved to censure the minister. Minister Vanstone was censured by the Senate in its frustration at its inability to get the minister to front up to her responsibilities and explain to the Australian Senate, explain to the Australian people, how an Australian citizen could be treated in this

most shocking way. But the minister refuses to come into this parliament and say how this could happen. She refuses to explain what happened, how it happened and what she has done to fix it. What else is the minister responsible for if she is not responsible for explaining to the Australian parliament what has occurred on her watch with her officers? We know that they illegally deported an Australian citizen and dumped her in a hospice. Surely that sort of serious issue deserves a full ministerial explanation from the minister responsible. But the minister, again, has left the Senate and refused to provide any explanation. She has had occasion after occasion in the parliament to explain herself and she refuses to do it.

She has not debated the issues that have been raised by all the other parties around this place. She refuses to give us a full explanation because it seems she wants to hide behind the excuse that the Palmer inquiry is looking into it. The minister has appointed Mr Palmer and therefore we need not worry because he is looking into it. Mr Palmer's job is growing. The list of cases he has to inquire into grows by the day. And the seriousness of the cases grows by the day. But that does not excuse Senator Vanstone from providing an explanation of her responsibilities. It does not remove her accountability to this parliament and to the people of Australia. If this is what passes for accountability in the Howard government, then I think all Australian citizens will be very concerned. It is this sort of arrogance that is beginning to creep into this government. It sees it has no obligation to explain why and how it treated an Australian citizen in this way. I think we all have a real reason to be most concerned about our rights and how Australian citizens can be treated. We pay the minister \$210,000 per year to take responsibility. The buck stops with her. She has given Mr Palmer a job, but her job is to explain to the Senate, to

explain to the Australian people, what went wrong and what she has done to fix it. She will not have a royal commission but she also will not take responsibility herself. She must come into the parliament and explain. *(Time expired)*

Senator EGGLESTON (Western Australia) (3.06 pm)—The Minister for Immigration and Multicultural and Indigenous Affairs is acting with great responsibility and accountability to the parliament. These cases have occurred. They have come to light. The minister is not pre-empting the outcome of any investigation. She has set up mechanisms to investigate the circumstances of both the cases Senator Evans has referred to. In due course, when the report of the Palmer inquiry is provided, the minister will be able to give specific details in answer to questions about how and why both these cases occurred. For Senator Evans and the ALP to claim that this minister, of all people, is acting in an irresponsible way is simply not sustainable. This minister has acted with great responsibility in recognising that there has been some sort of slip-up, a failure in the system, and having these cases investigated.

Senator Conroy—Slip-up!

Senator EGGLESTON—It is surely not the wish of Senator Conroy, who is feigning great surprise at the word 'slip-up' and that a system has failed, to criticise this minister for setting up an investigation into how, where and why that systematic failure occurred. I wonder what Senator Conroy would do if he were the minister. Would he rush in here and come out with a whole range of shallow explanations without having first investigated the matters and obtained the facts about these cases? Surely, Senator Conroy, you cannot complain about a minister who, faced with a difficult situation, is not jumping in, making statements that she cannot sustain or offering explanations which

are not based on fact but is setting up a mechanism to investigate the situations. In my view that is a very reasonable and proper course of action for a minister to take, and I think Senator Vanstone deserves to be recognised accordingly as a responsible minister.

Let us look at both of these cases. We can go back to the Rau case, where a woman with a psychotic illness deliberately absconded from a mental hospital, concealed her identity and claimed to be a citizen of another country. There was no reason to know who she was or that she was an Australian citizen. She had a reason to conceal her identity: she did not want to go back to the mental hospital that she had come from. We have to recall that she was probably on a medication which ameliorated her symptoms, so it was not obvious that she had a psychiatric problem when she was seen by the Queensland police and referred to a psychiatric institution in Brisbane. Under specialist examination there she was not found to have a psychiatric problem but it was considered she had a rather odd personality.

Being a psychiatric patient, Cornelia Rau was probably well aware of all of the kinds of questions doctors ask and she was very clever in not providing answers which would have alerted them to the fact that she had a psychotic illness. It was only much later down the track, when the medications she was on, I suspect, had worn off, that she began to exhibit frankly psychotic behaviour. I do not make any apology for the fact that she seems to have been in the Baxter detention centre exhibiting psychotic behaviour for quite a while before it was picked up. I do not apologise for that and I am sure the minister does not either. The minister is having it investigated and, when there is a full and proper report, the minister will report to the parliament—as she should as a minister of the Crown accountable to the people of Australia through the parliament. I am sure that

process will also apply in the case of the more recent individual. This minister is responsible, she is discharging her duties well and she is accountable to this parliament.

Senator CONROY (Victoria) (3.11 pm)—I rise to take note of the answers given by Senator Vanstone in relation to this shameful and humiliating case involving the deportation of Ms Vivian Young. This Australian government has kidnapped one of its own citizens and deported her overseas. Days, if not weeks, later, when the Minister for Immigration and Multicultural and Indigenous Affairs is aware of it, she will not come into this chamber, face the Australian public and give a detailed explanation of the facts. She does not mind going on radio and TV, where she can dodge and weave and not give the answers. She will drip a little bit out here and a little bit out there, but she will not come into this chamber and do her job, which is to face up to the fact that this is her department and her responsibility is to tell the truth to the Australian public in here.

You might have thought it was not so bad, except that this is not the first time Australian citizens or permanent residents have been detained by this government illegally. This latest disgraceful episode follows on from the distressing Cornelia Rau case and the government's admission that it has wrongfully detained at least 33 people. That is right: 33 people have been wrongfully detained—one kidnapped and deported—under this government. Enough is enough. It is time for this minister to stand up and accept responsibility, deal with her department and make the changes that are necessary in this shocking state of affairs.

Ms Young, an Australian citizen born in the Philippines, was deported by the department in 2001, leaving behind a five-year-old son. On top of the 33 people being wrongfully detained and the case of Ms Young, a

five-year-old was abandoned because the Australian government had kidnapped the mother—and the child has been in foster care ever since. He has spent four years in foster care because this government is so incompetent it does not know what its own department is doing.

Following a car accident, Ms Young gave officials her maiden name of Alvarez. Without making satisfactory inquiries, the department concluded that she was an illegal immigrant and pushed her onto a plane. It has been reported that, at the time of deportation, Australian immigration officials had to light her cigarettes for her as she could not use her hands because of the car accident. The deportation of an Australian citizen with a mental illness is bad enough, but this case gets worse. Since August 2003, the department has had reason to believe that it made a mistake.

Senator Robert Ray—When?

Senator CONROY—Since August 2003. But what steps did they take to find her? That is what we want to know. According to the *Australian* today—which broke the story, and it does deserve congratulations—this is what happened:

Due to the differing surnames, it was not until an immigration official saw the name Vivian Alvarez-Solon flash on the Nine Network's *Without a Trace* two years later that the alarm was raised.

An Australian government department noticed the mistake because an official happened to be watching *Without a Trace*. This department is without a clue, and this minister is without shame.

Yesterday, following the public outcry over this case, it was revealed that Ms Young had been found living in a Philippines hospice for the destitute and dying. This appalling episode exposes a number of issues. What happened when Ms Young was approached and had it explained to her that she

was the subject of an international search? What was her reaction? When Father Duffin—the priest looking after her—informed Ms Young on Sunday that Australian authorities were looking for her, she reacted by asking, 'Will I go to prison?' What have we reached when an Australian citizen is so terrified of government officials that she asks, 'Will I go to prison?' when we are trying to bring her back to the country—if she wants to come? Why is it apparently so easy for an Australian citizen to be detained and then deported by the department of immigration? In this case there was clearly a failure by the department to properly identify a missing person. The Rau case and all of these other cases being investigated by a secret inquiry—(*Time expired*)

Senator SANTORO (Queensland) (3.16 pm)—What we are hearing and seeing here today is a repeat of yesterday's disgraceful behaviour by senators opposite with another diversionary tactic. This is another example of cheap politicking and political point scoring by senators opposite. It is the sort of disgraceful politicking and posturing that is occurring day after day in this place, in the other place across the way and in other, more open, public forums. There is a reason for this. The major reason is that senators opposite are trying to camouflage an abysmal lack of policy and an abysmal lack of any major contribution to public debate in the area of economic policy. In particular, they are trying to camouflage a lack of any reasonable response to the 2005-06 federal budget. More importantly, they are trying to take attention away from the decision announced by their leader, Kim Beazley, that they will not be supporting the tax cuts for low-income earners which are contained in the Howard-Costello 10th budget. That is what this sort of cheap politicking, day after day, is about. Yesterday it was Anzac Cove, today it is this case and I predict that when we de-

bate the tax cuts in this place—after they are introduced in the lower house today—it will be the tax cuts. We will see just how relevant they are prepared to be in terms of what they are really trying to camouflage.

Let us get to the nub of this particular point. The contribution of Senator Conroy—who has now left the chamber—was forceful, but it was not valid. He kept talking not about the Minister for Immigration and Multicultural and Indigenous Affairs but about the department—that the department had slipped up. He kept talking about Ms Alvarez being worried about what departmental people would do. So it is not the minister that we are talking about here; we are talking about the department. A tragic mistake has been made in this case, and the minister said today—I heard her myself—‘It was a tragic mistake. We are sorry that it happened.’ It happened 21 months ago. It was a departmental lapse, and she acknowledges that. The opposition are demanding answers, so what do we do? As Senator Eggleston asked: ‘What do we do? Do we come in here and just give an answer without knowing the facts?’

What did the minister do? She referred the matter to the Palmer inquiry, and that is proper. What is wrong with referring the matter to the Palmer inquiry? It is an inquiry that is already established, so there is no expense or administration to go through. The inquiry is there; it is a timely referral. It is an expert inquiry. Nobody could doubt the integrity and the expertise that Mr Palmer brings to the table as the chair of that inquiry. Despite what members opposite say, it is an independent inquiry, and public pressure will make sure that the independence of that inquiry is sustained through the actions of Mr Palmer. So the matter has been referred to an expert committee. We on this side of the House are saying, ‘Let’s take the politics out of this issue. Let’s establish the facts. Let’s

stop the point scoring and let the facts be established.’ At that point in time, the minister will come into the House and give the answers—assisted by the findings of the inquiry.

We have been hearing today another personal attack on one of this government’s most effective ministers. This minister is picked on in this place day after day, month after month and year after year. One of the reasons she is picked on is that she does have the answers. How often do members complain about her directness? How often do they complain about how explicit she is? How often do they complain about how up front and totally frank she is? Yet Senator Conroy comes in today and says that this is all about the department. Everything that Senator Conroy and other senators opposite have said about this issue clearly indicates some failure in terms of process at a departmental level. It is not Senator Vanstone who wanted to see the person in question deported to the Philippines and ending up in a hospice. We all thank God that she has been found alive and, hopefully, capable of recuperating totally and being resettled with her children. It is not Senator Vanstone’s fault that the children have been separated from their parents—specifically from the father, in this case. We have here another example of cheap point scoring. This side of the house have tried to depoliticise the issue. We have done the right thing by referring the issue to an expert, independent inquiry, and we are going to stick to that particular course of action. When we come into this place, we want to give proper, informed and truthful answers, and that is how it is going to stand until the Palmer inquiry concludes its business.

Senator ROBERT RAY (Victoria) (3.21 pm)—As a former immigration minister, if I had deported an Australian citizen when I was minister, does anyone in this chamber

believe that Senator Santoro would have remained silent? Absolutely not. His contribution today reminds me that he is almost a reincarnated Senator David Vigor. This particular individual was deported on Mr Ruddock's watch—he was minister at the time. One of the things I want is to hear an explanation from Mr Ruddock as to why this happened on his watch. He was not too busy to do press on children overboard. He was not too busy to engage in dog-whistle politics. If he had been concentrating on the administration of his department rather than appealing to the lowest nature in the electorate during 2001, this event may never have happened.

The fact is we had 21 months of silence on this issue. The message comes in about kids overboard and you have a press conference within 44 minutes, and press statements. Within two days you have fake photos pulled out. There was big action then, but it takes 21 months for this news to get out that an Australian citizen has been deported. And within a couple of weeks of that occurring, guess what? She gets found not by the Federal Police, not by the immigration department and not by consular officials but by the very publicity. Thank heavens the Catholic priest was watching the television at that time or she still may not have been found. And if that publicity had occurred 21 months ago, that would have been 21 months less that she would have had to spend in a hospice for the dying—an Australian citizen!

Thirty-three people have been illegally detained! I lived months of my life over the ASIO legislation that allows ASIO to detain people for 168 hours. We put all those safeguards in, and in fact no-one has been detained yet. Yet we and this government ignore the fact that 33 people have been illegally detained. Why would we do that? Senator Santoro says: 'We'll leave it all to the Palmer inquiry.' I am glad there is an inquiry going into all this, but we do not just leave it

to an inquiry. We are elected to pursue these things. Scrutiny of government is an integral part of the Senate, which is not understood by the blowhards opposite. It is our duty as an opposition to pursue these matters.

I heard all the explanation on *AM* this morning; I do not hear it in here. I hear of the fake attack on the ABC this morning; I do not hear the facts being put down here. Why not? Because they are too unpalatable. I raised the question today: one of the real problems is the developing culture in the Department of Immigration and Multicultural and Indigenous Affairs. I do concede extenuating circumstances. They do have to put up with a lot of false information and false claims. But it is their duty to be able to discern the truth from the false claims—do not just dismiss every lawyer that contacts them as sleazy; do not just dismiss every social worker as marshmallow hearted.

Senator Santoro—But they don't do that.

Senator ROBERT RAY—They do indeed, Senator Santoro. Of course they do! They were told about Ms Rau well before they acted upon it. They were told about these people and failed to act. And guess what? It does not matter what the result of the Palmer inquiry is; all of them will get their performance pay. That is the history of this government, every time in the past.

Senator Santoro—How do you know?

Senator ROBERT RAY—Because the major architect of children overboard in the Public Service got a Public Service Medal and then got promoted to department secretary—the great Anastasia of the Public Service, who, in giving evidence in the 'children overboard' inquiry, on 57 occasions had to answer: 'I don't know,' 'I don't recall,' et cetera. And what happens? You get promoted by being loyal to the government and covering up. Senator Santoro does not care about the deportation of an Australian citizen. The

rest of us do. We do care, and we demand answers to it. We are not coming in here to cover it up. We are not coming in here because we have verbal diarrhoea like the senator opposite—he is known as ‘Santo the silent’ in this place—and putting outrageous claims in. The fact is the minister has to take responsibility and has never taken responsibility in the whole time she has been the minister.

Question agreed to.

MATTERS OF URGENCY

Mandatory Detention

The DEPUTY PRESIDENT—I inform the Senate that the President has received the following letter, dated 12 May 2005, from Senator Bartlett:

Dear Mr President,

Pursuant to standing order 75, I give notice that today I propose to move:

“That, in the opinion of the Senate, the following is a matter of urgency:

the need for a full judicial inquiry or a Royal Commission into the operation of mandatory detention, deportation and enforcement under the Migration Act, given the wide range of reports and incidents which demonstrate major problems with the administration and operation of the immigration regime.”

Yours sincerely,

Andrew Bartlett

Democrat Senator for Queensland

Is the proposal supported?

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

The DEPUTY PRESIDENT—I understand that informal arrangements have been made to allocate specific times to each of the speakers in today’s debate. With the concurrence of the Senate, I shall ask the clerks to set the clock accordingly.

Senator BARTLETT (Queensland) (3.28 pm)—I move:

That, in the opinion of the Senate, the following is a matter of urgency:

the need for a full judicial inquiry or a Royal Commission into the operation of mandatory detention, deportation and enforcement under the Migration Act, given the wide range of reports and incidents which demonstrate major problems with the administration and operation of the immigration regime.

This is an urgent matter. It is a matter of great concern to many Australians, as we have just heard put forward quite forcefully and incisively by Senator Ray. I am not one who likes to jump out and call for royal commissions left, right and centre every time some controversy happens, but this is not just a matter of one or two extraordinary cases that somehow or other have slipped through the net; this is a matter of widespread problems in a key area of government administration.

Of real concern, as highlighted by Senator Ray, who speaks with some authority as a former immigration minister himself, is a culture within the Department of Immigration and Multicultural and Indigenous Affairs—fed and influenced very strongly, I might say, by this government’s attitude—which is leading to serious breakdowns in basic, decent administration; in proper decision making; in transparency; in accountability; in auditing; in due process; in duty of care, as we found last week with a court ruling in Adelaide; and in a basic fair go. All of that is being pushed remorselessly to one side because of the total obsession with enforcement, compliance, control and so-called border protection.

Now we have a case that, honestly, you could not make up. This case of the Australian citizen who was deported to the Philippines is so bizarre that it is hard to know what to say in response to it. It is just ex-

traordinary. This case is not in the area of controversy that we have had so much of lately, to do with asylum seekers or refugees; it is a case of compliance and enforcement in the overall migration regime.

The motion that I have moved calls for an urgent royal commission, or judicial inquiry if people prefer—I think a royal commission in this context is the better way to go—and it justifies that on the basis of:

... the wide range of reports and incidents which demonstrate major problems with the administration and operation of the immigration regime.

When I talk about reports, I do not mean media reports, although there are certainly plenty of those. I am talking about comprehensive reports: parliamentary reports; Senate committee reports; Human Rights and Equal Opportunity Commission reports; Ombudsman reports; independent community reports, such as the one released by the Edmund Rice Centre into people who have been deported to situations of danger; and reports by UN committees.

Reports have been done in detail that consistently identify major flaws at the heart of our migration system. Many of those flaws are built into the laws, I have to say, that this parliament and this Senate, to its shame, have passed. That is coupled with a mindset from this government that shuns openness, shuns any transparency and shuns any honesty about the whole process. That will inevitably, over a period of time, lead to major miscarriages of justice. ‘Miscarriage of justice’ is not just a quaint term; it means that people’s lives are being damaged, and damaged big time. Can you imagine what damage has been done to this woman who was deported to the Philippines and has been living for four years in a hospice for the dying, when the evidence is that she already had health issues to deal with? It hardly sounds conducive to positive health outcomes.

We do not need to imagine the damage that is being done to the children that are still in detention. There have been reports in recent times of the three-year-old girl who has spent virtually all her life in Villawood detention centre, banging her head against walls. People will remember the horrific *Four Corners* report from about two or three years ago featuring a young boy who had become incapable of speaking and had regressed because of the trauma of the detention experience.

And yet this government says, ‘Let’s wait and see what the facts are.’ The facts are there. The minister in question time today had the gall to complain about other people not telling the truth about this matter and giving false reports. This is a government that, as I said yesterday, sent a report to the UN committee that oversees the convention against torture, and in that report it acknowledged the human rights commission report into children in detention and it acknowledged its major findings: that children in immigration detention for long periods of time are at high risk of serious mental harm and that the Commonwealth has failed to implement the repeated recommendations of mental health professionals—these have been repeated time and time again; this is not out of nowhere; this is not stuff we do not know—that certain children be removed from the detention environment.

The failure to acknowledge and to implement those recommendations is a basic indication of the government’s obsession to put border control compliance over and above every other thing, including basic human decency. The human rights commission was of the opinion that the detention of children breached the Convention on the Rights of the Child. What did the government say? ‘No, it doesn’t. We disagree. We disagree with this comprehensive 500-page report with expert opinions from all sorts of people qualified in

the area of child development.' The government's response was, 'We disagree. We don't believe that it causes serious mental harm.' How much more evidence can you get of wilful blindness?

They use the excuse that placing children in immigration detention only occurs in conformity with the law. That could well be true. It probably is true, although there are certainly issues about whether they are breaching their legal obligation of duty of care, as they did according to the courts that ruled in Adelaide last week. But there is quite a high probability that Cornelia Rau was detained in conformity with the law. That can be challenged, but there is certainly an argument that can be made—and has been made already by the department, at Senate estimates—that it was in conformity with the law. Maybe this deportation of the Australian citizen was in conformity with the law because there was a reasonable suspicion under the act. What does that say? It says that the law is stupid and that the law should be changed. If people can simply say, 'We're following the law,' and think that is an excuse for the blatant, disgraceful treatment of human beings, that shows that the law is wrong. But there is no acknowledgment of that.

As I mentioned yesterday, this government was also prepared to blatantly mislead the UN committee by giving the impression that there is only one child in mainland detention centres in Australia. It ignored the many other children who are in detention offshore, in places like Nauru and Christmas Island, and ignored children in detention who are not children of asylum seekers or boat arrivals. Currently there are 69 children in immigration detention, according to the ChilOut web site.

The reports are comprehensive. The incidents are extremely serious and extremely

concerning. Mandatory detention has had a lot of focus. The reports and recommendations by members of all parties in this parliament seeking significant change have continually been ignored. The reports about deportation go well beyond just this individual case that has got coverage in the last few days. The problems with enforcement, including incredibly overzealous enforcement in relation to people who are suspected of illegally working, are also growing. I strongly support the detection of people working illegally or breaching the terms of their visas in Australia, but you do not do it by just sweeping up people on the basis of suspicion, locking them up and asking questions afterwards. That is the situation that is starting to develop because of this total obsession with compliance over and above all else.

I think the case for a royal commission is stronger in this area than in most others I can think of. That is not a criticism of Mr Palmer. His inquiry may well still be quite useful, but his inquiry is very narrow and it is very limited in its powers. These problems go much deeper and much wider than anything Mr Palmer can realistically touch. I look forward to the contribution Mr Palmer may still be able to make, but there is no way anybody can kid themselves that that inquiry is going to be sufficient to identify all the problems in such a fundamental area of government administration as the immigration department.

Senator SANTORO (Queensland) (3.37 pm)—Senator Bartlett has just provided the Senate with an argument that is eloquent, as usual. I acknowledge his longstanding sincerity and, in this case, eloquent exposition in making the point that we do not need a royal commission to conduct an inquiry into mandatory detention. The policy of mandatory detention is bipartisan. It should not be forgotten that it was introduced by the Labor Party, with the support of the Liberal and the

National parties in this parliament at that time, and it has been continued by this side of politics over the nine years in which the coalition has held office. There is, therefore, no issue that seems to require examination by the full weight of the law such as would be brought to bear by a royal commission.

The Democrats seek such an inquiry in much the same way, I suspect, as they seek political relevance in the post October 2004 electoral environment. I would respectfully suggest to the Senate that that is what this is, in fact, all about. It is about the cases of Cornelia Rau and Vivien Alvarez. Neither of these cases is relevant to the policy of mandatory detention, I am sure both sides of this chamber would agree. Senator Bartlett's motivation was clear from the text of the motion we are debating today—in particular, the bit that reads:

... given the wide range of reports and incidents which demonstrate major problems with the administration and operation of the immigration regime.

Senator Bartlett's motion, as I am sure is clear to all senators, focuses on mandatory detention. But the real issues which are the concern of the Palmer inquiry relate to issues of compliance of Australia's immigration laws, including detention but not, I stress, mandatory detention.

Despite the Democrats trying to make mandatory detention an issue, there are some matters of concern that the government has referred to the Palmer inquiry. The focus of the Palmer inquiry is on some cases that are not typical but that are, nevertheless, a cause for concern. The Cornelia Rau case was the first to raise these concerns. Then there was the case of Vivien Alvarez, which appears to raise similar issues. In addition, there are a number of other cases of people who have been in immigration detention and who have subsequently been found to be lawful and

released from detention. These cases could also involve similar issues to those of the Rau and Alvarez cases. We need to understand what went wrong and how it can be fixed. To do that, of course, we must first establish the facts. That is indeed what Mr Palmer is doing, and he is doing it with the forensic skills he can bring to an investigation as a former police chief and also as a lawyer. We do need to put the cases he is investigating into perspective, however.

The fact is that the vast majority of detention cases are handled properly and correctly by DIMIA. That, again, cannot be denied. The cases in question represent a very small proportion, just 0.2 per cent, of the cases of suspected unlawful noncitizens that came to DIMIA's attention in the close to three-year period between July 2002 and February 2005 that is the focus of attention. I repeat: the vast majority of these cases, in fact 99.8 per cent, were properly managed by DIMIA. It is true that, in a small number of cases, some individuals who were suspected unlawful noncitizens have subsequently been found to be lawfully in Australia and have therefore been released from detention. But this does not necessarily mean that they were mishandled by the department. The Palmer inquiry will determine whether these are causes for concern similar to the cases of Rau and Alvarez.

We must bear in mind that there are a number of reasons that could lead to lawful individuals being properly detained and properly released. These include people who held a visa and who were held for very short periods of time, often not even being transferred to a detention centre while their status was confirmed, and others whose status changed to 'lawful' due to court rulings or the operation of the law some time after they were detained. In some other cases, false information appears to have been provided because the person was involved in criminal

proceedings or was attempting to frustrate removal efforts. In a small number of cases, for a variety of complex factors, including—and I stress this—mental health issues, the individual concerned identified themselves as a person other than who they actually are.

The Palmer inquiry is getting to the bottom of these cases. That is the proper way, as the minister has repeatedly said, including on ABC Radio National this morning, and as I mentioned during the previous debate earlier in this place. You leave it to the investigators, to the people professionally qualified to undertake administrative investigations. With great respect to the fourth estate, you very rarely find that you are assisting in getting to the bottom of something already being inquired into by having journalists, commentators and everyone else climbing over the issue, bit by bit. Mr Palmer is very well equipped to get to the bottom of the issues he is examining, and the result of his inquiries will be made public.

Let us give the professional people a chance to do their jobs. That is what this side of the Senate is saying. People can make a decision about whether they have confidence in the conclusions when they see them. It is fairly difficult to say you do not have confidence at a point where you have not seen what has been done. Calls for a judicial inquiry or a royal commission are based on two wrong arguments. One argument is that Mr Palmer cannot get to the facts about DIMIA. But the minister spoke to Mr Palmer on this point as recently as the day before yesterday. Senator Vanstone sought advice from him as to whether he was getting 100 per cent cooperation from the department. He assured her that he is. The other argument is that there is a wide range of incidents. As the minister quite properly has said publicly, even one incident is of great concern, and members on this side of the Senate have clearly stated that.

The minister has also said that it is important to keep the matter in perspective. That perspective is that, in the period of almost three years past, between nine and 10 million people arrived in Australia each year by air, about half of whom were temporary visa holders. That is about 26 million people in that period and about 13 million visa holders. The vast majority of these visa holders abide by the conditions of their visas, but some clearly do not. In the same period there were thousands of people who came to DIMIA's attention as suspected unlawful noncitizens and, of those, only about 25 per cent spent any time in a detention centre. Of course there is a problem. We know that. We have seen the Rau and the Alvarez cases, which demonstrate very clearly that there is a problem.

One of the problems in this particular case—if I can become a little bit parochial—is the Queensland government. It may indeed be no coincidence that both of the cases Mr Palmer is investigating originated in Queensland where, as we know only too well, the Beattie Labor government is adept at party tricks but no good at delivering efficient services. The Beattie government is also very good at suggesting that the blame for any transgression lies elsewhere than within its own ranks.

Last Friday Mr Beattie called for a reinvention of the wheel in the matter of immigration controls and strayed into territory he should have stayed out of. The Alvarez family member who drew this issue to the minister's attention said he was concerned that Mr Beattie was putting details of the case into the public arena unnecessarily. He was concerned that this would lead to a media frenzy which would impact on the family's privacy. The minister's office contacted Mr Beattie's office. Mr Beattie's office replied that details released would not allow further identification and lead to ongoing media coverage.

Unfortunately and indeed inevitably this did not prove to be the case.

It is important to consider the background to these cases. While detention is mandatory for unlawful noncitizens, in 75 per cent of the cases that came to DIMIA's attention in the July 2002 to February 2005 period, people were granted bridging visas and never entered detention. In relation to women and children, less than 20 per cent of women and only nine per cent of children who are unlawful noncitizens are detained. Unauthorised air and boat arrivals cannot be granted bridging visas. But it is this government which has introduced residential housing arrangements for women and children, and made considerable use of a range of alternative detention arrangements. It is this government which is introducing a new type of bridging visa, the removal pending bridging visa, to provide a mechanism to assist those people available for removal but whose removal cannot be arranged at this stage.

The management of immigration detention has been subject to multiple reviews and inquiries in the past few years. The Ombudsman and the Human Rights and Equal Opportunity Commission have statutory roles of investigation and inquiry which they have used. DIMIA's performance in this area has also been regularly scrutinised by the parliament, in particular by committees of the Senate. In addition, as honourable senators know very well, when cases of particular concern and complexity have arisen the government has set up independent inquiries. There was the Flood inquiry in 2000 and now there is the Palmer inquiry. I would respectfully suggest, Mr Deputy President, that Senator Bartlett and the Democrats have their own reasons for trying to stir up a political storm, but they are not very good reasons and they are completely unjustified.

Before concluding, I want to take the opportunity to make a few more remarks on the remarks made by Senator Ray during his contribution to this debate earlier this afternoon. He made two points that I particularly want to reply to. The first was that Phil Ruddock somehow let this incident go through on his watch. Senator Ludwig opposite, who I suspect will be speaking very shortly after me, heard evidence upon evidence at a recent inquiry that Senator Ludwig chaired that Phillip Ruddock was one of the hardest working ministers—particularly immigration ministers—in the history of this nation and that Minister Ruddock was hands on and nobody but absolutely nobody could accuse of him not being utterly meticulous in terms of attention to detail in his area of portfolio responsibility. So I do not think that we should lay any administrative blame on Minister Ruddock for this incident. The second point that Senator Ray made was that somehow I do not care about the case that we have been debating and are debating. I totally refute that. (*Time expired*)

Senator LUDWIG (Queensland) (3.47 pm)—The interesting thing that Senator Santoro has raised is that we did not get the files under that committee; the government would not provide them. You know that and I know that, Mr Deputy President. The government would not provide the files, just like they are doing here, just like they are keeping all the files behind closed doors and just like Senator Vanstone, as we heard today, says, 'I don't have the files.' Who has them? The Palmer inquiry seems to have them. I will have to go and get them from Mr Palmer. He must by this time have a truckload of files sitting on his table. That is the point: the way we are going to get to the bottom of this is through a royal commission. You know that, Senator Santoro; you know very well that that is the only way it is going to happen.

What we have before us, of course, is an urgency motion by Senator Bartlett. Let me be frank about this: it has been four years that this person, Ms Alvarez, has been an Australian citizen not on our shores—four years. The government left this person out in the cold. There is no doubt about that—left her out in the cold. Minister Vanstone has left in the Philippines a woman who is an Australian citizen. That is the simple fact of the matter. Whether Mr Ruddock was hard-working or whether, in this instance, on his watch, a mistake was made, it is now a matter of being accountable to the parliament. The way to do that is for Minister Vanstone to come down today with the files or a full explanation or both, and say, 'This is what happened in relation to this matter.' There is no other way except a royal commission.

What we can say about the Premier of Queensland, Mr Beattie, is that, unlike Minister Vanstone and unlike this government, when it was reported, he threw open his doors and said, 'I'll have a royal commission. They can look at what they need to look at. I've got nothing to hide. I'll keep my doors open and allow them the files and anything else that they require,' because he realises the gravity of the situation. He understands the gravity of the circumstances faced by this poor woman.

We have heard for a long time now—since February this year—about Cornelia Rau, a mentally ill patient who was locked up in both gaol and the Baxter detention centre. When that scandal first broke, the government and the minister in particular gave this parliament the assurance that a full investigation would take place. Within days, as I have said before and as Senator Santoro knows, this full investigation turned into a session behind closed doors, where witnesses cannot be compelled to testify and where you have witnesses who are perhaps unable to give evidence under oath. There will be no ability

to compel the production of documents and other items, video footage or anything else that might be able to assist. There is no protection of witnesses or their testimony and, of course, there is no protection from any legal action, such as defamation, that might arise. How public is that going to be at the end of the day?

We have heard the minister indicate that the recommendations of the Palmer inquiry will be made public, but what should be made public, through a royal commission, are the files and the witnesses being questioned, being examined, in detail about the circumstances of this matter. We are not going to get to the bottom of it any other way.

The opposition has little faith that the minister will ensure that all of the issues are fully canvassed and put forward. In keeping with the Westminster system, it is important to go back to that and say that in this instance the minister is required to be responsible for ensuring that all of these matters are kept accountable. The only way to do that is to ensure that the minister provides that information to parliament and is accountable to it.

In terms of the Palmer inquiry, I understand that an interim report was going to be put forward and advised in March. Nothing like that has turned up. No interim report has been received. The committee's findings, whatever they might be, are to assist in understanding this issue. All we get are some additional terms of reference cobbled together by Mr McGauran, through I suspect Senator Vanstone, because some other cases—33 other cases—have come forward. There are no details of the terms of the inquiry other than those which were cobbled together and put out. That is clearly inadequate, because with any examination of this you would expect that more could come out or you would want to be assured that there

was no more. That was the case at the last Senate estimates. The impression I was left with was that Rau was a rare and exceptional circumstance. It does not look like that anymore, I must say. The circumstances and events since then have convinced me that this is not as rare as they would like to say.

They use a statistic. I am ashamed that they use a 0.2 per cent statistic to try to justify their position. I think it is a shame that they would use a statistic in that manner to try and hide behind what is otherwise a pretty awful circumstance. What upsets me even more in this circumstance is the AAP media report entitled 'Discussions with Alvarez underway: PM', which says:

Clearly the circumstances of this case on the available information appear very sad and it would be a matter of sorrow and regret—

it goes on—

... that this lady—

it further goes on—

who appears to be an Australian citizen—has been deported.

It is a quote Mr Howard told parliament. I do not know why you would not say the name of this person is Ms Alvarez. I would not know why you would then say 'who appears to be an Australian citizen'.

We have used the term 'an Australian citizen' in here. That is what she is, that is what she continues to be and she can come home if she wants. But it is language like that that makes you stop and think that this government is not particularly serious or warm-hearted at the end of the day about these matters. When you look at the terms of reference for the Rau matter and how they have been cobbled together for the other matters, it appears to me that justice is not being done.

We are appalled to hear that an Australian resident, Ms Alvarez, Mrs Alvarez, Ms Young or Ms Solon, has been illegally de-

tained in the first instance—Senator Conroy calls it kidnapped—and then deported. How devastating would it be for anyone to find that they were being deported from the country they call home?

Senator George Campbell—What did they do with the children?

Senator LUDWIG—The young children? They are sitting in foster care. They are paying the price for these ministers' ineptitude. Their mother, an Australian citizen, was deported to the Philippines four years ago, as I have said, and we only heard last night—I heard it this morning—that the story had broken that at least she had been found.

The *Herald Sun* journalist, Michael McKenna, yesterday spoke to Vivian Alvarez, also known as Vivian Young or Vivian Solon, from the remote convent in Manila where we learned today she was placed by DIMIA representatives four years ago. Mr McKenna spoke to Mrs Alvarez before the government gave any indication that they had located her or, more to the point, that Australian media outlets had let the government know they had found her.

Ms Alvarez told Mr McKenna how she had been taken into custody after a car accident in northern New South Wales in 2001. She stated that she was afraid of being imprisoned if she returned to Australia. For the last four years she would have been unaware of the fate of her two young children. Isn't that enough? You would expect it to be enough for this government to do more than what it is currently doing. She thought the children were being cared for in this instance by her former husband but, instead, she was upset to hear that they had been placed in foster care. She was also surprised to learn of the hunt by the government because she said it was in fact Australian authorities that had organised for her to stay at the Missionaries of Charity convent after her deportation.

We have heard some answers from Senator Vanstone in relation to some of those points, and I will go back and have a look at the transcript of what Senator Vanstone has said. What is more interesting sometimes, after you look at the transcript of what Senator Vanstone has said in here, is to also read the media comments about what she has said to *Lateline* or on radio. Although it appears that she will not provide any of the information here, the way we can piece some of this information together is not by the comments and the information she provides here but by the snippets that fall out of her during a radio interview, on *Lateline* or somewhere else, and it is not appropriate. If she has information that she can put together in a cogent, clear and concise way, it should be tabled here for the parliament to understand. I think it reflects badly on this government that they have not acted and that they have kept supporting Senator Vanstone in this way.

Yet what we find is the minister's constant refusal to properly answer questions on this matter. It is really a case in which, in this instance, the government should ensure that Senator Vanstone does provide the answers. It appears of course that the Philippines office of Interpol some time ago said that it was asked by the department of immigration in 2004 to search for Ms Alvarez. Previously the government had said that it had only become aware that she had been deported a few weeks ago.

There are enough inconsistencies floating in the ether for the minister to correct the record and put the full account in place so that we know what the relationship with Interpol was and what actions were taken there, what the department of immigration did and did not do, whether they had any consular arrangements in place when they deported her and what the arrangements were, who escorted her to what plane and where that plane went, what arrangements

were made after Ms Alvarez landed in the Philippines, whether they had any ongoing contact or whether anything went on that could have brought to their attention the fact that she was an Australian citizen. There is a report that the department knew some time ago that she was an Australian citizen. What actions were taken? What did the department's officials do, and where did the issue go after that? There is a range of unanswered questions that should be answered today by the minister.

What we find, however, is that according to the reports that you can piece together it is a matter that I—and I think Labor—think has gone beyond the Palmer inquiry stage. A royal commission is now really necessary, because all those matters could have been brought forward, could have been discussed and could have been used in parliament to keep the minister and the government accountable, but the government has refused. The government should not continue to hide behind the smokescreen of the Palmer inquiry.

If you go through the media commentary in relation to Ms Alvarez, you find that it paints a very sad story. Mike Duffin, the friar across the road from the convent, commented that he did not want to call the department—and this is my word—misleading. But look at the phrase he used. He said:

If the Government says they don't know where she is, it's a bit hard to believe.

He went on:

Who says they're actually trying to track her down?

He was 'highly sceptical' about the government's efforts to find Ms Young, as he knew her. If you put those in context, you come to the conclusion that it is a department that had the resources to do what it could, but instead it detained Ms Young—(*Time expired*)

Senator EGGLESTON (Western Australia) (4.03 pm)—I think we have to get all this into perspective. In the debate to take note of answers, the point was made that an inquiry—the Palmer inquiry—is being held into these matters. The minister is acting responsibly and with proper accountability to the parliament. This motion calling for a royal commission grossly overstates the level of inquiry necessary into this matter. A royal commission is not needed—there is an inquiry going on into what is happening in terms of detention—

Senator George Campbell—How do you know? Have you seen the evidence?

Senator EGGLESTON—Let us wait and see what the Palmer inquiry comes up with. That is the process. Let us give the process an opportunity to work before we jump on the bandwagon of demanding bigger inquiries such as royal commissions. Let us let the Palmer inquiry complete its task and let us find out what the facts are. If indeed at the end of the Palmer inquiry people are not satisfied with the findings or think there are problems then certainly perhaps a further inquiry can be considered. But I think the ALP is being somewhat histrionic today, as are the Democrats, in demanding a royal commission into this matter when in fact there will be a perfectly reasonable process in train to look into the questions associated with mandatory detention.

The motion before the Senate says that, in the opinion of the Senate, there is a need for a full judicial inquiry or royal commission into the operation of mandatory detention, deportation and enforcement under the Migration Act. Why do we have mandatory detention? As it happens, I was a member of the Port Hedland Town Council in 1992 when the then ALP Minister for Immigration, Local Government and Ethnic Affairs, Gerry Hand, came to the council with a pro-

posal that the Cooke Point single persons quarters, which were quarters for single people working for the Mount Newman iron ore operation, should be used as a reception centre for Cambodian boat people. In other words, it was the ALP which established this policy of detaining people who arrived on our shores without going through the usual procedures of coming as refugees or going through the vetting which we apply to people coming through the migration stream.

A reception centre was set up in Port Hedland. It was set up because the Cambodian boat people, who were the focus of its purpose at that time, had not been through the usual vetting processes that we use for people coming to Australia. People coming into Australia are vetted for health issues as well as other issues such as criminal records or association with terrorist organisations or other undesirable groups like that. In fact, many of the Cambodian people who came to Australia and the Port Hedland detention centre were found to have TB, which is a disease which had long been eradicated in Australia. Bringing them into the reception centre and putting them through the process of assessment was quite justified because, as I have said, a public health problem of considerable magnitude was identified—that is, that many of them had TB. Of course, we could also look into the other aspects of their records which needed to be assessed, such as criminal records, political associations and so on and so forth.

From 1992, the volume of people coming in boats to Australia—off the north-west coast in particular—grew substantially. The role of the Port Hedland detention centre grew as well, because they were mostly taken there. But the nature and origin of the people changed. Instead of Cambodian boat people, they were people from the Middle East—and one has to bear in mind that in the Middle East politics is often decided not by

debate but by violent methods and who has more guns. It was possible that these people coming in from the Middle East had records of political violence or criminal records and it was quite important that they be checked out.

So there are valid reasons for our system of mandatory detention, and I must say it is the envy of other countries. I remember going through Florida airport once, and talking to the immigration service there. They thought our system was brilliant because it meant that people could be held and assessed. In Canada, for example, refugees were brought into Canada and not held at all but let go into the community. Most of them, the Americans told me, disappeared over the border and into the United States—never to be found again. They said at that time, which was prior to 9-11, that they could represent a risk to the United States. We found out through 9-11 that they could indeed. There are good, valid reasons for having a system of detention centres, and many other countries, including Britain, are now considering adopting a system such as ours.

This motion refers to the question of deportation and enforcement. People are only deported if they fail the system of assessment. It has to be said that almost all of the people coming in who are genuine refugees are processed in six to 12 weeks. That means that anybody who is a genuine refugee is through these centres, at the outside, in 12 weeks. The people who remain are either people who are appealing a failed assessment against the UN criteria—and Australia is alone in the world in providing these people with five levels of appeal and funding their legal representation at all of these appeals, to the extent that the High Court is now clogged with immigration cases—or people who have destroyed their documents. There is always a good reason for people concealing their identity: they are criminals, they are

not who they say they are or they come from some other place than where they claim to have come from.

In general terms—having inspected all these detention centres as a member of the Joint Standing Committee on Migration—I found the conditions in the centres were not Hilton hotel standards, as a report we put out said, but they were adequate, especially in Port Hedland. Considering that the SPQ was designed for the good unionists of the Pilbara, the conditions were pretty good. I do not think we have anything to be ashamed about. Occasionally, obviously, there have been problems—but I do not think we should throw out the baby with the bathwater. I am sure the Palmer inquiry will give a fair and accurate assessment of this issue. (*Time expired*)

Senator NETTLE (New South Wales) (4.11 pm)—The Australian Greens support this motion to set up a royal commission into mandatory detention. The scandalous and inhumane treatment of Cornelia Rau, and other constant stories of cruelty behind the razor wires of this government's detention centres, should have been enough to instigate a royal commission. Indeed, the Greens called for one on 7 February this year. Now we have the case of Vivian Solon, an Australian citizen who has been deported to the Philippines and left living for four years in a hospice for the dying, while her children were in foster care in Australia, wondering why their mother had disappeared. This is an appalling and tragic story of utter incompetence by the government and the department of immigration. But it is more than just incompetence; it is an abuse of the power vested in the minister and the department that is damaging innocent people and ruining their lives. The facts of Miss Solon's case, which the minister tries to pass off to the Palmer inquiry and deny, demand a royal commission be established to investigate

how such abuse and incompetence could happen, and to ensure that it does not happen again.

The Minister for Foreign Affairs today tried to defend Minister Vanstone's handling of the scandal by saying that Senator Vanstone is 'a good and feisty woman doing a good job and defending her corner'. The government clearly does not get it. This is not a boxing match; it is not about defending the government's corner—or the department; and it is not about political spin. Lives are being ruined by this government's actions. A public, judicial inquiry with the powers to compel and protect witness, and that can gain access to all relevant documents, is needed. Everyone but the government now realises that a royal commission is needed. If the department of immigration can deport an Australian citizen, discover their mistake two years later and do nothing about it, what kind of confidence can we have in the operations of the department? How can we allow such an incompetent department to have the power to detain people, sometimes for years, without judicial review? How can we be confident that they can accurately determine who is a refugee and who is not? And how can we be confident that they are not deporting other people to danger?

There must be a royal commission if the public is to have confidence in the department of immigration and this government. Last night, the Senate supported the Greens' censure motion against Minister Vanstone. The minister and the government should heed this censure as a warning that the Australian public will not tolerate any more excuses. The Australian Greens support the establishment of a royal commission and an end to the policy of mandatory detention.

Senator KIRK (South Australia) (4.14 pm)—I also rise to speak on this urgency motion, presented to the Senate by Senator

Bartlett, calling for a full judicial inquiry or a royal commission into the operation of mandatory detention, deportation and enforcement under the Migration Act, given the wide range of reports and incidents which demonstrate major problems with the administration and operation of the immigration regime. In the past few weeks—and certainly last time when we were here in the Senate—we have had before us the disgraceful circumstances that surrounded the treatment of Ms Cornelia Rau. As we return to the Senate this week, we have before us yet another tragic case of a woman who, as an Australian citizen, was wrongfully deported to the Philippines. This growing number of cases of Australian citizens and permanent residents who have been wrongfully detained by DIMIA is nothing short of disgraceful. So far, the government has admitted that at least 33 people have been wrongfully detained over a seven-month period. If you were to extend that seven-month time frame to the last three years, the number could be in excess of 100. This is one of the disturbing parts of this—we just do not know how many people are involved, and to date we only know the identities of two people who have been so disgracefully treated by this government. Despite this, Senator Vanstone and the government have dug in and refused to alter the closed door inquiry into the Cornelia Rau affair—that is, the Palmer inquiry that was established a few months ago.

We are not the only ones calling for a royal commission. A large number of people have joined that call, including refugee advocates and the human rights watchdog, Sev Ozdowski. Former Liberal Prime Minister Malcolm Fraser has also weighed into this debate and lent his support to the calls for a royal commission. The government's response to this growing number of cases was simply to announce an extension to the closed door Palmer inquiry. A few days ago

our immigration spokesperson, Mr Ferguson, said that there is now clearly a need for a full judicial public inquiry—and this of course is the subject matter of the motion before us today.

At the time when Ms Rau's tragic circumstances were revealed it was said that this was an exceptional case, a rare case, and therefore it justified the setting up of the Palmer inquiry to look into this one matter. As we said at the time, the terms of the inquiry are inadequate—it is a closed door inquiry, it is being conducted away from public scrutiny and it does not have the powers required to get all of the facts surrounding this case. The inquiry was originally due to report on 24 March but, as we have now seen, the inquiry has been extended for some months. There is a great deal of dissatisfaction surrounding this inquiry, not only for the reasons that we highlighted a few months ago but also because of the number of cases that are now apparently going to be dealt with by Mr Palmer in the course of the inquiry. One must ask: just how long is it going to take to consider all of these cases that appear to be coming to light? How long will this inquiry drag on behind closed doors? How will we have any way of independently scrutinising the work of the inquiry or assessing the evidence that will be before it?

On this point it becomes apparent that Mr Palmer's role itself is now on shaky ground, because it seems that everybody except the government recognises that the job before him now requires powers to investigate—the sorts of powers that really can be only exercised by a royal commission. A few months ago, the minister, Senator Vanstone, threw together the terms of reference for a closed inquiry just in an effort to try to protect the government at a very embarrassing time for them. Now I think it is time that they realise that this Palmer inquiry is inadequate to deal with the latest revelations. It is for this rea-

son that we and the Democrats and others are calling for a royal commission.

On a broader note, this disgraceful set of circumstances really raises the question of ministerial responsibility in the context of Senator Vanstone's behaviour surrounding these matters. As we heard in the Senate today, and have heard for the last few days, the minister simply fails to provide any sort of explanation as to how the circumstances surrounding Ms Alvarez could possibly have come about. We have had no explanation as to why the minister's department could not recall what it had done and when in relation to Ms Alvarez. There are many questions that remained unanswered, and the minister just says to us that we have to wait for the Palmer inquiry to investigate these matters and then all the facts will come to light. This is simply inadequate.

I would have thought that the sorts of questions that have been raised in the Senate today are questions that should be answered by a minister—if she has control of her portfolio and the activities of her department. This is an exceptional case. We are not talking here about a refugee or a person who came into this country illegally. We are talking about an Australian citizen with two children who was illegally separated from her children, processed by DIMIA and then deported from Australia to a foreign country—the Philippines. And what response have we had from the minister? All we have had from her is silence. We have not had any explanations. No reasons have been provided. There has been no attempt to inform Australians about what happened to one of our own. All we have had from the minister is silence. This silence is, of course, intended to stifle any debate, to deflect any responsibility from her and to delay and defer the matter.

In the chamber yesterday the government twice attempted to block debate on these matters, and the minister refused to even enter into the debate. We have to ask ourselves: what is being hidden here? What is the government trying to cover up? What is it worried about? All we have from the government and the minister is silence. All we are told is that the secret Palmer inquiry will investigate the circumstances surrounding the illegal deportation of Ms Alvarez, or Ms Solon, an Australian citizen. In these circumstances, how can we possibly have any confidence in what the minister and her department have been doing? If this is an example of the way they operate when these sorts of tragic circumstances are revealed then we have to ask ourselves: what is happening the rest of the time? What else is being covered up? Why is the minister not giving a full and frank account to the Senate as to what occurred in these circumstances? Where is ministerial responsibility? Why has the minister not taken full responsibility for the actions of her department in this case?

All we have had from the minister are silence and inaction. All she has done is set up the secret inquiry. All she is doing is continuing to refer cases that are too hard to the Palmer inquiry. That is just not good enough. It is the minister who is responsible, not Mr Palmer. Senator Vanstone has effectively reneged on her ministerial responsibilities. She has failed to restore public confidence in the actions of her department. She is just sitting there, waiting for the report of the Palmer inquiry, which of course could be months and months away. This does not restore any confidence at all in our immigration process. What we see is a minister who is out of her depth. Waiting and hoping will not change what is going wrong with her department. The time has come for there to be a royal commission into this matter. There needs to be a full inquiry into the two mat-

ters, the Rau case and the Alvarez case, and into mandatory detention this country. (*Time expired*)

Senator LIGHTFOOT (Western Australia) (4.24 pm)—I rise to speak on the urgency motion on mandatory detention moved by Senator Andrew Bartlett. I shall pose a question to those people who support this urgency motion for a full judicial inquiry or royal commission into the operation of mandatory sentencing. As I recall, the mandatory sentencing bill was introduced into the Senate in 1992 and passed with bipartisan support—definitely with the support of the then opposition, the coalition government of today. It was introduced and became operational in 1994.

It became very apparent to all health organisations, and particularly the World Health Organisation, under the umbrella of the United Nations, that some kind of mandatory sentencing of illegal immigrants was needed for several reasons but particularly for health reasons. One wonders what would happen if governments did not have the power to hold in detention those people who are or could be suffering from HIV-AIDS, tuberculosis, the human form of bovine spongiform encephalopathy, Creutzfeldt-Jakob disease, or the Ebola virus. What might happen if governments did not have the power to detain those people who might have a criminal record or those people whose documents clearly suggest they are not from the country of origin that they say they are from? Imagine the chaos, just in the health area, if there were no mandatory sentencing.

What does Senator Bartlett want to do? Does he want to abolish mandatory sentencing? It appears he does. I admit that tragic mistakes have been made with Ms Alvarez, who is currently in the Philippines and was wrongly deported, and Ms Rau, who was imprisoned originally in Queensland for

some time before she was assessed, wrongly, as being an illegal immigrant. What of the report coming down from the highly respected former Australian Federal Police Commissioner Mr Palmer, who is to investigate those problems? Why is it that Senator Bartlett, the Deputy Leader of the Australian Democrats, wants to pre-empt the investigation by former AFP Commissioner Palmer? There are 27 million refugees in the world today, most of whom would like to come to Australia. There are seven million more refugees in the world than the entire population of Australia. If we did not have an obligatory detention program in Australia there would be chaos, not just in health but also in trying to find people in Australia illegally. That is not only difficult—

The ACTING DEPUTY PRESIDENT (Senator Watson)—Order! The time for the debate has expired.

Question agreed to.

MIGRATION LITIGATION REFORM BILL 2005

NATIONAL SECURITY INFORMATION LEGISLATION AMENDMENT BILL 2005

Report of Legal and Constitutional Legislation Committee

The ACTING DEPUTY PRESIDENT (Senator Watson)—Pursuant to standing order 38, I present the reports of the Senate Legal and Constitutional Legislation Committee on the provisions of the Migration Litigation Reform Bill 2005 and the National Security Information Legislation Amendment Bill 2005 which were presented to the Deputy President after the Senate adjourned on 11 May 2005. In accordance with the terms of the standing order, the publication of the reports was authorised.

Ordered that the reports be printed.

TELECOMMUNICATIONS LEGISLATION AMENDMENT (REGULAR REVIEWS AND OTHER MEASURES) BILL 2005

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

The ACTING DEPUTY PRESIDENT (Senator Watson)—Pursuant to standing order 38, I present the report of the Senate Environment, Communications, Information Technology and the Arts Legislation Committee on the provisions of the Telecommunications Legislation Amendment (Regular Reviews and Other Measures) Bill 2005 which was presented to the Deputy President after the Senate adjourned on 11 May 2005. In accordance with the terms of the standing order, the publication of the report was authorised.

Ordered that the report be printed.

CRIMINAL CODE AMENDMENT (SUICIDE RELATED MATERIAL OFFENCES) BILL 2005

Report of Legal and Constitutional Legislation Committee

Senator McGAURAN (Victoria) (4.29 pm)—On behalf of the Chair of the Senate Legal and Constitutional Legislation Committee, Senator Payne, I present the report of the committee on the provisions of the Criminal Code Amendment (Suicide Related Material Offences) Bill 2005, together with the *Hansard* record of proceedings and documents presented to the committee.

Ordered that the report be printed.

COMMITTEES

Membership

The ACTING DEPUTY PRESIDENT (Senator Lightfoot)—The President has received letters from party leaders seeking variations to the membership of certain committees.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.29 pm)—by leave—I move:

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

Environment, Communications, Information Technology and the Arts Legislation Committee—

Appointed—Substitute member: Senator Fierravanti-Wells to replace Senator Santoro for the consideration of the 2005-06 Budget estimates on 25 May and 26 May 2005.

Legal and Constitutional References Committee—

Appointed—Substitute member: Senator Stott Despoja to replace Senator Greig for the committee's inquiry into the effectiveness and appropriateness of the *Privacy Act 1988*.

Question agreed to.

WELFARE REFORM

Senator WONG (South Australia) (4.30 pm)—I move:

That the Senate notes the Howard Government's cuts to the incomes of the most vulnerable families in Australia, its introduction of a parents' dole and a disability dole, and its failure to effectively tackle the need for real welfare reform.

The motion standing in my name refers to the so-called welfare reform measures in the budget. I say at the outset that this budget was billed as being about welfare to work. We had more front pages and more articles in which ministers, including the Treasurer, the Prime Minister, the Minister for Employment and Workplace Relations and the Minister for Workforce Participation thumped their chests about the need to move people from welfare to work and how this was going to be the centrepiece of the budget. That was the rhetoric before the budget was brought down on Tuesday night.

Now we and all of Australia know the sad reality of what has been put before this parliament. This is not a budget about welfare reform and this is not a budget about welfare to work; it is a budget about moving people from one welfare payment to another lower welfare payment. At the heart of this budget are cuts to the incomes of the most vulnerable people in this country—cuts to the incomes of low-income families and cuts to the incomes of disabled Australians. That is what the Howard government is serving up as welfare reform. This is not a budget about welfare reform and this is not a budget about welfare to work; it is a budget about welfare to welfare, a budget about putting people on one welfare payment onto a lower welfare payment. It is not good enough and it is clearly not welfare reform.

The budget, in essence, creates two new doles. That is the Howard government's answer to the challenge of work force participation and that is the Howard government's answer to the issues of welfare reform. Their answer is to create a new parenting dole when the child of new recipients of the parenting payment turns six, and to create a new disability dole for new recipients of the disabled pension to put them onto a lower payment. What does this mean for the incomes of these vulnerable groups of Australians? It is not just sole parents. I note with disappointment the way in which the government have sought to make this debate only about sole parents. It is low-income parents as well—partners in low-income families; frankly, often partners of people on Newstart. So it is married women and men, but particularly married women, who are being affected by these changes.

These changes mean a cut in the incomes of those families—that is, new recipients of the parenting pension—of around \$44 a fortnight. That is the Howard government's sixth birthday present to these families: 'Happy

birthday, young child; we're going to take \$44 a fortnight—it will be more by then—'off your family, off your parents.' That is, \$44 or more to spend—

Senator Knowles—Do you mean off or from?

Senator WONG—I am sure you will have a chance to speak, Senator Knowles. I will enjoy listening to you try to defend this policy.

The ACTING DEPUTY PRESIDENT (Senator Lightfoot)—Senator Wong, you should ignore interjections.

Senator WONG—People who call themselves feminists in this place, who come up and defend the Howard government's—

The ACTING DEPUTY PRESIDENT—Order! Are you now raising a point of order, Senator Wong?

Senator WONG—No, I am speaking to the motion.

The ACTING DEPUTY PRESIDENT—Senator Wong, please proceed with your contribution and ignore the interjections.

Senator WONG—If Senator Knowles were polite enough, I could actually finish speaking. I will enjoy listening to some of the women on the other side explain why it is so good for children to have their parents' income reduced by \$44 a fortnight. This is the Howard government's present to these Australian low-income families: 'When the child turns six, we're going to take \$44 a fortnight off the parents. We're going to take it off them.' That is less money that they can spend on putting food on the table. That is what this budget is about. It is not about welfare to work; it is about putting people onto lower payments.

Those opposite have the gall to pretend that this is about welfare to work and giving people opportunities. It is a joke. For them to pretend that this budget is about giving peo-

ple opportunities, when at its core it is about cutting the incomes of the most vulnerable people in Australia, is frankly appalling. I hope that over the weeks to come the Australian people will listen to and understand what is being perpetrated by this government and what is being dressed up as welfare reform.

Let us turn now to disability support pensioners. Currently, there are 700,000 people on the disability support pension. New applicants for this pension will face a capacity assessment, and the government say: 'We'll protect those who are severely disabled. If they can't work more than 15 hours a week, they'll still get the pension. It's only the ones who are assessed as being able to work more than 15 hours a week who will go onto the disability dole and face a cut of \$77 a week.' It is very interesting, isn't it? I want the government to answer this. I know a great many people in the work force with disabilities that people would regard as severe. We all know them: people who are wheelchair-bound, who have severe disabilities and who have managed, through struggle, hard work and persistence, to get into the work force. Some of them work over 15 hours a week.

Senator Knowles—Is that the only disability you can think of?

Senator WONG—Tell me this, Senator Knowles, given that you are so active in interjecting in this debate—

The ACTING DEPUTY PRESIDENT—Senator Wong, I have asked you not to respond to interjections across the chamber. It is very confusing.

Senator Buckland interjecting—

The ACTING DEPUTY PRESIDENT—Senator Buckland, I ask you, too, not to interject. Senator Wong, just proceed with your contribution, which I am listening to intently.

Senator WONG—I am sure you are, Mr Acting Deputy President. Thank you for that.

I would like the government to answer some questions. If somebody has a severe disability but has demonstrated a capacity to work—because they are in the work force—and they lose their job for whatever reason, because they are disabled they find it hard to get work. They find it hard to find an employer who is prepared to employ somebody with a disability. That is the feedback I have heard: many people with a disability find it hard to get work. It is not because they do not want to work; nor indeed is it because they do not have the capacity to work. It is because they find it hard to get a job in today's employment market. What do we say to those people? They may have a severe disability, but they have the evidence of a capacity to work. The government say that they should not be entitled to the disability support pension. The government say, 'When you have evidence of the capacity to work 15 hours a week—

Senator Knowles—That is downright dishonest!

Senator WONG—Mr Acting Deputy President, I would appreciate it if you could manage the debate in the chamber.

The ACTING DEPUTY PRESIDENT—Senator Knowles, Senator Wong should be able to proceed uninterrupted.

Senator WONG—I am discussing a person who might have a severe disability who has demonstrated a capacity to work, as we all know they can. There are many such examples in the work force. If they lose their job, they find it hard to get work, because it is hard to find an employer who is willing or able to employ somebody with a disability. This government would say to them: 'Actually, you have evidenced a capacity to work. Despite the fact that you have a severe disability, we are going to assess you as having that capacity. You are now going onto the "disability dole".' That is what this govern-

ment is proposing. It is extraordinary that the government continues to argue that this is a welfare to work budget. It has a severe credibility problem on this issue. This budget is not about welfare to work; it is, at its heart, about cutting the incomes of people with a disability and of low-income parents in Australia. That is what this budget is about. It will mean \$77 less a fortnight, on current figures, for new disability support pensioners who move to the new 'disability dole', and \$44.30 less for parents in low-income families who move to the new 'parents dole'.

It is very interesting that the government bills itself as pro-family. I remember the campaign launch, I think it was, of the Liberal Party at the last election, when the Prime Minister said, 'I will never lead a government that punishes stay-at-home mums.' What is the government doing now? That is exactly what it is doing. The government dresses it up in a welfare-to-work framework.

The Labor Party support measures that will encourage people to move from welfare to work. We do not believe that entrenched welfare dependence and entrenched poverty are good things. We want to give children in jobless families opportunities. We also want to give parents who are currently on welfare or in poverty the opportunity to get work. But we understand—and this is the thing the government does not understand and it is the critical difference between the Labor Party and those opposite—that you will not achieve welfare to work outcomes by punishing people. We understand that. We understand what is required: government must be prepared to invest in people's capacities and skills and to give them the supports they require to move into the work force. That is what is required.

We know from figures which were released recently that around 60 per cent of

people on parenting payments who do not currently participate in the work force have educational levels up to only year 10. Before going on I should say that, in fact, the majority of parents on parenting payments do participate—I think the figure is around 65 per cent. So we are talking not about a group of shirkers but about a very large proportion of people, primarily women, who make very strong efforts to get into the work force. The problem group—the group the government is targeting—are those who are not participating. Of those, the majority have only year 10 education. What jobs do you think there are for people with year 10 education in Australia today? And how consistent are those jobs with parenting responsibilities?

That is the crux of the government's problem. The government is saying to these people, primarily women: 'Go out into the work force with your skill levels as they are. Go and get the jobs you are able to get.' What are those jobs likely to be? They will be low-skilled, low-paid, often casual, jobs. Can someone in the government please explain to me how a casual job is consistent with parenting responsibilities? I have worked in unions, as a lawyer, as a waitress, as a care attendant and in various other casual jobs when I was younger. I can tell you that because of the way employment works these days there are many working people who do not know what their hours are going to be next week. They certainly are not in jobs, if they are in casual employment, where there are things such as carers leave—the flexibility to ring up and say, 'I cannot come in today as my child is sick.' Permanent part-time jobs or jobs between nine and three, when kids are at school, are not available to these people.

So the government are saying: 'We are going to give you very little support, but you must go out into the job market. We do not care if the jobs that you are applying for are

not consistent with your parenting responsibilities. We do not mind your having to go and work casually somewhere, nor do we mind your going into low-skill, low-paid jobs, because we are not prepared to invest in you.' That is one of the most awful things about this package. At its heart, it replicates the Howard government's failure to invest in skills and training over the life of the government.

This government, for some reason, is reluctant to invest in the capacity of the Australian work force, and reluctant to invest in skills. We know we have a skills shortage in this country—we see it. We are not the only ones saying that—the Reserve Bank, business groups and industry groups are all saying it. We have many people in the community saying it and we have evidence of it in a number of areas, such as employers who cannot find people with the skills that are required. It is all because this government is not prepared to invest in training. About 400,000 people have been turned away from higher education and TAFE over the term of the Howard government because of its failure to fund properly our education systems.

That reluctance is reflected again in this policy: a refusal to adequately and properly invest in the skills of those welfare recipients so they are able to move from welfare to work. We all know that the best chance one has of getting a job is to have the skills an employer needs. But what do we have from the Howard government on this? They trumpet the Job Network and say, 'We are going to give people more places in the Job Network.' They have announced around, I think, 136,600 training places through the Job Network—that sounds a lot over four years.

But let us look at who will actually try to use them. You have around 1.3 million Australians on the disability support pension and the parenting payment. That is about one in

10 who could actually get access to a Job Network place. But they are not the only people who will try to use them, because that 1.3 million figure does not include the inflows. So we have a woefully inadequate investment in training for those who are currently on the pensions that is made even more inadequate when you consider those who will be coming onto the various payments over the next four years. This government is simply not prepared to invest in people's skills.

This is also evidenced by the vocational training places. There are 600,000 parents, or about that, on the parenting payment partnered and parenting payment single benefits. What have the government allocated in the budget? Only 12,300 vocational education training places. But that is not the worst aspect of this figure, because those places are supposed to be divided up between not only the 600,000 parents plus inflows but also mature age unemployed—mature age people who are currently on the dole; people who the government say they are going to help. There were around 65,000 mature age persons on newstart allowance as at March of this year. So there are 600,000 existing parenting payment recipients and 65,000 mature age workers currently receiving newstart who will be fighting among themselves for 12,300 vocational education training places. What sort of fraction of the target population will actually be offered training by this government?

It is a demonstration of this government's refusal to invest in capacity building and to invest in the skills of welfare recipients. They do not want to do that. They have not invested in skilling the Australian work force. Their only answer to our skills shortage in this budget so far has been an increase in skilled migration. We do not disagree with skilled migration. But it is an indication of the abject failure of this government's ap-

proach to training and skills that that is the sum total of their answer on the skills front. I forgot: there are the technical colleges that they want to set up because they do not like TAFE. How long will it be before anybody graduates from one of those and gets into the work force?

We see a number of things in these welfare changes. We see cuts to income. We see the creation of two new doles. We see a policy objective of moving people not from welfare to work but from one welfare payment to a lower welfare payment. We see a massive underinvestment in skilling and training opportunities. That is what we see from this government. And they have the gall to dress this up and tout it as welfare reform.

I will go back now to the disability support pension. There has been a political decision made to 'grandfather'—I think that is the term—or exempt, existing recipients. We have had months of senior ministers in this government talking about how bad it is to have all these people on the disability support pension. What are they offering those people now? They are saying, 'You can stay on the payment but we're not actually going to help you get off welfare and into work.'

The tragedy about this whole welfare discussion is that the electoral feedback from the communities, groups and individuals who fall into the categories of being on the disability support pension or being on the parenting payment—and this is borne out by statistics—is that many of them want to work but face barriers getting into the work force. Instead of the government being prepared to tackle those barriers—instead of the government being prepared to do the work to help people move into the work force to add to our labour force as we need them to—the government is simply cutting pensions. That is the heart of the government's package. It is disgraceful.

I want to say one more thing about the parenting payment. We have had the Prime Minister talking for a number of years now about the barbeque stopper issue of work and family and yet we have an extraordinary absence of policy on this front. We have Senator Patterson talking up child care. It was interesting to note that in question time today she confirmed that the new child-care places are not necessarily linked to the new people who will be required to move into the work force. The government would have to concede on Treasury's own figures that the number of child-care places is simply insufficient when you consider the number of people they say these measures will move into the work force and the existing shortfall in child care.

Apart from putting inadequate extra child-care places on the table, what have the government done on work and family? They oppose industrial relations measures which actually give better balance in the workplace and better consideration to family responsibilities. They say that this is a matter that should be sorted out between employers and employees. How is a cleaner supposed to negotiate with her employer about needing flexibility? Can we guarantee that that is going to be able to occur? How are people in low-skilled, low-paid or casualised jobs and people in precarious employment supposed to individually negotiate family friendly work practices? The reality out there in the Australian work force is that it is very difficult for them to do so. But the government ignore that reality and say: 'We don't worry about your parenting responsibilities; we don't worry about actually ensuring you have the skills to move into the work force. But what we can tell you is that, from now on, on the sixth birthday of your child we are going to reduce your payments by \$44 a fortnight.' That is what the government call welfare reform.

Senator KNOWLES (Western Australia) (4.50 pm)—Listening to Senator Wong today was like listening to something out of a time warp. When Senator Wong came to the Senate, her colleagues said to us: 'Watch out. She's quite smart.' I thought she was—until I heard that contribution today, and a few others that she has made in recent times. She conveniently forgets in all her contribution the atrocious double-digit unemployment that her party foisted on this country. There were a million people out of work under Senator Wong's Labor Party. She did not talk about that. She did not talk about them leaving \$96 billion worth of debt to the Australian public when they left office in 1996. She did not talk about the fact that this government has almost made Australia a debt-free country, because we have paid off \$90 billion of the \$96 billion debt that Labor left us. She also did not talk about the lack of vocational training places under her Labor Party government.

Senator McGauran—And she leaves.

Senator KNOWLES—And she leaves the chamber. I had the courtesy to listen to her but she does not extend the courtesy back.

Senator McLucas—I bet you don't listen to me!

Senator KNOWLES—I'll bet I don't too, probably—that is exactly right. I have already done it once. I do not need to put myself through the trauma of doing it a second time, listening to things that are patently incorrect. Senator Wong also did not talk about how few apprenticeships Labor bothered to put in during 13 disastrous years. She also did not talk about the 19 per cent interest rates that her Labor Party put onto the Australian people.

She also did not talk about any new policies. We have gotten used to that in the last 10 years. There are no new policies. The

only new policy that we have heard about in the last 24 hours is that the Labor Party are going to vote against the tax cuts. Isn't that smart! That is really the cleverest policy that they can come up with: 'We're going to vote against them.' Well, hallelujah—as long as this mob continue to behave in the way they are now, all I can say is thank heavens, because that means there will be a coalition government in office in this country for a very long time. That will be because of measures in the budget, some of which Senator Wong has tried to misrepresent in the Senate today. But, then again, we have gotten used to the Labor Party doing that as well.

This government is making a substantial investment in assisting welfare changes for mothers. That substantial investment happens to be a mere \$3.6 billion over four years to help mothers to get back into the work force. Most reasonable people would believe that the best form of welfare is a job, but the Labor Party think that the best form of welfare is welfare.

Senator McLucas interjecting—

Senator KNOWLES—That is exactly what Senator Wong said. I am not responding to any interjections, Acting Deputy President; I am simply saying that Senator Wong has said that people should be left on welfare. I think that is an absolutely disgraceful policy position from the Labor Party. To think that they would come in here and criticise a government initiative that seeks to get parents back into work to create an environment for a family where they have security of income and security of future, and where they also demonstrate a work ethic to their children! But the Labor Party come in here and say, 'You should not be having such a policy initiative in this budget.' I think that is disgraceful.

We want to support people to become less dependent on welfare and to participate in the work force. There will be more practical support for parents to help them prepare for employment and to assist with child care. Eighty-five thousand new child-care places is something, we have heard today, that the Labor Party have also criticised. When they left office they left a situation in child care where their child-care places were only in their marginal seats. The child-care places that Labor had bore no relevance to where child-care places were actually needed and where there might have in fact been young children. No—they were in marginal seats, and in the parts of marginal seats that needed votes. How outrageous was that! This government was then forced, under huge criticism from the Labor opposition, to close some of those child-care facilities and open new ones in areas of need. But we were criticised for it, in the same way that we are being criticised today for promising or putting into the budget—this is not promise; this is fact—85,000 new child-care places.

We should be in a situation where an opposition and a government work together to the betterment of this country. But we are not. We have only a government that wants to see more people help themselves and get into work. The end result will be fewer children growing up in jobless households and a reduced reliance on income support. I would have thought the opposition would think that was a great idea. But they do not. There are also the benefits of higher household income, improved self-reliance and self-esteem and the ability to contribute to superannuation savings. But they would prefer to see people consigned to poverty. How can people who continually live on welfare save for their retirement or their old age? Do the Labor Party worry about that? No, they do not, because they criticised this policy.

Women who enter the work force will improve their economic position and security across their lifetimes. What the Labor Party do not understand is that the longer women are out of the work force, the greater risk there is of those women losing their skills. But Labor do not seem to care about that. They could not care less. What we are saying is, 'We will try to help them get back into the work force.' We are not saying, 'You will live on nothing', as Senator Wong implied—and quite dishonestly implied—was in the budget. It is beyond belief that the Labor Party continually want to misrepresent every initiative this government puts forward. The only thing they can do is say no. Why don't they realise that their lack of policy and lack of unity on trying to get a better outcome for Australians led to their defeat? But they still have not changed.

We are not only keen to encourage parents to participate in the work force but also prepared to give them the support to do so. That is where Senator Wong completely misrepresented this budget—and it is not the only place she did that, let me tell you; it is just another area. A \$266 million package of measures is provided to give increased support for parents of school-age children. It will provide parents with the support they need to make the transition from welfare dependency to self-reliance. Yet Senator Wong comes in here and says, 'You're not giving them anything for the transition from welfare to work.' Wrong! There are 260 million reasons why she is wrong! But it does not matter—she just keeps on saying it in the belief that someone out there will believe her.

There are 2.6 million working-age Australians on welfare. The numbers on activity-tested unemployment benefits—people who are required to look for work—have fallen significantly. Why? Because we have created more jobs; because we have created low un-

employment—something that is completely and utterly foreign to any Labor Party member. What they also do not understand is that many people with disabilities actually want a job. They do not want the Labor Party view of the world—that is, because they have a disability, they should be on welfare for the rest of their life. They want to play a part in society, and they should be encouraged to do so. They should be encouraged to do so by their government, and it would be nice if they were also encouraged to do so by Her Majesty's opposition, but that is not the case.

Why Labor will not support this measure is something that confounds me. To think that 6.5 per cent of the Australian work force are on a disability support pension and 4.3 per cent of the Australian work force are on parenting payment single. These welfare recipients do not have to look for work, but many of them want to look for work and they want assistance to look for work. But the Labor Party say: 'No. We'll just leave them there. Don't help them.' Senator Wong criticised the grandfathering of some of those people. How can one criticise the grandfathering in one breath and go out and terrorise the community in the other, saying, 'All of you are going to be forced to work. You're not going to have any money to live on. You're not going to have any money to buy your bread and milk because of this government'? So, once again, we get a contradiction.

There are too many jobless families, and we should be worried about jobless families. We should try to avoid at all costs the inter-generational welfare trap, where one family grows up not knowing what it is like to have an income and a job, and then they have families who do not know. But the Labor Party does not care about that. We say that it is better for people to be encouraged and to be given support to get off welfare and into work. By increasing participation and reduc-

ing welfare dependence, more Australians and their families will directly benefit. They will have higher incomes and more chance to participate in mainstream economic life. Let us take someone whom the Labor Party wants to consign to welfare for the rest of their life. What chance have they got of ever owning their own home? The Labor Party does not care. Its answer to that is to simply say, 'Don't take them off welfare.'

I think that is unfair. Let us get people back into the paid work force, because people with the capacity to work part time should be required to seek work to the level of their capacity. We are not saying that people who are disabled have to go out and work a 60-hour week, a 40-hour week or whatever; we are saying that people with a disability should be given the support, the encouragement and the training to get out there and work to the level of their capacity. The Labor Party cannot get their heads around this. On budget night the Treasurer said:

People who are unable to find work deserve support from the taxes paid by those who are working. But those who are working deserve to know that others capable of work are at least looking for work in return for their income support.

I challenge anyone to disagree with that and to say that that does not sound pretty fair. But you do not have to go far to find someone who will take up the challenge, because there are 28 of them sitting over there who say that that is not fair.

Over the next four years more than \$2 billion will be spent on services, including employment assistance, child care, rehabilitation, and increased education and training places. Somehow or other, the Labor Party find that unfair too. This is real support. I wrote down what Senator Wong said. She said, 'How many jobs do you think are available for someone with a year 10 education?' In other words, why should anyone with a

year 10 education go out and try to work look for work? Is that not a disgraceful slur on people with a year 10 education? Many people who have not finished school are highly successful in our society. The Labor Party are saying, 'How many jobs do you think there are for people who have only a year 10 education?' Shame on the Labor Party; absolute shame. That is what this government is all about. It is about giving some of those people who might have a lower level of education opportunities to go and learn computer skills, current practices and what the business community is about, or they could even operate child-care facilities. But the Labor Party say, 'How many job opportunities are there for someone with a year 10 education?'

Senator Patterson—Put them on the scrap heap, that is what they would do.

Senator KNOWLES—Exactly. It is disgraceful that all these initiatives designed to help so many people are now being criticised. As I said before, many people with disabilities face additional costs to participate. Senator Wong came in here and said that those people should just be allowed to stay on the disability support pension for ever and ever and that newcomers should come on to it, with no questions asked. Once again, what do people with disabilities want? They want to participate.

As was announced in the budget, from 1 July the government will provide extra help with the costs of participation. A second level of mobility allowance will recognise that people unable to use public transport because of their disabilities may have higher costs associated with their new part-time participation requirements. In addition, people with partial work capacity receiving newstart allowance or youth allowance will have access to the pensioner concession card, the pharmaceutical allowance and telephone

allowance. Currently, people on a disability support pension who forgo payment to take up employment retain their pensioner concession card for 12 months. That is being extended to people with partial work capacity due to disability who leave newstart allowance or youth allowance because of employment. Job seekers with partial work capacity due to disability who move into work in the open labour market will also benefit from an employment entry payment of \$312. Additional funding of \$25 million over four years for the Workplace Modification Scheme will provide more help to employers with the cost of workplace modifications and adaptive equipment for employees with disabilities.

And the Labor Party come in here and say that the government is not doing anything to help people with disabilities get back into the work force. Pardon me, but read the budget papers. I can only imagine what budget estimates hearings will be like and the furphies that will be raised there. If today's and yesterday's questions in question time and Senator Wong's contribution to the debate today are any indication of what is in store for estimates hearings then all I can say, Senator Patterson and Senator Humphries, is heaven help us because we are going to have to go through this nonsense.

Senator Humphries interjecting—

Senator KNOWLES—Maybe we will just Mogadon the other side. But to belittle this matter and to terrify people who are most vulnerable in our society is the art form of the Labor Party.

Senator Patterson interjecting—

Senator KNOWLES—Exactly. Labor went out previously and told parents of disabled children that they were going to lose their income.

Senator McLucas interjecting—

Senator KNOWLES—Not only that, Senator McLucas did it at estimates hearings, where she was told categorically that that was not the case. Today we have the Labor Party coming in here misrepresenting what is in a fine budget to help people get from welfare back into the work force. This is not a measure to save money; this measure will cost money. It will cost money for some eight years before there is probably any benefit, yet the Labor Party talk about saving money. It is not about saving money; it is about helping people. I just hope that one day the Labor Party will agree with something this government has done and is doing. I probably will not be here to see that day. I can honestly say that there is so much in this budget to help mothers, to help families and to help the disabled that Labor should be applauding it. Instead, the best they can come up with is, 'We're going to vote against the tax cuts and we're going to misrepresent the rest of the budget.'

Senator GREIG (Western Australia) (5.10 pm)—Regrettably, I argue that this budget panders to the popular stereotype of the welfare bludger, suggesting that people with disabilities and single parents are simply not pulling their weight. I would like to know: when did a widowed parent, raising two children on her own, become known as a bludger? Have parents who have lost the support of a partner always been considered bludgers or is this the result of a heartless government trouncing the value of a fair go? Since when did it become acceptable in a budget speech to the nation to demean Australians who suffer musculoskeletal impairment—such as cerebral palsy—by suggesting they are suffering from bad backs? The budget, essentially, is about blaming and shaming—blaming a widow for being a single parent and shaming a person with chronic osteoarthritis as only having a bad back.

Compelling parenting payment recipients to leave children as young as six at home alone, including those with a disability, in order to meet work commitments represents, I think, an unacceptable social judgment. I was under the impression that the government valued parenthood. In fact, isn't the whole purpose of family tax benefit part B to encourage a parent in a two-parent family to stay at home and raise children? Isn't that the whole policy purpose behind it? At the same time the Treasurer was announcing this hard line for parents on parenting payment he was also announcing that a \$300 tax-free bonus will be paid to wealthy two-parent families where one parent stays at home to care for children up to the age of 18 years. What is it about a single, separated or widowed parent that makes the government believe they should not be given the same opportunities as those of a two-parent family?

The government have failed to recognise that many single parents already work as much as their parenting duties permit them to. They often do so under difficult circumstances. They have difficulties finding child care, difficulties finding a job where the employer understands the demands of being a parent and difficulties finding a job that fits around school hours and school holidays and with an employer who understands and is willing to give them time off when a child is sick.

The child-care allocation in the budget is completely inadequate. There are 120,000 widowed, separated and single parents and 50,000 parenting payment partnered recipients who, because of the new harsh welfare measures, will have more child-care requirements. The budget included 84,300 new out of school hours child-care places over four years and most will not be available until 2008. This does not even come close to meeting current and future needs. Twice that number will be needed for those parents of

young children who are now being forced to look for work.

The government continues to ignore the fact that not all work is nine until five. Thus, most child care is not flexible enough to meet the needs of parents who do not work what we might call normal hours, who work weekends, evenings and on a casual basis on call. There has been no child-care allocation to assist single parents in that situation. Does this mean then that the government will find every single parent secure 9 am to 3.15 pm jobs, with all the school holidays off? I do not think so.

Forcing single parents from parenting payment to the enhanced newstart allowance will render single parents worse off, in spite of the government reducing the taper rates. And the reason is simple: the parenting payment income test recognises the cost of raising children and child care and as such has an income test which allows parents to keep more of what they earn. If parents are not willing to meet the government's demands to leave their children home alone, they will now face a harsher breaching system and risk losing their full income support for long periods, and this could have a devastating impact on children's welfare.

The government's new 'three strikes and you are out' rule will be administered by the Job Network with no investigation of the circumstances that led to the breach. Parents who fail to attend an interview because their child is ill could well lose their payment for up to two months. In other words, the government intends to punish parents for performing their parenting role or their parenting job. And it is the children who will suffer in the end. The family will lose financial support to maintain the family home and the child's wellbeing. The expectation that Centrelink will have the time and resources to manage the day-to-day finances of a family

is ridiculous and, frankly, insulting. The children of widowed, separated and single low-income parents deserve quality parenting and support in the same way as children of well-off and two-parent families.

These budget policies fail to recognise the health, educational and behavioural needs of children as well as the urgent need for affordable and available child care in all areas. Parents are best placed to determine when their parenting duties enable them to participate in the work force. A parent who has lost the support of a partner should not be demeaned as being unworthy and compelled to compromise their parenting responsibilities. Government-funded paid maternity leave, family friendly workplaces, improved child-care services, secure low-cost rental housing and better non-metropolitan transport systems would help all parents, particularly single parents, to sustain paid work.

The budget also contained more sticks than carrots for people with disabilities. The budget goes nowhere near providing the level of employment support people with disabilities will need, given the harsh treatment they will receive for noncompliance. As expected, the government has thrown the McClure recommendations out the window and, instead of creating a fairer and simpler system for people with disabilities, it has now created a two-tiered system that will result in people with identical conditions being administered under two different regimes. New applicants will face a cut to their income of around \$60 per fortnight as well as the loss of concessions and other benefits. This will force many into further poverty and hardship.

The creation of an additional 70,000 job support places may help to soften the blow for those forced off the pension and onto the newstart allowance but, with almost half of these places being allocated to the Job Net-

work, employment support for people with disabilities will be skewed towards what is an unsuccessful program. Only five per cent of voluntary applicants in a recent Job Network trial were still in full-time employment after 10 months, compared to a 30 per cent success rate for open employment services. This does not bode well for the thousands of newly disabled people who will be forced through the Job Network system. We argue that, instead, the government should have been looking to measures such as the removal of the legislative cap on disability open employment services, which are specialised and proven, so that, like the Job Network, they are demand driven rather than supply capped.

The few sweeteners offered in the budget will not come close to filling this void. The increased mobility allowance, for those few who may qualify, is twice consumed by the drop in income, and increased incentives to employers fall well short of what is required. Additional employment support places will have little effect unless far greater steps are taken to address the level of discrimination people with disabilities face in the workplace. If employers are not willing to consider applicants with disabilities, all of the training and rehabilitation in the world will not see them into employment. People with disabilities can be put through the assessment wringer but, unless there are jobs available and employers willing to consider them, this assessment will amount to very little.

Of the \$3.6 billion the government has announced to help welfare recipients get back into work, more than \$800 million will go into policing and punishing. These measures are ill-considered, lacking in cohesion and will only add to the complexity and inequity of the system. Many people will be worse off as a result. And many of the so-called new employment programs are just replacing those previously cut. Similarly,

while we welcome the 50,000 new training opportunities for people with a disability, the government is only restoring programs it has progressively and quite ruthlessly slashed since 1996.

This welfare package has major flaws in terms of accountability and delivery but the biggest flaw by far is: where are the jobs for parents and the disabled? The budget forecasts a slowing in jobs growth and fewer job vacancies. Despite a decade of growth, Australia has 560,000 officially unemployed and 1.2 million who want to work but fall outside the definition of unemployed. In April there were 1.7 million jobless competing for just 22,600 job vacancies—or 77 jobless for every job. They included 88,300 who are long-term unemployed. It is all very well and good to say that parents of school-age children and workers with a disability should work, but where are the jobs?

The budget forecasts show that employment growth will slow from 2.75 per cent this year to 1.5 per cent by June next year. That represents around 130,000 fewer jobs created next year compared with this current year. People pushed off parenting payments and disability support payments would find it harder than other job seekers to move into work and would most likely join the queues of the long-term unemployed. The only area of jobs growth in the budget is in Job Network and Centrelink, with the \$660 million in additional funding for compliance monitoring and job agency programs. That represents an additional 8,000 or so staff in Job Network and Centrelink offices overseeing the thousands of people now forced to join in the search for a declining number of job vacancies.

The economics of the government's welfare reforms simply do not add up. Why expand Work for the Dole when only 15 per cent of participants end up with full-time

work? While the government cut the income of the most vulnerable in Australia, it gave tax cuts to the rich. Instead of \$4,500 just for a privileged few, we could have given every taxpayer—including those on the lowest incomes—\$680 a year. We Democrats have been campaigning for a long time now to lift the tax-free threshold to \$10,000. It does not make sense that people already living below the poverty line should be paying income tax. Punishing vulnerable people for having a disability which prevents them from working full time or punishing people for losing the support of a wife or partner or for being denied educational opportunities will not help them get a job. Suspending payment to a parent who chose to put her six-year-old child's health needs ahead of job seeking on just one occasion does not help either the parent or the child. And how will that assist in good long-term public policy?

There was much the government could have done if it was truly focused on welfare reform, but punishing disadvantaged Australians for their disadvantage is not the way forward. The government should have invested in simplifying the social security system, introduced a cost of disability allowance to help meet the additional costs of having a disability, extended the availability of rent assistance to Austudy recipients, progressively reduced the age of independence from 25 to 18 years of age and extended carer payments to young carers. Our priority would have been tax cuts for lower income earners. Reforming the tax system for the poorest Australians is a much better strategy and one which will prevent poverty traps and encourage people off welfare and into work.

Senator HUMPHRIES (Australian Capital Territory) (5.23 pm)—We have heard an enormous amount of nonsense in this debate from opponents of this system. I suspect, quite frankly, that many of them have not actually read the papers comprehensively

and fully understood how the system works. This is part of the problem—people are shooting from the hip with respect to these new arrangements, and one wonders why. For example, hearing Senator Greig talk a moment ago, I recalled hearing Senator Cherry in question time today suggest in a question that he asked that under these new reforms job seekers would be able to be breached by a Job Network provider. Of course, that is not true—only Centrelink will have the capacity to breach people who default on their mutual obligations. Clearly, Senator Cherry has not looked carefully at what the arrangements are, otherwise he would not have made that statement.

We also had a question asked in question time by Senator Wong about the fact that there are only 136,000 Jobstart places in the budget compared with 1.3 million people who are presently on disability support pensions and parenting payments. That question implies that all 1.3 million of these people are somehow going to be required to move into the job market, which, of course, they are not: many of the people presently receiving disability support pensions will remain recipients of disability support pensions; many people receiving parenting payments will likewise remain recipients of those payments. So there are all sorts of misconceptions, which one suspects are deliberately being perpetrated in this debate because it is very easy to frighten people about change.

But change is absolutely necessary at this time. What is more, change is acknowledged by even those opposite in their more sober moments as being an important feature of public policy, and the need to address that has been acknowledged well before today by members of both sides of this political divide. We have a very clear commitment from the government in announcing these reforms that it will always support those who have no capacity to work through a strong and gener-

ous welfare safety net. Nothing in this package changes the reality that Australia's welfare network is a strong and generous one. But we also acknowledge that there is a strong expectation on the community's part that we will ensure that those who have the capacity to work and are of working age will be actively encouraged by the way in which welfare mechanisms are structured to go out and seek employment.

That is nowhere more strongly underlined than by the situation today in Australia. We have the lowest unemployment in a generation or even two generations. We have a level of unemployment which has been unheard of over the past 28 years. At the same time, we have growing skills shortages in this country. If ever there were a time to engineer change in the structure of welfare services to encourage people into work it is now.

Even in this debate this afternoon we have had lip-service paid by those opposite to the concept that there needs to be some re-engineering of the system. Only last year, I think it was, we heard the Labor Party accusing the government of fudging the numbers of unemployed in Australia by pushing people who ought to be on the dole—they said—onto disability support pensions. What does that imply to you, Madam Acting Deputy President Kirk? What does saying that someone has moved inappropriately from the dole to the DSP imply? It implies that those people are capable of working but have been pushed into an inappropriate category. That is not true, of course, but if it were true the Labor Party would have to support change to DSP entitlements to make sure that people who are capable of working who are in that category were encouraged to go out and do that. The measures the government has announced address that question precisely.

In the course of this debate Senator Wong said that she believed in welfare reform as

well—she said that the Labor Party were not opposed to welfare reform. But in the course of this debate they have not—and I suspect they will not—spell out precisely how they would do it differently. There are different principles at work, no doubt, like: ‘We believe in emphasising people’s dignity and we believe in giving people carrots rather than sticks.’ That is great to hear, but tell us how. How would you engineer a transition for people from welfare to work that is different to the way this government is doing it? Until we hear that alternative, I do not think we need to take too seriously what those opposite have had to say.

The fact is that this is the right time to be engineering these changes. There is a need for Australia to meet skills shortages and boost critical areas of the work force where there are simply not enough people available at the present time to fill positions. There are positions in the community with a variety of skill levels required to fill them which could be addressed and filled by processes that encourage people from welfare into work. We absolutely must be encouraging people to make that transition where possible.

The changes the government has indicated are carefully designed to ensure the community is given satisfaction that there will be opportunities created for people to make that transition successfully. The important point to emphasise is that, for the foreseeable future, this is not a measure designed by the government to save money. It is not about saving money on the welfare budget; it is about creating a different workplace, a different working environment, in Australia. It is about engineering long-term change.

Those opposite cannot seem to understand that this government is a reforming government. Since its first day in office, it has tried to engineer substantial change to the way in which Australia works. It has been successful

in many respects, but it has unfinished business. Creating an environment where people are genuinely encouraged to work where they can is part of that exercise. We will be criticised for not doing it the right way, but I want to hear what the alternative way is. After nine years, I would have thought that those opposite would have an answer to that question, but I suspect that they do not. We are not making savings by these measures—at least not for the next six, seven or eight financial years. We are engineering a changed environment.

There are generous measures provided in this budget to engineer people having real choices as they attempt to move back into work, where they can. For parents, there are measures totalling \$390 million, designed to help parents successfully obtain work. For people with disabilities, the government is investing \$555 million to help them get into work. That is emphasised by the fact that those people presently on disability support pensions will remain on them. They will not lose that entitlement. From 1 July next year—not this year but next year—people with disabilities who are able to work 15 hours or more at award wages within two years will receive a newstart allowance or a youth allowance instead of the disability support pension. Those people will obviously also need considerable assistance to be able to make transitions into work, but that is possible.

I have met many people with disabilities who are very keen to move into employment if that is possible. Their complaint is that there are not the mechanisms in sufficient quantity to be able to make that transition. This budget addresses that point. This budget provides those kinds of mechanisms and ensures that there are more choices available for people with disabilities to actually successfully transit from welfare payments into work. For example, there will be an exten-

sion of the disability open employment service through the addition of a further 20,000 places to ensure that people who require ongoing assistance will be able to find it. That is 20,000 more disability open employment service places: that is no small measure to ensure that people who seek that opportunity will be able to take it up.

There will be more money made available for employers to modify workplaces so that it is possible for a person with particular needs to be able to go out there and obtain employment in those environments. Given the number of employers who are finding critical difficulties in filling positions in a wide variety of occupations—we all know employers of that kind, who have complained about those sorts of problems, and we all know that the latest ANZ job vacancy figures showed a significant increase in job vacancies—we know that it is possible to move much further down the path of matching people with a desire to work with available job vacancies. The measures announced in the budget will certainly help to do that.

How else are we going to help people with disabilities to move into the work force? Another measure is an increase in the mobility allowance paid to people in that position. The mobility allowance will increase from \$69.70 to \$100 for those people who are unable to use public transport and who are required to look for a job, or people on the disability support pension working with an employment service provider. CRS Australia will also be given 41,700 extra vocational rehabilitation places. Those measures are significant. Those measures go a long way to addressing those needs.

If you take into account the fact that by no means all the people presently receiving disability support pension will be required under these new arrangements to enter the job market—indeed, I dare say the vast majority

will not be in that position—I suspect that in fact these measures will be overgenerous. That is, at the end of the day there will not be enough take-up of those positions. Rather than people not being able to get the sorts of opportunities like the disability open employment service places, in fact the reverse will be the case: there will be more places than there are applicants for them. That is a measure of the extent to which the government has been cautious in these reforms and has provided a very generous safety net under those who might seek to make this transition.

As well, people with disabilities on newstart allowance who are assessed as being capable of working 15 to 29 hours per week will receive the pensioner concession card, the pharmaceutical allowance and a telephone allowance. Members of this place who might be tempted to conclude that they will certainly be worse off by virtue of being on a newstart allowance need to take those sorts of concessions into account as well to appreciate just what assistance is available out there to make sure that in fact people with disabilities are not worse off by virtue of those arrangements.

In the course of the debate this afternoon, Senator Wong made reference to severely disabled people being out in the work force, many of them being capable of working and actually working, in the case of some of them more than 15 hours a week. She said, 'We all know such people.' Of course we do. There are people who do some extraordinary things and who quite determinedly hold down positions despite what we might consider to be quite severe disabilities.

Having said that, it is not quite clear where Senator Wong was leading. I thought that she might be trying to imply that therefore the government intends to force everybody with a 'severe disability' into the work

force. Of course that is nonsense. In fact, I think Senator Wong, by making that observation, proved the point that it is possible for those people to take a serious look at getting employment—and, if the right mechanisms are in place, a transition of that kind is more than possible. As I have mentioned, things like workplace modification allowances for employers will assist in making that possible.

I know many disabled people who will relish the sense that the mechanisms provided in the community are now more extensive in helping them make a real choice. Many of them want real choices. To some extent they have had those choices in the past and this budget strengthens and deepens that choice and makes it more likely that they will be able to make that transition. The sense of being pushed down that path by virtue of these changes is, I think, overshadowed enormously by the reality that they are being encouraged, facilitated and supported to make those sorts of choices. I suppose it is a question of looking at the glass as half full or half empty, but I have no doubt that the proof of the success of these measures will be significant numbers of disabled people actively seeking the kinds of opportunities that the government is creating—and they will be doing so with a sense of having a greater capacity to play a role in the community. As I said, most of the disabled people I speak to complain about there not being enough opportunities, not about being expected to go out there and work. They complain about there not being enough opportunities. These measures are designed to help them get opportunities.

Senator McLucas—Not 700,000!

Senator HUMPHRIES—As I said, you should not exaggerate the number of people who will be affected by these changes. In case it is not perfectly clear: people with a disability support pension as of Tuesday this

week will remain on the disability support pension.

Senator McLucas—You are leaving them there—no support, no training.

Senator HUMPHRIES—No, those people—

The ACTING DEPUTY PRESIDENT (Senator Kirk)—Senator, please address your remarks through the chair.

Senator HUMPHRIES—Of course, those people are not going to be affected at all by these changes. They are not going to have problems. But the present opportunities available to them will not go away. Through the measures the government is taking—like increasing the mobility allowance, offering more disability open employment service places—there will be more opportunities for disabled people to seek and obtain employment. That is the point. I have no doubt that many will take up those opportunities.

I appeal to the opposition in this debate—and others who choose to ‘run to the barricades’, accusing the government of trying to punish people with disabilities and people who are on parenting payments—to consider the need for these changes to occur in the Australian workplace. We cannot afford to have an environment which does not invite and encourage these people to think about employment, because our diminishing employment base as a proportion of our population is a serious, long-term problem. When we tried to do this with respect to older Australians—in trying to encourage people to think about working beyond retirement age—we had knee-jerk, disgraceful comments from the opposition, like: ‘it’s a new policy of work till you drop’. That is the kind of unhelpful and reactionary approach which will not get Australia’s debate moving forward about how to make this happen.

If you think what we are trying to do—get people off welfare and into work—is a good

thing, and if you think it is an appropriate policy measure to be embarking on then tell us how you would do it. Spell out what you would be doing; you have had more than nine years in opposition. You have had more than enough time to address this issue. You say that the Australian government has not addressed issues like our skills shortages adequately in that time. Well, tell us how you would do it. When I hear the alternative from the Labor Party I might have a little more regard for the alternatives that they offer. As I have not heard them, I think that the government's measures need to be supported, and supported fully. I am sure that there are hundreds of thousands of Australians who are looking forward with some relish to taking up the new opportunities being made available by this government's reforms.

Senator McLUCAS (Queensland) (5.42 pm)—This budget attacks the most vulnerable and defenceless people in Australian society: those who suffer from complex disabilities and chronic and degenerative conditions like HIV-AIDS, multiple sclerosis and mental illness. Treasurer Costello stood up on budget night, and later in the media, and smirked about people he claims are 'faking bad backs', as justification for introducing draconian and punitive measures that will have severe consequences for hundreds of thousands of Australians who suffer from a physical or mental disability.

The government is calling people with disabilities 'shirkers'. They are implying that MS sufferers and people with episodic mental illness, acquired brain injuries or other incapacities are 'bludging' and therefore deserve to be punished if they do not find a job. As a result of the government's changes to the DSP rules, the Australian Federation of Disability Organisations estimates that 60,000 people with a disability will be \$40 a week worse off. This is at the same time that the rich, people earning over \$125,000, will

be about \$65 a week better off. That is Mr Costello's concept of helping those most in need in our society. Young people with a disability will be particularly affected. Not only was there no budget allocation for a national disability employment strategy, but in the future they will also be financially disadvantaged in comparison to their peers.

There may well be a few people who should not be on the disability support pension. Labor has always maintained that disability payments are there for those who genuinely meet the criteria. But you do not make the thousands who are in genuine need suffer in order to ensure compliance. There are other, more equitable, just and fair means to ensure that those in genuine need are supported. Under the Orwellian doublespeak of welfare reform—the word 'reform' is used so poorly by this government—the Howard government is introducing a new form of punishment that goes beyond words like 'mean-spirited' and 'unfair'. The changes to the DSP announced on budget night are an appallingly vicious piece of policy that will create two tiers of welfare for people with a disability. The existing 700,000 Australians receiving the DSP are being abandoned and forgotten. There are no training or employment opportunities in this budget for them. People with disabilities needing the DSP in the future will be punished by this government. These people, implies Mr Costello, are faking their disability. These are the people with allegedly nothing more than a bad back. As an aside, Mr Costello has clearly never had a bad back. A bad back, Mr Costello, is one of the most painful and debilitating conditions one can have.

Let me make something patently clear to the Howard government—people with disabilities want to work. Senator Humphries said as much a moment ago. When I meet with disability organisations and people with a range of disabilities, the overriding mes-

sage I hear from them is that they want to participate, be active and contribute in the best way that they can, but the truth is that employers and job agencies are simply not employing them—and Senator Humphries agreed with me. The real day-to-day problems for people with disabilities trying to find suitable work are access to public transport and the design of buildings. These issues have not been addressed in this budget, nor were they addressed in any of Mr Costello's previous nine budgets.

In the lead-up to the budget, the Australian Federation of Disability Organisations called on the government to introduce a national employment strategy that focused on employers and improved job retention for people with a disability. This did not happen. Instead the disability sector woke up on Wednesday morning to the absolutely shocking headlines in the *Daily Telegraph* alleging that people with a disability are shirkers. I am appalled that the government has perpetuated this myth and facilitated this language of division. Since the inception of the Disability Discrimination Act 1992 and the campaigns waged by people with a disability and their supporters, the understanding of the lives of people with a disability and their consequent acceptance and inclusion has grown—but not to the point of a lack of discrimination. The language of the Howard Government this week, which has facilitated sections of the media to vilify people with disabilities, is to be deplored. This week has set back the goal of removing discrimination towards people with disabilities immeasurably.

The measures announced by Mr Costello to increase employment assistance to people with a disability will not create jobs, and the budget itself acknowledges this. What is needed is a national disability employment strategy that addresses disability discrimination and the barriers to participation. Without

concrete proposals to encourage employers to employ people with a disability, the budget proposals will do nothing to increase employment of these people. Instead, they will leave people more entrenched in poverty and unemployment than ever. The issue for people with a disability is not how many hours they can work but what type of work they can do. This is the fundamental issue that Treasurer Costello does not seem to understand or acknowledge.

The Howard Government does not understand that disability is a multidimensional concept—it relates not only to body function but also to people's environment, which may limit their capacity to participate. Disability is not a medical condition based on a health condition that may be treated purely by mainstream medical approaches. Disability is now recognised as the interaction between a person and their environment, including the social, economic, legal and structural environment. The most significant barriers people with disabilities face are a product of this interaction, and the help they need from government is assistance in changing that environment, not adding bigger and more onerous barriers.

Rather than having 'bad backs'—a category under which Mr Costello so ignorantly and patronisingly lumps everyone—3,958,300, or one in five, Australians has a reported disability according to the most recent ABS data. This rate is roughly the same for women and men and has remained static since around 1998. We also know that people with disabilities are trying to gain employment, and there are many people categorised as having a disability who are participating in the work force. Data from the ABS shows that of the people with a disability living in the community, 53.2 per cent are participating in the work force. In fact, ABS data says that, in 1998, 31 per cent of people with a disability living in the community were em-

employed full time and 16.1 per cent were employed part time. Of those with a reported disability, 86 per cent were limited in the core activities of self care, mobility or communication, or were restricted in schooling or employment. It is also staggering to note that 16 per cent of Australians with a reported disability have a mental or behavioural disorder as their main condition. It is relevant to point out here to the government that only 24 per cent of Australians with a profound or severe core activity limitation have completed year 12 and only 14 per cent have a diploma or higher qualification. My question to the government is: how do people with a range of disabilities find part-time work? My further question is: how will these same people fare in regional and rural areas, where able-bodied people find it hard due to limited opportunities and low job vacancies?

Senator McGauran—They will not lose their disability pension if they cannot find work.

Senator McLUCAS—I am sorry, Senator McGauran; they will. That is the point. The complexities involved with disabilities mean that some people with a disability cannot stand for long periods of time. Others suffer from disabilities that restrict their dexterity and movement. Some have disabilities that restrict the way they function in society. Of most concern are the thousands of Australians who suffer from periodic mental illness. In these cases a person may be able to work for weeks, perhaps months, without incident. However, when they have an episode or exhibit behaviour which is different, they more often than not lose their job. I cannot emphasise enough how detrimental this is to their self-esteem and their ability to re-enter the job market.

My further concern is the disincentive implicit in the measures in the budget for those with periodic mental illness to access em-

ployment. Repeated failure in the job market due to a person's mental illness, not their application or desire to work, will make anyone nervous about trying again, especially if there is the potential for accessing a lower pension if failure is once again realised. That reality is there. If those people are faced with the reality of another failure in the job market, they will be worried about trying again. That is the reality that is presented in this budget.

I am also concerned about how these people will be assessed for work capacity. What will be the qualifications of the assessors? Will they have specialist training in mental health or acquired brain injury? Where will people with disabilities be expected to work? Already we hear that the Attorney-General is considering granting an exemption to small business from complying with the Disability Discrimination Act. If this transpires then people with particular disabilities will not be able to access those premises. In other words, even though people want to work, they may be denied the opportunity because the work premises are inaccessible, dangerous or hazardous to their wellbeing.

The Howard government is refusing to recognise or acknowledge any of these factors. According to Mr Costello, these are just people with bad backs who do not want to work. So he has taken the biggest stick possible to people with a disability but has not mentioned, let alone addressed, the de facto discrimination that permeates job agencies, employers and the government when it comes to employing people with a disability. The government has not addressed the structural barriers—and I mean literally the structural barriers—that prevent people with disabilities from participating in the work force, because this would mean real welfare reform. It would mean doing something, as opposed to demonising the most vulnerable.

Let me point out the hypocrisy of the government. Under the Howard-Costello government there has been a real decline in the number and proportion of people with a disability employed in the Australian Public Service. So on Tuesday night we had the sight of a smirking Treasurer patronisingly telling people with mental and physical disabilities to go out and get a job or their benefits will be cut. But does he lead by example? No. Does the man who covets the prime ministership demonstrate the importance of leadership by ensuring that the Australian Public Service sets the benchmark for hiring people with a disability? No, he does not. The Howard government is penalising people with disabilities because they have a disability. It is demonising them, belittling their chronic conditions or mental illness and allowing the media to stereotype them as shirkers. This is not welfare reform; it is victimisation. The worst part is that it is based on ideologically driven obsession, not empirical data or research. I condemn the government for the way it is treating the hundreds of thousands of people with a disability. I commend the motion to the chamber.

Senator CHERRY (Queensland) (5.56 pm)—Two days ago both chambers passed condolence motions on the death of Pope John Paul II, recording ‘deep admiration for the magnificent leadership he provided to the Catholic Church’. It is a pity that the government has not taken up the strong exhortations of the late Pope to recognise the dignity of the family, respect the value of work performed in the home and ensure no family is subject to poverty. The minister responsible for the appalling welfare reforms we are talking about today, the Minister for Employment and Workplace Relations, Kevin Andrews, is in fact a very committed and dedicated Catholic.

Senator McGauran interjecting—

Senator CHERRY—In a recent speech in the House in March he relied on the late Pope’s 1981 encyclical on the value of work, *Laborum Exercens*, to justify the government’s attack on the rights of unions to organise. In his extensive and selective quoting from the encyclical, Mr Andrews missed the very important teachings of Pope John Paul II on the importance of families having sufficient means to live. In particular, the late Pope called for a fair family wage for their work. He said:

... or through other social measures such as family allowances or grants to mothers devoting themselves exclusively to their families. These grants should correspond to the actual needs, that is, to the number of dependants for as long as they are not in a position to assume proper responsibility for their own lives.

The late Pope went on to say:

Experience confirms that there must be a social re-evaluation of the mother’s role, of the toil connected with it, and of the need that children have for care, love and affection in order that they may develop into responsible, morally and religiously mature and psychologically stable persons. It will rebound to the credit of society to make it possible for a mother—without inhibiting her freedom, without psychological or practical discrimination, and without penalizing her as compared with other women—to devote herself to taking care of her children and educating them in accordance with their needs, which vary with age. Having to abandon these tasks in order to take up paid work outside the home is wrong from the point of view of the good of society and of the family when it contradicts or hinders these primary goals of the mission of a mother.

Senator McGauran interjecting—

Senator CHERRY—It is a pity Senator McGauran and Minister Andrews did not reflect on Catholic social teaching on the importance of parenting when considering these welfare reforms. It is a real shame that we are going to be forcing parents not to make choices about the balance between

work and family but to go out into the work force and leave children at home when they may have other needs. I refer to a press release from the Executive Director of Catholic Welfare Australia, Mr Frank Quinlan. He expressed very grave concern that these particular policies that the government is putting in place will leave the poorest in our community vulnerable to real risks. He pointed out the bleeding obvious: that every time the government tightens up its breaching regime and throws more people off welfare rolls it is the churches and other welfare agencies that have to take up the slack in terms of food stamps and other forms of support.

Will it happen? It most certainly will. The Job Network providers have a dreadful record of reporting breaches which are not justified. Currently, Centrelink rejects six out of seven referrals from the Job Network as not justified, as the person had a reasonable excuse for failing to turn up. But under Mr Andrews' reforms all that will change. A mere failure to turn up for an interview with a Job Network provider will generate a report that will lead to an automatic suspension of payment, regardless of what the reason was. Three such breaches and the parent will lose their payment for eight weeks. That means there will be no money available to pay the rent, the phone bill, the power bill and all the other things which go with parenting.

How this possibly supports the role of parenting, how this fits in with reasonable principles of social justice, is beyond me. By all means, encourage sole parents to go out to work. In fact, more than 50 per cent of sole parents already engage in some form of work. By all means, provide them with the training and the child-care places they need. But this particular reform of forcing people to work and throwing them off the rolls for not meeting the requirements of the Job Network activity test is simply unfair and unjust. Frankly, it is contrary to what should

be reasonable principles of fairness in our society.

Sitting suspended from 6.00 pm to 8.00 pm

BUDGET

Statement and Documents

Debate resumed from 10 May, on motion by **Senator Minchin**:

That the Senate take note of the statement and documents.

Senator SHERRY (Tasmania) (8.00 pm)—I seek leave to incorporate the speech by the Leader of the Australian Labor Party, Mr Kim Beazley.

Leave granted.

The speech read as follows—

Our great country is about to enter the second decade of conservative rule. History will mark 1996 to 2006 as the Liberal/National Government's decade of deception. Year after year of lowering the 'truth' bar then deliberately crawling under it.

With one common theme—the Government deceives, and Australians pay. But this year we've learned why this Government has been so deceitful. We uncover their motive with each new economic indicator: With one of the highest foreign debt levels in the world; with a record current account deficit; with household debt rising and rising.

And with the tragedy of a Government that turns away tens of thousands of Australians from TAFE colleges whilst the Treasurer makes a virtue in his Budget speech of importing skills from overseas to make up for the difference.

Sadly we're learning the truth. They've squandered this chance to make Australia secure for our children and grandchildren. They have surfed a wave of prosperity but left the tough decisions to future generations.

When we hoped they'd get better, they got worse. Tuesday's budget centrepiece is an injustice of the highest order. Instead of leading Australia through reforms the OECD and Reserve Bank tell us we have to have.

Instead of preparing Australia for the next phase of growth by investing in training Australians and in infrastructure like roads, rail, water and ports—and in tax reform which encourages people into the Australian workforce. Instead the budget savaged the weakest in our society.

And contemptuously dismissed those nurses, teachers, tradesmen, labourers—the people raising our families—the 80 per cent of our taxpayers—the engine room of Australia. They received no tax cuts last year or this year. And in the next three, they get a derisory \$6 a week. Nothing to encourage those out of the workforce into it—but for a minority, a tax cut which for the first time in my memory takes those of us in this: Parliament out of the top tax bracket with 10 times the reward of our fellow Australians. If you think anyone here of Labor principle would vote ourselves a \$65 weekly tax cut when the people who put us here get \$6—you've got another thing coming.

It's not leadership to cheer this through.

Leadership means you stand up and fight. That's what we'll do. I do so in the context of a budget of lost opportunity. It comes at a time when Australia is enjoying its highest export prices since Don Bradman retired from captaining Australia half a century ago. The minerals boom that underpins our economy has nothing to do with the policies of this government. Good fortune has added \$40 billion per year to our national income. That's equivalent to a \$7,000 bonus for every Australian family, every year. But a responsible leader looks out to the horizon, sizes up future threats to the nation, and prepares it for risks.

Before the Budget, the question for Australia was, what would we do with this singular opportunity? Would we invest it in something that lasts? Would we take this extraordinary opportunity to repair what is broken in our nation? This is a question of our values. What and who would come first in our Australia?

This Budget has failed the Australian people because it fails to act upon urgent challenges facing the nation:

- It does nothing new to ease our chronic skill shortage
- It does nothing new to fix our roads and ports

- It does nothing new to support research and development
- It does nothing new to support our universities
- It does nothing new to solve the water crisis
- It does nothing new to lift our exports

Fairer tax reforms

But before I get on to those matters I want to deal with the first order of business: taxation. Tonight I am drawing a line in the sand with John Howard: on Australian values and the sort of country we want to be. A line between John Howard's Government—which says someone earning \$500,000 a year deserves ten times the tax cut of an Australian earning \$50,000 a year.

A lot of Australians think John Howard's tax plan is terribly unfair.

I will expose it for what it is, and oppose it for what it is.

I will not accept criticism from a greedy government—for standing up for the 7 million Australian taxpayers who were tossed the tax cut scraps from the tax cut feast enjoyed by so few Australians.

The Labor Party will be the last line of defence between John Howard and his desire to divide the Australian community.

The Treasurer got a big cheer from the Liberal Party backbench on Tuesday night when he announced a whopping big tax cut on their super. And he got a huge cheer when he announced that these same politicians would be exempt from the top income tax rate. He was offering them a massive tax cut. Here was the Treasurer using the nation's public finances to gain the support of his colleagues for a tilt at the leadership.

It makes no sense to skew tax cuts towards those who have already enjoyed the greatest gains from our recent prosperity.

Tonight, I will set out a tax plan that takes the Government's proposed tax changes, and turns them into genuine reform of the tax system, that delivers benefits across the income tax scales with fairness.

The Government should raise the threshold where the 30c rate cuts in from \$21,600 to \$26,400. It

should implement a welfare to work bonus that would provide an effective \$10,000 tax free threshold for people earning up to \$20,000 per year.

It should avoid delivering any fiscal stimulus while the economy stays in the red zone of a potential interest rate rise in the second half of 2005. There is simply no benefit in giving families a \$6 a week tax cut if that tips the Reserve Bank over the edge into raising interest rates. After all, one interest rate increase will raise monthly mortgage repayments for a \$300,000 mortgage by \$48—almost twice the size of the \$6 weekly tax cut.

These changes should take effect from 1 January 2006.

In addition, from 1 July 2006 the Government should:

- Raise the threshold where the 42c rate cuts in from \$63,000 to \$67,000, and
- Raise the threshold where the 47c rate cuts in from \$80,000 to \$100,000.

This package would deliver a tax cut of up to \$9 for those earning up to \$25,000—double what the Government is offering.

It would deliver a \$12 tax cut for those earning from \$25,000 to \$70,000—double what the Government is offering.

It would preserve the Government's tax cut for people earning from \$70,000 up to \$105,000. We recognise that people on around \$80,000 aren't rich, but politicians on \$105,000 and over are doing alright. This package would deliver \$40 to people who earn \$105,000 and above—one third less than what the Government is offering, a much fairer outcome.

A worker or single income family on average weekly earnings will over the next four years gain \$1248 in tax cuts from the Government.

How much from Labor's plan?—\$2,184 in tax cuts. About \$936 dollars more under Labor for middle Australia.

A dual income family on \$85,000 will over the next four years gain \$2,496 from the Government.

How much from Labor's plan? \$4368 in tax cuts. About \$1872 under Labor for middle Australian families.

Now I say to those in Government: You have a choice. Make yourselves richer, or make 7 million Australians who put you here richer. This whole proposal could be delivered for around the same cost as the \$24.1 billion cost of the Government's changes over the budget period.

Welfare reform

This Budget's welfare changes were touted as a significant reform that would raise workforce participation rates and assist people to transfer from welfare to work. But the Government's approach to welfare reform does little to increase welfare recipients' capacity to work, and nothing to encourage employers to take them on.

Instead of seizing the opportunity to bring these Australians into the productive economy, it shifts them from one welfare payment to another. Let's put this in perspective. We are actually talking about people who, typically, live with poor vision or hearing; possibly suffer from episodic mental illness or endure chronic physical pain.

These are some of the most disadvantaged Australians. They are not a breed apart, a separate species. They are our neighbours, our sisters, our parents and our friends. A genuine effort to help get them into paid work involves taking practical steps to make it easier for employers to hire people with disabilities.

Welfare recipients often require training, and are not job ready. The lack of affordable childcare is also a major barrier to them working. The Government is offering only small childcare and training measures in this Budget that don't do enough to address the real challenges of getting these Australians into lasting work.

In practical terms, the main impact of the package is to shift disability support pensioners and sole parents onto the dole, where the Government will save up to \$77 per fortnight.

Once again, the Government has taken the low road, the easy path.

The 2005 Budget: A squandered opportunity

I have dealt with disincentive to work in our tax and welfare systems, by proposing a genuine tax reform plan. But to secure our prosperity we need to lift Australia's capacity for the next phase of growth.

Commentators agree this Budget fails to do that work. The ANZ Bank has said “it could not be said that this is a great reforming budget”. It is “light on spending to relieve infrastructure constraints”, and “there is now an increased risk that rates will be lifted again”.

The Budget should have seized an historic opportunity to invest in Australia’s future, and confront the long term threats to the economy. What Australia’s economic commentators are urging from this government is national leadership on infrastructure.

That means investing in our economy’s growth capacity—building a highly-skilled workforce and an advanced, competitive economy. Australia’s greatest asset is not in its mines, its stockmarkets or its buildings. It’s our people: hard-working Australians. And nothing gives us better prospects for long term productivity and prosperity than investing in working Australians.

We also need to keep the nation’s infrastructure in good repair. Our transport and communications networks must be up to scratch so that Australian businesses can seize opportunities for growth and investment.

We must also address enormous challenges in other parts of the national infrastructure: the crisis in our inland rivers; rising salinity problems in our soil, and gaps in our energy infrastructure. And we need a modern industry agenda that embraces the potential for innovation, business investment and growth from ratifying the Kyoto Protocol, encouraging clean energy and cutting greenhouse emissions.

We also need a broad program of reform to rebuild our international competitiveness. We need to strengthen our national competition laws. We need, once and for all, to resolve the bickering between Commonwealth and State governments, to improve efficiency and reduce duplication. We need to relieve the burden of regulation on small business and we need to simplify the mind-numbing complexity of our tax system.

Australia needs a government that is up to the reform challenge: that can lift the hood on the economy, get stuck in and fix things up. Just as the reformist Hawke and Keating governments did in the 1980s and 1990s—after inheriting a

weak, uncompetitive economy from the Fraser/Howard Government in 1983.

The Howard Government: Tinkering, not delivering

The Howard Government has talked for nine long years about reform, and it’s held scores of inquiries and published dozens of reports about reform.

But its record of action has never matched up to its rhetoric.

It’s a government that tinkers on the edges of reform. It walks around and kicks the tyres, but it doesn’t lift the hood and get its hands dirty with real reform.

Look at the record.

Who remembers now the great savings rebate of the 1997 Budget? Mr Costello said that it would increase savings, reduce our reliance on foreign debt and raise the speed limits to growth. Six weeks after it commenced they scrapped it! And since then, the household savings ratio has plummeted to below zero, and foreign debt is astronomical. And this week’s Budget quietly announced a permanent downgrade to Australia’s future growth prospects.

Who remembers the great crackdown on top end tax avoidance that was promised alongside the GST in 1999? Mr Costello claimed that it would clean out the rorts. Labor supported the cuts in corporate tax and capital gains tax, on the basis of Mr Costello’s undertakings to deliver those reforms in full.

Mr Costello even signed a piece of paper saying he’d deliver them in full.

But his signature on that paper was worth nothing. Who remembers Mr Howard’s flamboyant promise in 1996 to “cut red tape for small businesses by 50 per cent”?

There was a review. A report. A big launch. A blaze of publicity.

But instead of getting relief from compliance burdens, small businesses found they had to become tax collectors for the government when the GST and the Business Activity Statement were introduced.

And this year small businesses are burdened with another heavy load: the red tape nightmare of superannuation choice. Once again the govern-

ment decided that all the paperwork would land on the desk of the small business owner. Worse still, the government's legislation actually imposes a jail term of up to 2 years on small business owners who answer an employee's question about the super funds they might choose.

This Treasurer has form. He brings in the brass band to trumpet his big solutions. But when you look back on his legacy, you realise he's little more than a clanging cymbal; a hollow drum; a loud percussive nothing.

The Government is not up to the reform challenge

The problem for Liberal Party politicians is that the actions most needed to address our economic challenges don't fit their ideological prejudices. Instead of questioning their own prejudices, and putting them to one side, they deny the problems.

They cannot accept that there are substantive economic reforms that require real leadership from the public sector. But the big wave of economic reforms that shifted Australia from an over-regulated, insulated economy to an open market economy are already in place.

We do not have to relive the 1980s and 1990s.

The next wave of productivity growth is not going to come from the kinds of one-off reforms made in the 1980s and 1990s. The next wave of productivity growth will come from our long term investments—in our workforce and in our infrastructure.

Today's challenges therefore call for active public sector involvement.

Just as Labor abandoned its prejudices in pursuit of reforms like tax and labour market reforms in the 1980s, now the Liberal Party needs to break out of its ideological straitjacket and start putting Australia first.

In those days, the nation's economy required a historic shift to integrate Australia with the world economy, phase out protectionism, overhaul the tax system, create a modern productivity-based system of workplace agreements, and scale back regulation.

We put those reforms in place.

They weren't popular, and the Liberal Party opposed many of them. They opposed intergenera-

tional reforms like introducing an assets test on pensions. They opposed compulsory national superannuation, the greatest single step to build retirement income security for all Australians. They opposed tax reforms that restored fairness and equity, even our efforts to end those long boozy business lunches that executives enjoyed at taxpayers' expense.

They were lazy on reform then, and they are lazy on reform now.

In place of dispassionate reform that develops far-sighted solutions to our economic problems, what we get is silly ideological indulgences, like Brendan Nelson's Voluntary Student Unionism.

In the long term, Australia won't be able to escape the effects of this Government's wilful neglect. We need a government that gives priority to the long term over the short term. It means the government putting the nation's interest ahead of its own political interest.

Now I believe that government has a responsibility to invest in the wealth-generating machinery of the economy. We need specific, immediate action to address the long term erosion of work-force skills and infrastructure.

Skills

Rebuilding the nation's skills is an immediate and urgent need for our economy.

The Government's only initiative on skills this year is an increase in skilled migration—an extra 20,000 skilled migrants in this Budget. Meanwhile, the Government is turning away almost 40,000 Australians from TAFE each year.

Since 1997, the Government has turned 270,000 people away from TAFE colleges, while bringing in 180,000 skilled workers.

Labor's priority is different: train Australians first and train Australians now.

Trade Completion Bonus

The Government should move immediately to address the national skills crisis.

I would start with the appalling dropout rate in apprenticeships.

Currently, 40 per cent of people in New Apprenticeships drop out before completing their training.

We need more tradesmen and women, and less apprentice dropouts. The Government should move immediately to introduce a \$2,000 Trade Completion Bonus for traditional apprentices who complete their training.

The first \$1,000 would be paid half way through their apprenticeship, and the second at its end. This would immediately encourage more Australians to complete their training in areas of critical skill shortages—instead of forcing businesses to wait until 2010 for the first qualified apprentice to emerge from the Howard Government's technical colleges.

Trade Apprenticeship School Incentive Scheme

The second step the Government should take immediately is to dramatically increase the number of school based apprenticeships in traditional trades. Last year, just 11,400 school students commenced apprenticeships—70 per cent of these were not even in areas of skill shortage.

We could make a real dent in the skills crisis by allocating an additional 4,000 training places in our schools for Year 11 and 12 students—that's 2,000 at each level. We also need to give schools extra support to participate in this scheme.

I would provide a 50 per cent 'skill shortage loading' for school based trade apprenticeships. This additional funding of \$1,750 per student apprentice would help schools build their capacity to offer the school based apprenticeships, such as by creating links with local employers.

This approach reflects a difference in values between the Prime Minister and me. I think it's irresponsible for the Prime Minister to tell young Australians to drop out of school. Unlike the Prime Minister, I understand the difference between low paid, casual, and part-time work, and a real skill and a real career.

Young people who leave school early are twice as likely to become unemployed as people who finish Year 12. And employers want their apprentices to finish school so they have broad-based skills to make them better equipped for working life.

Infrastructure

The third major reform challenge that requires immediate action is the repair of our nation's in-

frastructure. Organisations like the OECD and the Reserve Bank have called for national leadership and have identified this as the missing factor in the development of Australia's public and private infrastructure.

If I was Prime Minister tonight, I would provide clear national leadership on infrastructure planning. I would marshal the expert advice on the extent of infrastructure problems, how to fix them, and how we plan for the roads, railways, ports, and communications networks of the future.

Mr Howard behaves as though we don't need action, just talk. In the past year alone, the Government has commissioned eight separate and sporadic and ad hoc infrastructure inquiries.

That is why Labor would set up a national infrastructure council to be known as Infrastructure Australia.

With input and representation from the private and public sectors, Infrastructure Australia would provide ongoing advice to all Australian governments—Commonwealth, State and territory—on the adequacy of what infrastructure we have and to develop a blueprint for the future.

Infrastructure Australia would be a standing item on the agenda of the Council of Australian Governments, and would bring provide regular reports to that body. I can't understand why the Government remains deaf to the calls from business for such a body.

If we get the policy settings right—through the establishment Infrastructure Australia—we can unlock investment in roads, rail, ports, communications, and energy networks. This will lift the speed limit of the economy and be a strong foundation for Australia's future prosperity.

Future Fund

I believe that the private sector has a major role to play in the financing and building of infrastructure. But some parts of our infrastructure cannot operate commercially and must be provided by the public sector.

The Treasurer has indicated that the proceeds of asset sales and budget surpluses will be moved into a Future Fund. I support this measure, but I have a different set of priorities as to the use of its

dividends. The Treasurer asserts that the assets will be in a locked box for 15 years. But let's just see how long before John Anderson's Nationals crow bar that box open. The Treasurer says the Future Fund will offset the pressure on the budget from the costs associated with population ageing.

What he is really talking about is paying superannuation to retired Canberra public servants. But the best safeguard against the intergenerational risks to the economy is to put the economy on a path of higher productivity and faster growth.

Labor has a different and better plan for a fund for the future, a fund to help rebuild Australia. Instead of the Government's Future Fund, Labor would establish its Building Australia Fund, and allow the income streams from that fund to be applied for infrastructure purposes.

This would lay our foundation for higher growth rates. Higher productivity and higher growth are the best and only ways to lay a strong foundation for the future.

Conclusion

A Budget exposes a government's priorities. It determines the way ahead for the nation. It is an open window on a government's soul. So with this Budget, who comes first in John Howard's Australia? The members of parliament in this place who get a windfall gain of \$65 per week, or the men and women who clean their offices and get just \$6 per week?

Of course, the Prime Minister will instantly dismiss Labor's stand for the 7 million forgotten Australian taxpayers and say that it is populist, opportunistic, and Labor Party class warfare. But I say it's just that we have different priorities and different values.

If this was the Budget Speech and not the reply, the rebuilding of the Australian economy would commence tonight. The engines of reform would hum again. We would begin again to lay the foundations for a better Australian future, one that depends not on the good luck of a mining boom, but on the skills of working Australians and the strength of the nation's infrastructure.

Labor stands for a better deal for working Australian men and women. And tonight one thing is clear. If ever this country needed a Labor Government, it is now.

Senator ALLISON (Victoria—Leader of the Australian Democrats) (8.02 pm)—Treasurer Costello told the parliament on Tuesday night that his 10th budget was framed for the future. Tonight I advise that this is not a future that the Australian Democrats can endorse. Our vision is very different from Treasurer Costello's. The Democrats believe in fairness, equality and compassion, and we do not subscribe to the politics of shame and blame.

The 2005-06 federal budget was, as expected, one of carrots and sticks: lots of blame and not a lot of fairness. The biggest carrots have gone to the high-income earners; the sticks are being used to beat up sole parent families and people with disabilities. It is the best of times if you are well paid and the worst of times if you are struggling. It is shameful, too, that the first two measures the government will pass, using its new Senate majority, attack the disabled, the widowed, the separated and single parents of young children. The Democrats say the government has no mandate for this.

This version of welfare reform cashes in on the populist myth that welfare recipients are bludgers and shirkers. It seriously devalues the work of certain parents: the ones who do not fit this government's conservative, white-picket-fence ideal of family. At the same time that the Treasurer was announcing his hard line for parents on welfare he was announcing that there would be a \$300 tax-free bonus paid to wealthy two-parent families where one parent stays at home to care for the children up to 18 years of age. The double standard is breathtaking. This measure pushes people onto dole queues for jobs that do not exist. The economics of the government's welfare reform simply do not add up. Why would you expand Work for the Dole when only 15 per cent of participants end up with full-time work? The only area of jobs growth in this budget is in the Job Net-

work and Centrelink, with hundreds of millions of dollars in additional funding being provided for job police and job agency programs.

Australia has 540,000 officially unemployed people and 1.2 million who want to work but fall outside the definition of unemployed. Last month there were just 22,600 job vacancies—that is, 77 jobless people for every vacancy—and the budget forecast predicts that jobs growth will slow from 2.75 per cent this year to just 1.5 per cent by June 2006. Yet the government says that 180,000 parents of school-age children—parenting payment recipients—and another 60,000 people with a disability should be off welfare and into the work force. There are of course people with disabilities in the work force just as there are 120,000 sole parents in work. I suggest that no-one would willingly remain on the paltry parenting payment if having a better paid job were a real prospect.

The fact is that there are still many barriers to people moving from welfare to work and if more training and Job Network assistance gets them ahead in the queue of the long-term unemployed they will not necessarily benefit and their children are unlikely to be better cared for. How easy will it be for a widowed, separated or divorced parent to find a job close to home during school hours that provides time off for children as young as six? How easy will it be for sole parents who have children with chronic illness, difficult behaviour or a disability, or sole parents with more than one child with such problems? Their search for a job that will not result in them leaving their children home alone or wandering the streets at night and during school holidays will mean they are likely to be breached and have their income support stopped without any questions being asked. The Breaching Review Taskforce, still kept under wraps by the government after six months, is apparently damning about the

government's harsh penalties. It calls on the government to cut the duration of current penalties for those who breach job search rules from 26 to eight weeks, but there is no mention of this in the budget.

Workers in this country do not have the right to flexible work hours or to paid family leave to care for sick children. The government says that over four years it will fund out-of-school care for 84,300 children, most of which, however, will not be available until 2008. But right now, in 2005, there is a shortfall of 50,000 such places. Add to that the demand driven by 120,000 parents forced into work, and it is obvious that more than twice that number will be needed.

Last budget the Treasurer told Australians to get procreating. A year later, the poorest parents were punished—child care is still unaffordable and unavailable to many families. How good it would have been for Mr Costello to have announced last Tuesday that child care of up to 30 hours a week, for instance, would be publicly funded for the families that required it, and that the higher costs of child care for children up to two years of age would be addressed. The Democrats estimate that it would cost \$2.5 billion to do so, including the much needed increase in child-care worker wages. How good it would have been to hear that preschool would be provided free of charge to families, at a further cost to government of \$430 million. It would mean that around 40,000 children would not continue to miss out and that every child-care centre could provide formal preschool for four-year-olds. Instead, this government misled people at the last election when they promised an uncapped 30 per cent rebate on out-of-pocket child-care expenses from January 2005. Another broken non-core promise means that those expenses cannot be claimed now until mid-2006 and that there will now be a cap of \$4,000 on expenses for every child.

The Democrats believe that high-quality child care and early childhood education lay the foundation for effective learning and improved educational achievement and for social, cognitive and emotional development. These are the keys to eliminating child poverty. The way we see it, children are a shared responsibility. They are our future, and the government dollars invested in care for young children are a more valuable investment than any other spending—certainly more important than tax cuts for the well-off.

The new welfare system will be more complicated, with two kinds of disability pensions and two kinds of parenting payments. We ask: where is the simplification of the welfare system that was recommended by the McClure report four years ago? Where is the disability support pension supplement that acknowledges the additional cost of many disabilities? The budget's so-called 'new places' in disability employment programs largely replace those abolished since 1996. Most of these are going to the Job Network, which is far less successful at getting the disabled into work than other programs. Where are the supports for disabled people in the work force? Where are the incentives for businesses or even government departments to employ people with impairments?

The Democrats think people with disabilities should be given every possible opportunity to participate in the work force. But the budget goes nowhere near to providing the level of employment support that they need, particularly given the harsh treatment that will be dished out for noncompliance. New applicants will face a cut to their income of around \$60 a fortnight, as well as the loss of concessions and other benefits. The increased mobility allowance for those who qualify is twice consumed by the drop in income. In 2002, the Democrats, holding the balance of power in the Senate, stopped

these attacks on people with disabilities; these measures will not pass this time without the Democrats trying to amend them and to ensure the views of those most affected are heard.

The centrepiece of this budget—and the one government no doubt hopes will be popular with most coalition voters—is the tax cuts. But forget it if you are one of the Howard battlers. High-income earners have done very well, but those on the lowest incomes must be satisfied with the crumbs. A person on only \$10,000 a year will receive a tax cut of \$80 a year, while a person on \$125,000 a year gets a tax cut of \$4,500 a year plus a superannuation tax cut of around \$1,500 a year. Of course, the vast majority of those on high incomes are men. According to the ABS, only 1.8 per cent of female employees earn more than \$80,000 a year. And let us not forget too that high-income earners have had the benefit of a range of other measures, such as negative gearing, capital gains tax cuts, salary packaging, company cars, personal trusts not being taxed as companies and the private health insurance rebate, all of which are overwhelmingly beneficial to the wealthy. The Democrats will not support tax cuts for high-income earners while Australians in poverty pay income tax. Our priority is tax cuts for low-income earners. The Democrats have often spoken here in the Senate about the importance of reforming the tax system to prevent poverty traps and to encourage people off welfare and into work. The Democrats are not opposed to tax cuts per se, but we have a better alternative—a much fairer proposal.

Instead of \$4,500 for just the privileged few, for the same budget outlay we would give every taxpayer, including those on the lowest incomes, \$680 a year. The Democrats have been campaigning for some time to lift the tax free threshold to \$10,000. We do not believe that people in poverty should be pay-

ing income tax, and we certainly do not think that those currently earning as little as \$6,000 a year should be doing so. On our web site—www.democrats.org.au—taxpayers can calculate the different effects on their incomes of the Costello and the Democrats' tax proposals, and it does not cost anything. A taxpayer earning \$28,000 a year will see that they would be \$7 a week better off under our plan than they would be under this budget. This is in stark contrast to the Costello tax plan, where someone earning \$125,000 a year is \$52 a week better off.

The Democrats support indexation to address bracket creep. People should not end up paying more income tax just because their wages are keeping pace with inflation. Bracket creep and, indeed, creep in a whole lot of other thresholds, give governments the ability to splurge on the eve of an election, giving back money which they gained only because of that bracket creep. This was the case in the 2004 budget, when tax cuts were provided exclusively for those on more than \$52,000 a year. The government had choices in this budget. It could have given fair tax cuts and invested in services rather than deciding to accumulate surpluses of \$34 billion over the next four years. In the 2005 budget there were many areas where the government failed: health, environment protection, education and infrastructure—all critical to Australia's future.

Federal budgets for some years now have failed massively on the environment. Tax cuts will provide little consolation for the real costs of not protecting our air, oceans, forests and native wildlife. This budget, like many since 1996, has tried to pass off under the environment portfolio a host of programs that should have been funded from other portfolio budgets. The Antarctic air link is not likely to benefit the environment. Undoubtedly, the greatest omission was climate change. There is no sign of a national cap on

greenhouse gas emissions or a greenhouse gas trigger in the environment laws. Greenhouse gas abatement programs have been stretched out over more than a decade and the government doggedly refuses to mandate renewable fuels or increase the renewable energy target from what will be less than one per cent of total electricity generated by 2010. The energy white paper takes us backwards on transport, still favouring road over rail and ignoring public transport.

With so much of the current focus on on-the-ground community based initiatives, the federal government has put the burden of environmental management squarely onto the community. At the same time, the Minister for the Environment and Heritage has virtually gutted funding to support voluntary environment and heritage organisations. The government is finally making some progress on water management, and at the time of the pre-election announcement we welcomed the National Water Initiative. We are pleased with continued work on Democrat initiatives, including water efficiency, recycling and reuse of grey water, better management of sewage and improved irrigation and storage systems—all recommendations that came out of the Senate committee inquiry initiated by the Democrats. Similarly, we welcome funding to fight weeds and invasive species. However, to ensure it is money well spent the government must address significant problems in policing the spread of recognised weeds—something also unearthed by the Democrat initiated and chaired Senate inquiry into invasive species.

The coalition government have never cared too much about the environment but we were shocked to see that they have also cut health funding. Despite an \$8.9 billion surplus, total health funding has been cut by \$275 million over four years. That happened with the lifting of the safety net thresholds and the arbitrary cut to new generic pharma-

ceuticals. We welcome a few small initiatives, such as the cancer program. The government has, however, failed to deliver in a number of key areas such as mental health and dental health and has failed to offer long-range solutions to the looming crises facing Medicare and to health work force shortages. Instead, it continues to pass the costs on to the sick and the poor.

The ongoing \$2.5 billion a year drain on the public purse for the private health insurance rebate is maintained, money which could be better spent on addressing some of the glaring omissions from the health budget. There is nothing in this budget to contain the spiralling costs of specialists. Anyone who needs to see a doctor or a specialist faces longer waiting times and higher out-of-pocket costs. The Democrats believe this effectively wipes out any tax gains for average working Australians. It is those on low and middle incomes who rely on public dental services, and again there is nothing to reduce long waiting lists and no sign of a reintroduction of the Commonwealth dental program cut in 1996.

The Minister for Health and Ageing has acknowledged that mental health services in this country are 'an absolute disaster'. Australia spends half as much on mental health as comparable countries do, and a fraction of those needing help actually receive it. Yet this budget has delivered nothing to help those one in five individuals who experience mental health problems in their lifetime, or their families. A decade after the Burdekin inquiry found appalling shortcomings in mental health services in Australia, not much has changed. The Democrats have initiated an inquiry into this issue and submission after submission tells us that much more needs to be done.

Mr Costello pays lip-service to the problems of an ageing population but, yet again,

in this year's budget there is no additional funding for home and community care services and no reform of the residential aged care funding system. Preventative health programs would be a better way of containing costs than raising the safety net threshold. Extending Medicare to cover allied health services, including midwifery, psychology, podiatry and physiotherapy, would have improved our primary health services enormously and avoided much more expensive acute care.

The Democrats were disappointed by this year's Indigenous budget. The trumpeted savings from the abolition of ATSIC are not obvious anywhere in the Indigenous budget. There is just \$170 million in additional funding over four years for Indigenous health, which falls far short of what the AMA said was needed. In fact, Indigenous health requires an additional \$452 million annually just to bring the health of Indigenous Australians up to par with that of the rest of the population. The Democrats believe it is a matter of shame that in a time of record economic prosperity the health and wellbeing of Indigenous Australians is in crisis and Indigenous life expectancy is still 20 years below the national average and below that of Third World countries such as Nigeria, Nepal and Bangladesh.

The future of the Australian economy is dependent on the skills of its people. Despite the national skills crisis, the government funding for TAFE, our nation's major training provider, is now significantly less in real terms than it was in 1997, despite large increases in demand and in the numbers of students in the TAFE system. There is nothing in this budget for the TAFE sector. The government's refusal to invest in the nation's future skills development is clearly absurd. We need to put resources into areas where demand for skills is growing: biotechnology, health sciences, food processing, business

services and community and health care industries, for starters. TAFE funding is also the best way to improve the skills of those wanting to return to the work force or to keep up with technological change.

Universities and university students were also ignored in this budget. There was no relief for students in relation to income support, with HECS increases of up to 25 per cent in most universities. University grants will continue to be eroded by poor indexation. And there are no initiatives for schools. Funding for public school students is still well below the OECD average, and the government's ideologically driven private tutoring voucher system is being ignored as unworkable and not useful. The government's new funding arrangements for Indigenous students have caused havoc and heartache in the most disadvantaged remote and not-so-remote schools.

We had hoped that the Democrat-initiated National Safe Schools Framework, which is now a condition of federal grants, would be properly funded, but there are no allocations for financial assistance to schools beyond 2005. Around \$15 million per year should have been provided by the federal government to make our schools safer. Bullying is a very serious problem in schools, with long-term ramifications. Expecting that a handful of pilot programs, a web site and some text books will eliminate bullying is fanciful.

We have a tax-and-spend government. What we need is a tax-and-invest government—one that invests in a big way in all Australians, in education and training, infrastructure and the environment. And where is the solid investment in overseas aid? Why are we not doing more to reduce poverty in our region that would lead to greater security? Instead, there is another bill for the war in Iraq—\$240 million for the additional de-

ployment of troops to Iraq that the Prime Minister promised would never happen.

Faced with a looming intergenerational crisis, a skills shortage and an \$8.9 billion surplus next year, Treasurer Peter Costello could have invested in job creation, industry and infrastructure. Where in this budget are the major projects: the ports, railway networks, intermodal connections, water saving schemes—the sorts of projects that were once funded under the Better Cities Program—and 21st century telecommunications services to rural Australians?

Mr Costello's 10 budgets have never been known for their investment in the future. Initiatives like the *Intergenerational report* were just given as reasons to reduce social services like the Pharmaceutical Benefits Scheme and the disability support pension because, Mr Costello says, they are not sustainable. What is also notable about Mr Costello's budgets is that they almost always underestimate the budget surplus. The Democrats suspect that Mr Costello is keeping billions of dollars of Australians' money for his own election war chest—money that should have been put into services and investment that would keep our economy strong and lift the incomes of the poorest Australians.

The solid financial position of the Australian economy is in part due to the sound management and responsible decisions of the Senate. Over many years, the Democrats have played an effective, responsible and constructive role in reforms to industrial relations, tax, the welfare systems and superannuation as well as the environment. We have made things fairer by preventing some of the bad initiatives of this conservative government from hurting Australians. We have stopped previous budget proposals from attacking the sick and disabled and we have significantly improved other measures. Un-

fortunately, come July, the coalition is going to be able to pass whatever proposals it wishes because the Democrats will no longer hold the balance of power. The government will be able to pass its grossly unfair tax cuts. But the Democrats will not pass them in the meantime—we will propose alternatives. The history of the Senate and certainly of the Democrats is full of examples of where we have been significant in improving budget proposals to ensure that they are economically responsible, socially fair and environmentally sustainable.

There are measures in the budget that the Democrats welcome, including many initiatives that we proposed or lobbied for. They include extending the maternity payment for adopted children for up to two years; extending the solar energy Photovoltaic Rebate Program for at least another two years; anti-smoking campaigns aimed at young people; improved taper rates for newstart allowance; a human genetics commission as proposed by my colleague Senator Stott Despoja; and continued, if minimal, funding for the National Pro Bono Resource Centre. There has also been the belated announcement that funding for key domestic violence and sexual assault centres will be maintained. The Democrats have been successful before in changing the government's plans and convincing them to take up good ideas. We can continue to do that.

The budget welfare reform proposals must be assessed by the experts. We must hear directly from those who will be hurt. We believe the evidence is there that the budget's proposed welfare reforms will not work. They will make life harder for many people for no good reason. We hope the government is still open to listening to the arguments and is not so arrogant that it will just force them through the Senate. I remind the government that having 51 per cent of the seats does not mean automatically that it has 100 per cent

of the answers to the big issues facing Australia. The Democrats hope the coalition will listen to reason on the tax cuts. We know that the highest income earners can afford small tax cuts and the lowest paid workers deserve a bit more money in their pockets than Mr Costello is offering. If Mr Costello wants to be a leader and not just a politician, he has to look beyond the bottom line and budgets and show some compassion for those Australians who most need help.

Senator NETTLE (New South Wales) (8.26 pm)—This is a cowardly and foolish budget. It is a budget that attacks the poor and advantages the wealthy. It is a budget that fails the Treasurer's own sustainability test. It is a budget which again squanders public funds. There is next to nothing for social infrastructure for our education and health, environmental infrastructure for water and clean energy and physical infrastructure for our railways and ports. There is no goal to improve the lot of Australians who struggle daily to make ends meet and no plan to invest in public services and the restoration and protection of our environment. This budget moves us backwards on building a fairer and more compassionate society and on caring for the unique environment we hold in trust for generations to come.

The Australian Greens have a very different vision for this nation. We want the economy to genuinely serve the interests of all Australians, not only the wealthy, and to genuinely set us on a sustainable footing for future generations. We want a society that cares for those who are unable to work, supports those who want to work and acknowledges the contribution of those in unpaid work. We want prosperity based on sustainable use of our natural environment and a fairer sharing of national wealth.

Having listened to the Treasurer's speech on Tuesday, I found myself wondering if he

lives in the same Australia that I do. He talks of a strong economy in its 14th year of continuous economic growth. But what kind of Australia has this strong economy delivered under the stewardship of this government? It has delivered an Australia where the wealth gap between the rich and the poor is at its largest in 40 years and is growing. The benefits of economic growth have not been shared equally across the community and this budget adds to this inequality. One in every nine Australians lives below the poverty line. That rate is higher than the OECD average. The National Centre for Social and Economic Modelling, NATSEM, calculates that the richest 20 per cent of Australians have 62.8 per cent of our country's wealth. This is forecast to rise to 70 per cent in 2030. Wages for ordinary Australians went up just 3.5 per cent last year, whereas corporate executive pay went up 30 per cent as company profits boomed.

The Howard government has delivered an Australia where employment is increasingly tenuous, casual, part time and not shared evenly amongst the community. Part-time employment has increased much more rapidly than full-time employment. Casual employees now make up 27.9 per cent of the work force. Part-time and casual jobs are generally poorly paid, with worse conditions than full-time jobs.

Despite government claims of low unemployment, there is significant underemployment—that is, people wanting to work more. The Australian Bureau of Statistics found that one in four part-time workers wants to work more hours. The Australian Council of Social Service estimates that, if hidden unemployment were added to official unemployment, the unemployment rate would roughly double. Yet by some miracle the government expects tens of thousands of sole parents and people with disabilities to suddenly find work. The economy that the

Treasurer has presided over has delivered an Australia where buying a home is increasingly out of reach for most young people, whilst tens of thousands of Australians are homeless.

Despite strong economic growth, our government cries poor when it comes to the expenditure needed to sustain the natural environment that supports our very existence. The Murray River red gums continue their slow but certain death while the government fails to adequately address the problems of water allocation and dryland salinity in the Murray-Darling Basin. Australia's greenhouse gas emissions keep rising and climate change is evident. A new drought threatens vast stretches of the country that have not recovered from the last one. Land clearing continues to destroy native vegetation and to threaten the animals and birds that rely on it. More than six months after promising to protect Tasmania's old-growth forests, the Prime Minister has not yet protected a single tree.

After 14 years of growth and 10 years of Costello budgets, the real legacy of the Howard government's economic management is a nation that is less compassionate and running down the environment. Real harm is being done and real lives are being damaged. But the Treasurer thinks that is okay because he can give out tax cuts, and the wealthier you are the bigger the tax cut you get. The Greens say that this budget is cowardly and foolish: cowardly because it punishes the poor and vulnerable whilst giving massive tax cuts to the wealthy; foolish because instead of addressing the intergenerational pressures that the Treasurer talks about it exacerbates them through regressive tax changes and missed investment opportunities. There is simply no justification for giving more tax cuts to the wealthy while cutting the income of unemployed people, people with disabilities, sole parents and par-

ents on low incomes caring for young children.

There is a case for genuine taxation reform. Taxation is one of the most effective tools that the government has for helping those with little and asking those with wealth to pay their fair share. The government should be closing the loopholes exploited by high-income earners in our taxation system that ACOSS estimates cost the community \$11.5 billion every year. The government should remove the regressive GST, especially on basic cost-of-living expenses like transport, electricity, gas and telephones. We need to discourage the unsustainable exploitation of natural resources and reduce greenhouse gas emissions while encouraging investment in goods and services that benefits society and the environment. Instead of addressing these changes that are so urgently needed, the government prefers to target vulnerable and disadvantaged people, imposing harsher rules and cutting their income support—pushing more people into poverty.

There are a lot of reasons why people cannot find work: things such as lack of education and training, no recent work experience, mental illness, expensive equipment and transport expenses, discrimination, lack of affordable child care, inflexible working hours, no jobs in their geographical area and, not least of all, wanting to give priority to caring for their children. There is a case for welfare reform, but it is not what the government has delivered in this budget. Since the rate of the newstart allowance is below the poverty line, the government's welfare changes will push more people into poverty. The McClure report on welfare reform proposed simplifying the welfare payments system, but this budget makes the system more complex by adding more layers of payments with different rules. Genuine welfare reform requires a serious investment in people and services to help them. ACOSS estimates that

\$2 billion a year is needed for this investment. The government did not even get halfway near that in this budget.

Many people receiving the disability support pension would like to work, but they face barriers like discrimination, lack of access to public transport and difficulties with access to buildings—none of which have been addressed in the budget. The Australian Federation of Disability Organisations said of the budget:

Without concrete proposals to encourage employers to employ people with a disability, the budget proposals will do nothing to increase employment of people with disability.

The government could start by leading by example and reverse the fall in the number of people with a disability who are employed in the federal Public Service. The government has a massive surplus but is reducing support for sole parents and full-time carers with low-income partners. When their youngest child turns six, they will be shifted to unemployment benefits, losing \$40 per week. Sole parents already do the work of two parents in raising and supporting their children. They already carry a heavy burden. Four out of every 10 sole parents are in the bottom 20 per cent of income earners. The government is always telling us that parents know best how to raise their children, but now the government is telling sole parents and low-income parents when they are no longer needed at home to care for their children.

The community will continue to subsidise middle- and high-income two-parent families through family tax benefit B, which is not household means tested, so that they can choose to have one parent at home caring for their children, but sole parents and low-income parents will be treated less favourably. The Greens believe sole parents and low-income parents should be assisted to undertake paid work if they think they can

accommodate it with their caring responsibilities. Seven out of 10 sole parents already undertake paid work at some time in each 12-month period. But it is not fair to put them under more stress by forcing them to do paid work when it means they cannot provide the care that their children need. What sole parents and low-income parents really need is more accessible and affordable child care, access to training and education, and flexible, secure work that provides carers' leave and regular hours with decent wages.

Australia has a shortage of child-care workers and child-care places. As many as 174,500 children are already missing out on the child care that their parents need for them. On top of that, rising fees are putting child care out of the reach of many families. The additional 87,800 child-care places allocated in this budget do not go near addressing the existing shortage of child-care places. They are not linked or tied to sole parents and low-income parents and they do not meet the needs of those people whom the government expects to find paid work. The National Council of Single Mothers and Their Children estimates that, in order to get parents into work, each of their children will need up to three of those places—that is, a before school place, an after school place and a holiday care place. Parents will also face problems when a child is sick and cannot be placed in child care or with finding child care to accommodate the irregular, late night and weekend work that is typical of casual employment.

This budget gives more cash to the wealthy but makes life harder for unemployed people by imposing harsh obligations on them. The much criticised breaching regime has been changed by imposing an immediate eight-week payment suspension—no questions asked. There are harsher penalties for older unemployed people who are expected to look for full-time work, despite the

government's admissions that they face age discrimination. Long-time unemployed people will be forced to work for the dole for \$8 an hour—that is less than the minimum wage—for 25 hours a week, 10 months of the year to keep their income support. That will not address the reasons why people have been unable to find work, nor will it help them have time to search for a job.

It is a myth that we have a low rate of participation in the work force. Australia's work force participation rate is higher than the OECD average. Plenty of people not participating in paid work are doing things that help make our society a better place. They are doing things like raising children, caring for people with disabilities, nursing elderly and frail people, repairing and protecting our environment, assisting in schools and hospitals, working with asylum seekers, promoting cultural activities and helping young disadvantaged people. Nearly one-third of people over 18 did volunteer work in 2000, contributing over 700 million hours of unpaid work. That contribution must be acknowledged, and all people without a job should be treated fairly.

The government argues that people with disabilities, sole parents and low-income parents must be forced into paid work because the population is ageing and imposing higher health and welfare costs on the budget. Our welfare budget is not large by OECD standards and the reliance on welfare in this country has been falling and continues to do so. The Productivity Commission report on the economic implications of ageing, which was released last month, agrees that health costs in 2040 will be more expensive, but it also states that Australians will be twice as rich as they are now. The assumption the Treasurer is making is that, even though individuals on average will be twice as rich as they are now, they will not be willing to pay for more health care. The Greens

believe that he is wrong, and it is not just the Greens who are sceptical about the Treasurer's assumptions on this issue.

A critique of the Treasurer's 2002 *Intergenerational report* that was prepared by ANU academics Professor of Demography Peter McDonald and Professor of Economics Steve Dowrick exposes faulty assumptions and modelling in the Treasurer's report. They found that the Treasurer's report consistently underestimates the effect of ongoing increases in educational levels on work force participation rates and productivity increases. As well, the report presents an unduly dire picture of the level of future costs of health and aged care, even though these costs cannot be forecast accurately.

Despite these criticisms, the Greens welcome the opportunity to focus on the long-term goals of government policy. If the Treasurer were truly concerned about a blow-out in, for example, health costs in the long term, he would be investing in public, preventative and primary health care, rather than seeking to privatise our health care system further. The government has already wasted almost \$14 billion on the private health insurance rebate since its inception, with no public health benefit to show for it. Thousands of people wait more than a year for elective surgery. People cannot afford to see a dentist, and plenty of people pay up front to see a GP because the government is working hard to make bulk-billing disappear.

The government is determined to entrench a health care system in which you get what you can afford to pay for, not what you need. It is a health care system in which the government shovels money at insurance funds but claws it back from sick people. If the government succeeds in this mission to privatise our health care then the cost of providing health services to an ageing population will shift outside of public control, guaran-

teeing greater expenditure but less access for low- and middle-income earners. The best way to control health costs is for the government to buy services on behalf of the community through the public health system and to invest in community based care and preventative health, improving services in regional and rural Australia, and addressing the appalling state of Indigenous health. These measures will help to reduce the costs of health services to the public whilst ensuring that health care delivery is fair. Access to health care must be based on medical need, not on private capacity to pay.

If the government were truly interested in taking a long-term view about increasing work force participation and productivity to help pay for an ageing society, it would be investing in education. The public education budget has lost billions of dollars in real terms under the Howard government. Every one of those dollars represents a lost opportunity to improve skills, employability and investment potential, apart from the obvious public good of having a well educated population. All of those things improve productivity. Our universities continue to cry out for proper government funding. Whilst the government refuses to pay for the research and development potential in Australia, it will continue to be unfulfilled. Many of our children are not receiving the start in life that they deserve and, as a result, they struggle to contribute to their full potential. The Greens particularly want to ensure access to free public preschooling for every Australian child.

Perhaps most obviously, the long-term health of our nation depends on the health of the planet—but yet again the budget fails to provide adequate funding for the environment. This is a budget with an \$8.9 billion surplus. There is plenty of money to invest in repairing and protecting our environment. As long as we fail to do so, we not only deprive

future generations of their inheritance but also undermine the basis of our own material wellbeing. The government has just stripped key environment groups of funding because it did not like the lobbying that they were doing to protect our planet and future. The Prime Minister is expected to announce his package on Tasmania's old-growth forests tomorrow. One thing we know for certain is it will not be anywhere near the proposal put forward by the Tasmanian Greens, the Forest Transition Strategy, which provides a detailed blueprint for protecting forests and creating approximately 900 sustainable jobs in the tourism and timber industries.

The Greens' vision for our future is that Australian workers will be happy and clever, not working harder and for longer. A happy, clever work force sharing the work more efficiently can more than provide for our future needs. But the budget contained nothing to advance this vision. Instead, the coalition is targeting low-paid workers whose wages it thinks are too high and should be curtailed. That is why the government wants to move away from an open, independent wage-setting procedure in which all parties are able to present their arguments in public.

There is no evidence that slowing minimum wage growth will lift employment, as the government claims. What we do know, though, is that entrenching low-paid, low-skilled jobs will entrench working poverty. Instead of making life harder for disadvantaged workers, the government should be investing in better skills that will lead to better paid jobs. If the Treasurer is concerned about participation rates then making working conditions harsher is not going to help. The Greens support making work more attractive not less attractive. It is hard to see how reducing wages and conditions will entice older Australian workers to stay in the work force longer.

The foundation of our nation will always be rotten whilst the first Australians continue to suffer the indignity and hardship of over 200 years of discrimination, dispossession and neglect. The government's treatment of Indigenous Australians does nothing to turn this around. Having abolished the national representative Indigenous body, ATSIC, the government is now setting about imposing requirements on Aboriginal communities in return for services that every other Australian expects as a right of citizenship. These measures will not address the most pressing needs of Indigenous communities: relatively high infant mortality and lower life expectancy, substance abuse, low participation in education, low levels of employment and poor housing. The Greens say that addressing Indigenous disadvantage should be a top priority for government. A sustainable nation must be a nation reconciled with its Indigenous peoples.

Australia also has a poor record in assisting the world's poorest nations. At a time of great national prosperity there is no excuse for failing to lift substantially our overseas aid commitment from the paltry 0.26 per cent of GNP last year. Yet this year's budget commits us to just 0.28 per cent of GNP—a long way short of the United Nations' recommended level of 0.7 per cent of GNP.

The budget allocates \$402.5 million towards Australia's latest Iraq deployment—now in its third year. The total budget for participation in the invasion and occupation of Iraq is already over \$1 billion. Whilst other countries are leaving Iraq, the Howard government is digging us deeper and deeper into this quagmire. The increase in defence spending now means that the federal government is spending as much on defence as it is on education. Why is the government spending as much on the preparation for war as it is on preparing our young people for the future? The government's relationship with

the White House is distorting Australia's defence decisions and budget priorities. Our defence forces should not be designed to suit the priorities of the Pentagon. We need an independent defence and foreign policy.

As I said at the beginning, the Greens see this budget as both cowardly and foolish. It represents a massive failure of the responsibility of government to lay firm foundations for the future of Australia. It robs from the poor and vulnerable whilst giving to the rich. It does not do enough to protect our natural environment and it does not invest in our public health or public education services. Instead, it puts things like war ahead of things like aid.

The Treasurer makes a lot of noise about the future and the need to think in the long term. The Greens agree, but we see no evidence of long-term sustainable thinking in this budget. We are living on borrowed time until we confront the serious challenges this century will bring. We must start valuing our environment, focusing our health system on health rather than on illness, and investing in public education and training. And we must start recognising that we are part of a global community that can and should work together if our collective future is to be assured. This is the positive long-term vision of the Australian Greens.

Debate (on motion by **Senator Colbeck**) adjourned.

**AUSTRALIAN FEDERATION OF
PREGNANCY SUPPORT SERVICES
ANZAC COVE
HOUSING ASSISTANCE REPORTS
GENETICALLY ENGINEERED
PRODUCTS
COMMUNITY DEVELOPMENT
EMPLOYMENT PROJECTS**

Returns to Order

Senator COLBECK (Tasmania—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (8.51 pm)—by leave—This part of the statement is on behalf of Senator the Hon. Kay Patterson, the Minister representing the Minister for Health and Ageing. The order arises from a motion moved by Senator Bartlett at the request of Senator Lyn Allison, as agreed by the Senate on 12 May 2005, that there be laid on the table by the Minister representing the Minister for Health and Ageing, no later than 4.30 pm on Thursday, 12 May 2005, copies of all reports provided by the Australian Federation of Pregnancy Support Services to the Department of Health and Ageing as part of their reporting requirements, including financial statements.

I wish to inform the Senate that the Department of Health and Ageing is currently working to provide copies of reports and financial statements. However, due to the large amount of material requested in a short time frame, copies of reports cannot be laid on the table by 4.30 pm on Thursday, 12 May 2005. Copies of reports will be tabled out of sittings by Friday, 20 May 2005.

This part of the statement is on behalf of Senator Hill, the Minister for Defence. The order arises from a motion moved by Senator Mark Bishop, as agreed by the Senate on 11 May 2005. The terms of that order are:

That there be laid on the table by the Minister for Defence, no later than Thursday, 12 May 2005, all briefings to the Minister and the Minister for Veterans' Affairs, on the matter of road works at Gallipoli over the past 4 years, and all internal minutes and file notes, including records of meetings between the Office of Australian War Graves and officials of the Government of Turkey on the same subject.

I wish to inform the Senate that the documents are unable to be tabled as sought by 12 May 2005, for a number of reasons.

The order itself is capable of a very wide interpretation and can be read in two possible ways. First, the order could be construed as seeking the production of all documents brought into existence in the past four years relating to the matter of roadworks at Gallipoli. Second, the order could be construed as seeking the production of all documents relating to any roadworks that have taken place at Gallipoli over the past four years. If it is the second interpretation then this will include documents brought into existence over a much longer time period.

The Department of Veterans' Affairs has estimated that if the order is only for the production of documents brought into existence in the past four years then at least 20 files and over 4,000 folios of documents in its possession will need to be examined. The only reason that the government is aware of the potential number of documents involved is that the department is already preparing material for the consideration of the Minister representing the Minister for Veterans' Affairs to respond to Senate questions on notice Nos 447 and 477, which relate to the roadworks at Gallipoli. To enable the answers to those two questions on notice to be prepared much work has already taken place in locating and identifying relevant documents. However, that work is yet to be completed and further work will need to be done if the wider interpretation of the order is pursued.

I am advised that, even if the more narrow interpretation of the order is to be taken, the time frame of 12 May 2005 that has been specified cannot be met. There is still much work to be done in locating, identifying and examining all of the relevant files and documents and ensuring that each document that may be relevant to the order is correctly identified. Further, the order specifically includes ministerial briefings over at least the past four years. While the government is unable to indicate a position at this time on the possible issue of public interest immunity that would normally attach to such high-level briefings, the inclusion of this specific category of documents will result in the need for careful examination of each document. Again, this work can only take place after the documents are located and identified. This will also result in further work needing to be done and this cannot be completed in the time frame contained in the order. In conclusion, the current order is unable to be complied with. Work has commenced to locate and identify each document but it is not physically possible to comply with the current order in the time frame that has been set.

This part of the statement is on behalf of Senator the Hon. Kay Patterson, the Minister for Family and Community Services. The order arises from a motion moved by Senator Bartlett, as agreed by the Senate on 12 May 2005, and it relates to reports and certification provided by the states and territories for the financial year 2003-04 under the provisions of subclauses 4(33), 4(34) and 4(35) of the 2003 Commonwealth-State Housing Agreement. I wish to inform the Senate that I cannot table the reports and certification provided by the states and territories for the financial year 2003-04 under the provisions of subclauses 4(33), 4(34) and 4(35) of the 2003 Commonwealth-State Housing Agreement by 3.30 pm today. The reasons are that I am considering those reports and will write

to my state and territory counterparts regarding my views on the progress of the performance indicated in each of those reports.

I intend to provide my views to the state and territory housing ministers on that progress shortly. This is part of a process that is being carried out under the 2003 Commonwealth-State Housing Agreement requiring consultation with each state and territory housing minister. I understand the performance of the states and territories indicated in those bilateral reports will be summarised as an integral part of the Housing Assistance Act 1996 annual report under section 14 for the 2003-04 financial year. The preparation of this part of the annual report is undertaken in consultation with each state and territory. The annual report will then be tabled before each house of the Australian parliament.

This part of the statement is on my behalf as the Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry, and on behalf of Christopher Pyne, the Parliamentary Secretary to the Minister for Health and Ageing. This order arises from a motion moved by Senator Bartlett, as agreed by the Senate on 16 March 2005, and it relates to certain documents held by the Australian Pesticides and Veterinary Medicines Authority, APVMA, and the Office of the Gene Technology Regulator.

I wish to inform the Senate that the APVMA does not have any reports relating to glyphosate, herbicide tolerant genetically modified plants and Fusarium. However, the APVMA has provided some brief information in relation to Fusarium and glyphosate used in genetically modified crops.

I also wish to inform the Senate that I am tabling all relevant documents that are held by the Office of the Gene Technology Regulator. I am advised that the Gene Technology Regulator does not systematically collect and analyse all agronomic data from field trials

of genetically modified crops. This is because some of the data relates to the licence holders' commercial interest in the crop—for example, yield effects—which are not directly relevant to the regulator's function to protect human health and safety and the environment from risks that may be posed by gene technology. However, some agronomic data, such as data that may indicate whether the modification may result in the genetically modified crop being more of a weed problem than the parent organism, are useful in fulfilling this function and have been collected and analysed.

This part of the statement is on behalf of the Minister representing the Minister for Employment and Workplace Relations. The order arises from a motion agreed by the Senate on 11 May 2004 and it relates to the tabling of all submissions received by the Department of Employment and Workplace Relations in response to the 'Building on success: Community Development Employment Projects discussion paper 2005'.

I wish to inform the Senate that the minister does not agree to release some of the submissions related to the building on success discussion paper on public interest grounds. Some of the submissions contain personal information and the minister believes that the public interest in keeping the submissions confidential outweighs the public interest in disclosure. Disclosing confidential or personal information in this context will undermine public confidence in the submission process and will discourage full and frank submissions in future. Also, the sensitive nature of some of the information in the submissions may, if released, be inflammatory.

The minister will progressively release as many submissions or parts of submissions as possible following consultation with the authors and consideration of sensitivities, with

a completion date of the end of May 2005. This time frame is required because the Department of Employment and Workplace Relations will need to examine over 100 submissions and contact their authors to inform them of the Senate's request.

Senator MARSHALL (Victoria) (9.01 pm)—by leave—I move:

That the Senate take note of the statement.

What a contemptuous response to a motion of the Senate to produce documents! I guess it is something we should expect to see a lot of in the future as the government takes its majority and uses it and really treats the transparency and democratic processes of the Senate with such contempt.

This was a set of a submissions that were called for by the minister. The minister has relied on these submissions in his press releases and in his arguments justifying policy initiatives taken by this government in respect of the Community Development Employment Projects review process. We must note that the CDEP is an incredibly important program. It has around 37,000 participants. The CDEP activities are provided by some 240 different Indigenous organisations. In Labor's view, the least these people deserve is some transparency in decision making about the program's future. The 'CDEP—future directions' paper released by Minister Andrews in April claims that most people who made submissions to the CDEP review agreed with the general direction of the changes proposed in the discussion paper. However, 'Future directions' seems to gloss over some of the key issues raised by the stakeholders. It is therefore imperative that the government release the submissions it receives so that the Senate can assess its response in light of what people actually said during this review.

It is inappropriate for the government to talk about the public interest being out-

weighed by the interest of the people who have made these submissions. In the statement, the Parliamentary Secretary to the Minister representing the Minister for Employment and Workplace Relations referred to some sensitive issues that may have been raised in some of the submissions. However, we know very clearly that, if people wanted these submissions to be made private, they had every opportunity to do so. The government have not even had the courtesy to advise the Senate of how many of the submissions they refused to release were requests made by the submitters to have these submissions kept confidential. If requests had been made to keep the submissions confidential, some argument might have been able to be developed by this government that we should not have public access to them. But clearly that is not the case. The minister is not even able to provide to the Senate the list of submissions that were clearly able to be made public and were not in any way to be kept confidential.

From the outset, Labor was concerned that the four-week time frame for submissions and the hastily convened two-hour verbal sessions were totally inadequate and would exclude many remote communities from participating in this review. The consultations were a sham, and we said so at the time. The review was never really designed to enable CDEP organisations, participants and other experts to share their views in an open and transparent way. Nevertheless, 16 government agencies, 26 CDEP organisations, seven Job Network members, four ATSIC regional councils, 20 other organisations and 33 individuals took the time to make submissions. There is absolutely no reason these submissions should not be made public. I understand that Minister Andrews's office has said that it believes it would need to seek the permission of people and organisations that made submissions before they would be

able to release submissions. The parliamentary secretary has again—in a very mealy-mouthed way, I must say—referred to the same process.

It is clearly unacceptable and really is holding the Senate in contempt in this process. The discussion paper clearly stated: ‘If you want your comments kept confidential, please let us know.’ This sentence was not hidden away in any footnote; it was there, clear and right up front in the submission. It was on page 1, under the address of where to send your submissions. It was not in small type; it was not hidden away. It was very clear. Right under the address, it says: ‘If you want your comments kept confidential, please let us know.’ But does the parliamentary secretary come into this place and say, ‘Look, there was a number of requests to keep submissions confidential, and that is the reason we won’t release them’? No, he does not. He comes in here and says, ‘We have to seek the permission of every submitter to find out whether we are able to release them, and we will release them over a period of time, as it suits us.’

That is not an acceptable way to treat Senate motions requesting documents. It is completely inappropriate. If the submitters did not request that their submissions be confidential, every single one of those submissions should be on the table today so we can test the veracity of the claims made by the minister throughout this investigation. The government do not want to do that because they want to live in a shroud of secrecy. They do not want to be open to any scrutiny. They do not want people looking at the way they make their decisions. The government do not like transparency; they like to go through a sham process, trying to disguise a predetermined outcome as a process of consultation. Then, worse, they say that all the submissions backed up their position and their outcome. We know that is a sham, and this gov-

ernment ought to be ashamed of treating the Senate this way.

Even if people did request that their submissions be kept confidential, advice from the Clerk of the Senate indicates that—even where information has been collected on the basis that it would be treated as confidential—this is not in itself a ground for a public interest immunity claim. We see the government very conveniently using that as the excuse not to release the documents so that their claims cannot be tested against the results that they have predetermined through this sham inquiry. In this case, there was not even any indication that submissions would be automatically confidential. Nothing was automatic in that process.

There are a number of areas where Labor is concerned that the government has failed to adequately address the issues raised in consultations, but I want to discuss just two today: training and cultural activities run through the CDEP. When the CDEP discussion paper was released, the shadow minister for Indigenous affairs and reconciliation, Senator Carr, noted with concern that there was no mention of training or improving linkages between CDEP and education providers.

In everything that Labor has heard, the need for CDEP organisations to be able to access funding for training was consistently raised as a major issue during the department’s inadequate verbal consultations. When the ‘CDEP—future directions’ paper was released it became clear that the government had completely ignored these comments, but the minister has the gall to state that the consultation process backed up their conclusions. In fact, training is only mentioned in any significant way in relation to 15- to 17-year-old participants—and it was only one paragraph in a 14-page paper. ‘CDEP—future directions’ says feedback

indicated agreement that the three areas CDEP should focus on are employment, community activities and business development but, further down the same section, the paper says:

Some people were concerned that by focusing on the three key areas of employment, community activities and business development the role of CDEP in supporting culture was not being recognised.

The report provides no indication of how many people expressed concern or what they said the results of ignoring the cultural aspects of CDEP would be. The government's response has been to make it explicitly clear that cultural maintenance activities will only be supported in areas where there is not a labour market. This will mean the loss of many projects which support the maintenance of Indigenous culture. It does not appear to be anywhere near an adequate response—but how are we supposed to assess that, when we do not know how many people expressed concern or how concerned they were? When Minister Andrews launched this review, and the sham consultation process that went with it, he said that change would be implemented gradually. He said in his media release of 15 February 2005:

Change will be gradual ... DEWR will work closely with individual CDEP organisations to help them build their capacity to adjust to programme changes ...

The timetable in the discussion paper did not tally with that claim, and the minister confirmed that when he released 'Future directions':

This process of change will begin immediately with the changes being negotiated into the CDEP schedule of the Programme Funding Agreements for 2005-06.

The whole review process has left CDEP providers and participants uncertain about their future and about DEWR's commitment to this unique program. The least the gov-

ernment can do is release the submissions it received, so that everyone is able to make an informed judgment about the adequacy of its response. In his very mealy-mouthed statement today the parliamentary secretary talked about not releasing any documents until completing a process of getting permission from the submitters, a process which is not necessary, and he did not say how many submitters indicated that they wanted their submissions to be made confidential.

What we do know is that doing a quick Google search this evening reveals that the following organisations have already made their submissions public by publishing them on the internet: the Centre of Full Employment and Equity, Catholic Welfare Australia, Jobs Australia, ACOSS and the NTEU. They are already public documents, but the government—ignoring the Senate motion to make them public—cannot even produce for the Senate those documents that are already on the public record. It exposes this whole process of negotiation as a sham. It is appalling for the government to rely on submissions which it will not make public to back up the conclusions it has formed in its 'Future directions' paper. It should be unacceptable to the Senate; it is unacceptable to the Labor Party and it is clearly unacceptable to our Indigenous communities. This government should abide by the legitimate motions of the Senate, produce the submissions and place them on the table as directed by the Senate.

Question agreed to.

BREACHING REVIEW TASKFORCE

Return to Order

Senator IAN MACDONALD (Queensland—Minister for Fisheries, Forestry and Conservation) (9.14 pm)—by leave—This statement is on behalf of the Minister representing the Minister for Employment and Workplace Relations. The order arises from a

motion moved by Senator Greig, as agreed by the Senate on 11 May 2005, and it relates to the tabling of the final report of the Breaching Review Taskforce, presented to the Minister for Employment and Workplace Relations in December 2004. I advise the Senate that the minister has agreed to table the report, and I so table it.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Crossin)—Order! Pursuant to order, I propose the question:

That the Senate do now adjourn.

Pharmaceutical Benefits Scheme

Senator WATSON (Tasmania) (9.15 pm)—Recently, the Pharmaceutical Benefits Pricing Authority, an independent non-statutory body, presented its annual report to the Senate. Under its terms of reference the authority is required to determine or recommend to the Minister for Health and Ageing prices of items listed as pharmaceutical benefits or recommended by the authority for listing. The pricing secretariat also conducts negotiations with suppliers, where necessary, on proposed prices.

I remind the Senate that the fourth guild-government agreement is in currently in negotiation, and hopefully the outcome will be beneficial to the government, the pharmacy community and the community at large. Pharmacy owners make a reasonable, but certainly not extravagant, living. I remind honourable senators that the government controls prescription margins. The government envisages that funding for the fourth agreement, which covers the five years to 30 June 2010, will be an estimated \$11.75 billion. Regretfully, I remind the Senate that in this negotiating environment there has been a great deal of misinformation floating about in the media in relation to the pricing of drugs by pharmacists. I believe it has been circulated by those who have little under-

standing of the economics of running a pharmacy. Let me give you a few examples.

Access Economics health economist Roger Kilham is quoted as saying that all pharmacists do is ‘stick medicine in a box and put a sticker on it’. This shows an appalling lack of knowledge about the profession. As a matter of course, each time a medicine is dispensed the pharmacist checks the patient’s history and looks for any potentially adverse interactions with other medicines. If a new medication is dispensed, then the pharmacist counsels the patient about its use and explains its effects as well as any potential side effects. Pharmacists are the most accessible health care providers in the community and are often the patient’s first point of contact. Pharmacists refer millions of Australians to GPs every year. They offer expert advice to patients every day on a very wide range of health topics, and access is usually immediate. The services they provide are worth many millions of dollars each year, and they relieve pressure on other parts of an already heavily burdened health system. I am also concerned by the intervention of the AMA president. In fact, I counselled him publicly at a breakfast over this issue, because I do not think it does the AMA any good to be publicly attacking allied health professionals. I am also surprised at the media intervention in this debate of Philip Davies, who happens to be Deputy Secretary of the Department of Health and Ageing. I do not believe that was helpful.

There are obviously some solutions to save the government money. Let me give you an example. There are certain medical conditions—for example, stomach ulcers—where a number of pharmacists believe there may well be an overreliance on prescribed drugs such as esomeprazole. Rather than people making dietary and lifestyle changes that may help with the condition, they insist on taking their drugs. Therefore, it seems

that a campaign to educate people about the cost savings and associated benefits of life-style change may greatly assist.

The suggestion that pharmacists enjoy a 10 per cent mark-up on drugs, implying that that this is some type of rort, is ludicrous. I am not sure how one can think that Australian pharmacists can provide what is universally accepted as world's best service, and which is also provided at world's lowest cost, if they are not paid for it. The reality is that pharmacists are paid a pittance for the service they provide. Ninety-five per cent of dispensed medications in Australia are supplied under the Pharmaceutical Benefits Scheme, and the price of Pharmaceutical Benefits Scheme medicines to consumers is set by the government. Pharmacists do not have any capacity to charge above the government determined patient contribution.

All PBS prescriptions attract a flat professional fee which is designed to cover the cost of a pharmacist's time in confirming doctors' intentions and directions, confirming the medication's suitability and dosage for the patient, documenting and recording the prescription according to state law, complying with PBS clerical requirements necessary for reimbursement and counselling the patient in the correct use of their medication. This fee is set at \$4.70, and I might add it is grossly inadequate for the work that it is supposed to cover. PBS medications then attract the mark-up on cost of 10 per cent. This 10 per cent mark-up on cost—or margin on sales of 9.09 per cent—has to cover the costs of managing inventory levels, ordering stock from suppliers, receiving and storing stock, and the opportunity cost of money invested in the stock being held. On top of this, pharmacists carry all of the risk of redundant or out-of-date stock.

In theory, the gross margin on sales in any business would normally be used to fund

such other overheads as wages, rentals and electricity, but a margin of 9.09 per cent on sales is never going to contribute to those expenses. By way of comparison, Woolworths's gross margin on sales is 26 per cent, Harvey Norman's margin is 22 per cent, clothing mark-ups often start at 100 per cent and the mark-up on prepared foods starts at something like 300 per cent. I am not aware of any other business reselling goods which survives on a mark-up of lower than 10 per cent, as the pharmacy industry does.

Protecting public health, I believe—and I am sure most honourable senators would agree—is more important than Woolworths' profits. Protecting public health should be the prime consideration in any government decision on whether to allow pharmacies to be operated by supermarkets. Woolworths continue to say that they can save money by allowing pharmacies within their supermarkets. But, if the margins are controlled by the government, I would like to ask Roger Corbett how he thinks he can save money. Of the small amount of non-PBS dispensing taking place in pharmacies, the final mark-up is determined by highly competitive market forces. There are effectively 4,000 pharmacies competing with each other. Compare this to the price manipulation in groceries, for example, particularly milk, where there are effectively only two businesses competing with each other.

Media stories have targeted select lines where a high mark-up of 75 per cent may be added to a very low-cost base item. They have deliberately ignored the reality that even non-PBS pharmaceuticals are usually priced at less than 20 per cent mark-up on cost, simply because that is what the market dictates. If an individual pharmacy chooses to apply a higher mark-up, which is its right, as it is for any other form of retailer, then the customers will gravitate to the lower price sellers. That is exactly what happens in the

day-to-day business of running a pharmacy, and it is true competition at work.

If the mooted cuts are made from the incomes of pharmacies there will be massive closures and service reductions in the industry. It is the service reductions that really worry me. The most vulnerable pharmacies will be those in isolated and rural areas. The multitude of totally free services that pharmacies provide to the public will disappear, either by being abandoned due to reduced staffing capacity or by the introduction of charges necessary to fund the services. It is also likely that the totally free and on-demand qualified advice that every member of the Australian public can walk into a pharmacy unannounced to receive will be under threat.

Growth in the cost of the PBS is due in part to the introduction of newer, very expensive drugs. I do not believe it is due to the alleged growth in pharmacists' incomes. In fact, the opposite is true, as pharmacists' incomes are largely controlled by government but their costs have escalated, with no such controls in recent years. Alternative ways to reduce the costs of drugs may be to ask why more expensive drugs should not be paid for by a higher patient contribution or why doctors cannot be encouraged to use cheaper alternatives to some of the newer drugs, many of which have questionable levels of improvement over the older drugs. Pharmacy is an industry which has already been subjected to substantial cuts in real income over recent years. (*Time expired*)

National Autism Awareness Week

Senator GREIG (Western Australia) (9.25 pm)—I rise tonight to draw the Senate's attention to National Autism Awareness Week, which this year has the theme 'through the eyes of autism'. As the theme would suggest, the national week of activities, information and other forms of ac-

knowledgment provides a valuable opportunity to highlight and educate the broader community about the experience of those dealing with autism spectrum disorders. Autism spectrum disorders, or ASD for short, cover a range of conditions including autism, Asperger syndrome, PDDNOS—or pervasive development disorder not otherwise specified—and atypical autism, each of which manifests in slightly different ways. Each is distinct in the characteristics it displays and can be of a mild, moderate or profound nature. In addition, people with ASD can display multiple forms of autism.

According to a staff member at one of the state autism associations, having autism can be a profoundly isolating and confusing experience, the impact of which cannot be overestimated. 'Imagine knowing,' she says, 'that you have absolutely no understanding about how the world around you operates and how you should function in it. Imagine just not getting it.' Many, though not all with ASD, will display a level of intellectual and/or psychiatric disability, while others may also experience physical impairment or particular sensory sensitivities. Those with Asperger syndrome are often of average or above average intelligence but can exhibit a range of learning difficulties.

What is common to many of those with ASD is that their condition is a lifelong disability characterised by impaired social interaction, communication and behaviour. People with autism often find it difficult to understand and interact with their environment and those in it. Simple, everyday interactions and tasks can prove insurmountable, and the result for many is overwhelming anxiety, frustration, confusion and, ultimately, a great deal of distress. Poor language development combined with a tendency to display behaviours ranging from the unpredictable to the repetitive, and often deemed inappropriate, leads to enormous

difficulty in developing social and personal relationships, communicating needs and desires and maintaining quality education, employment or other forms of community engagement.

The causes of ASD, which affects approximately six per 1,000 people and around four times as many boys as girls, are unknown. So too are the reasons for the dramatic increase in the number of children with ASD in recent years—a worldwide phenomenon that can only partly be accounted for through improved diagnosis. Improved diagnosis might help identify those once regarded as intellectually disabled, mentally ill, difficult or criminal, but it does not account fully for the growth in prevalence of these conditions.

What is known is that the key to helping kids with ASD best develop their language and social skills, and minimise behavioural difficulties, is to ensure their access to early intervention programs—and the earlier the better. While ASD will still be a lifelong disability, all evidence points to the benefit of early intervention programs, starting with early screening and diagnosis, followed by specialised learning and support programs. These programs can help limit the range and severity of ASD conditions and can promote a lifelong capacity for learning, participation in and contribution to the community and the development of personal relationships. While early intervention programs are expensive—estimates range from \$30,000 to \$80,000 per child per year—one recent United States study, reported in the *Australian*, found this investment creates a 20-fold return to the community over the life of a person with ASD.

ASD diagnoses are often possible by the age of two or three—sometimes even earlier—and for Asperger syndrome a few years later. Yet the lack of available services means

that ASD is often not recognised until a child starts school, when their learning difficulties and/or problems with social interaction become more readily apparent. By this age, crucial development stages have already passed, some behaviours have become more deeply ingrained and, consequently, some of the opportunities to be gained from pre-school-age support have been lost. But even at that later stage, specialised learning and support services will assist the young child's integration into mainstream schooling, with all of its attendant educational and social benefits. Without it, many children with ASD are consigned to segregated special education and a raft of lost opportunities.

Given the evidence in favour of early intervention, support, funding and access to services should be a priority for government, yet this commitment is sadly lacking. As is so often the case with disability funding, when the topic of funding for ASD services is raised with government it quickly degenerates into an argument about whether shortfalls are a state or federal responsibility or fall within health, education or disability services. As a result, early diagnosis and support is patchy at best and nonexistent at worst. Parents are then left to cope with the stress and uncertainty of missed diagnoses, new diagnoses and far poorer than necessary education and social outcomes for their children. Others are forced into the financially crippling decision of self-funding access to the services their children need.

A good example of this appeared in the *Australian* newspaper article I referred to earlier. The article appearing on 25 April this year was titled 'Self-help as a strategy for autism' and described the case of James and Louise Morton, whose son Andrew was diagnosed with an ASD at two years of age. Unhappy with the standard and general lack of availability of services their son needed, they created their own service, not just for

Andrew but for a dozen children under five years of age. According to the article, when Mr Morton tried to get autism on the 2004 election agenda and wrote to the federal government, the response from the Minister for Health and Ageing, Tony Abbott, was a familiar one: this is a state issue. In spite of the health minister's deflection of federal government responsibility to the states, the federal government does make some contribution to services for children with ASD. It does so through the Commonwealth State Territory Disability Agreement. It has also committed funds through the Department of Family and Community Services in the Stronger Families and Communities Strategy.

However, there are still major gaps in service availability and the federal government's reliance on the 'state responsibility' chestnut will do little to resolve funding and service shortages and even less to improve the outcomes of children with ASD. These arguments neither resolve the massive inconsistencies that exist between states and territories, which make access to services and support a regional lottery, nor fix the long waiting lists. I would argue that the federal government does have a responsibility to take a leadership role and ensure nationally consistent availability of services. It clearly has responsibility, too, in the area of income support via Centrelink payments such as carer allowance and carer payment.

Many parents caring for children with ASD still cannot access carer benefits to assist them in looking after their children. Asperger syndrome, for example, was added to the list of recognised disabilities only as a consequence of this week's budget, but PDDNOS still has not made that list. Additionally, tools like the child disability assessment tool, CDAT, which is used to measure levels of functionality and impairment, and therefore eligibility for payments, are notoriously inflexible, lacking in sensi-

tivity and fail to account for individual circumstances. This means that many children with ASD conditions not listed as recognised disabilities often continue to fail to meet eligibility requirements for payment.

Clearly, far more must be done on a national level to research the causes and treatment of ASD and to provide earlier and consistent access to identification, treatment and support for children and their families. I hope the activities of National Autism Awareness Week will help focus attention on these issues. At this particular time, I am pleased to commend the valuable work that is being done nationwide to assist those dealing with the complex range of issues that ASD conditions can present. I urge the federal government to do its part by fulfilling its role as a national leader.

Anzac Day

Immigration

Senator TCHEN (Victoria) (9.35 pm)—On 25 April we commemorated the 90th anniversary of the Gallipoli landing. It was, quite rightly, a day of national remembrance. By contrast, another significant date of World War I a month earlier passed almost unnoticed: 21 March. On that day in 1918, Ludendorff launched his almost successful great offensive on the Western Front. That might have changed the course of history but for the effort of the Australian 3rd Division, the veterans of Gallipoli, under the command of John Monash, and the 4th Division, under the command of General W Holmes, who was killed in action a few months later. These two divisions stood steadfast in the way of the German army while the British crumpled around them.

Perhaps the events have been overlooked because, by then, the first AIF had already proven themselves at Messines, Menin Road, Polygon Wood, Broodseinde and Passchendaele, and after that at Hamel, Amiens,

Chuignes, Mont St Quentin, Bellicourt and Montbrehain, which led to the breaching of the Hindenberg Line and the capitulation of the German army. So perhaps this was just one exploit among many, but nevertheless it was important because for the embattled allies it made the reputation of the Australians on the Western Front, which was the main show of World War I. After this event the five Australian divisions were formed into the Australian Corps, under Monash.

John Monash was a great Australian from Victoria—perhaps only Menzies and Deakin have stronger claims, and I am not sure about Deakin—whose importance should have been better recognised, not only because of his leadership in war but more because of his leadership in the uneasy peace over the next 20 years. Mr Tim Fischer, the former Deputy Prime Minister, should be congratulated on suggesting during Anzac week that Monash should be further honoured.

Also passing almost officially unnoticed in Australia, except by veterans of the Vietnam War and by the Vietnamese-Australian community, was the 30th anniversary of the fall of Saigon on 30 April. This was an especially significant event because it brought about the arrival of the Vietnamese community in Australia. The Vietnamese community is one of the largest culturally and linguistically diverse communities in Australia's productive and harmonious multicultural society. The 2001 census recorded 187,374 Australians born in Indochina, including 154,830 from Vietnam. The Vietnam born Australians are actually two related but distinct groups, according to their language preference. About 40 per cent are ethnic Vietnamese; the other 60 per cent are ethnic Chinese. The latter tend to merge their identity with the larger Chinese community, but both groups, in their customary and in an exemplary way, have successfully integrated with, and significantly contributed to the development of,

the Australian community—in business, professions, scholarship, the arts and government and community service. The Vietnamese community, for example, has produced not one but two young Australians of the Year in the last 10 years. Surely that is a record to be proud of, not only for the Vietnamese community but also for all Australians.

However, the Indochinese settlement in Australia had an inauspicious beginning. They were not welcomed by everybody. Malcolm Fraser, with great moral courage, declared in 1975, when he was opposition leader, that many thousands of refugees should be admitted to Australia. He stood by that declaration in 1977, when he was prime minister and fighting a battle to be re-elected. Gough Whitlam, that great Labor icon and prime minister at the time, was determined, according to Clyde Cameron's memoirs, to not have 'hundreds of effing Vietnamese coming into this country'. Clyde, of course, was one of Gough's senior ministers and something of a Labor icon.

So what was it like in 1975? Let me quote from Dr Nancy Viviani's excellent account of Vietnamese migration and settlement in Australia, published in 1984, *The Long Journey*. On page 62 she says:

By mid-1975 there was a clearer picture of the numbers of refugees. The United States had received 131,000 people into its staging camps in Guam, Wake Island and in its reception centres in continental United States ... There were about 8,000 Vietnamese boat arrivals spread around SE Asia and Hong Kong, and some 80,000 Laotians and Cambodians in Thailand.

As Dr Viviani recounts on page 64 of her book, the Australian government made no response to this situation until May, when Lee Kuan Yew, the then Prime Minister of Singapore, said on American TV that Vietnamese boat people should bypass Singapore and:

... sail on to more salubrious countries. There's the great wealthy continent of Australia, and they have a very sympathetic Prime Minister who believes the White Australia policy is most deplorable and damnable, and here is his chance.

And how did the great Gough seize his chance? He announced that Australia would indeed accept refugees for permanent settlement from Hong Kong and Singapore, but not from Thailand or the Philippines, whose prime ministers were not nearly as articulate or pesky. So, in late June 1975, 201 Vietnamese refugees duly arrived from Hong Kong. Two months later, in August, 323 refugees arrived from Singapore and Malaysia. And that was it—no more were accepted. Dr Viviani notes:

By August, 1975, the Labor government's refugee effort was virtually over.

She goes on to say:

On the evidence, it is clear that Australian refugee policy in 1975 was made by Whitlam ... the intention of the policy was to be as restrictive as possible.

The situation changed after the Fraser coalition government took office. In January 1976, the new Minister for Immigration and Ethnic Affairs, Michael MacKellar, announced that up to 800 refugees would be accepted from camps in Thailand. After this, in November, a further 550 refugees were accepted from Thailand. At this time, the initial rush of people escaping from the communist takeover of South Vietnam, Cambodia and Laos had eased somewhat as the new governments settled in to work out what they would do with their new conquests.

By 1977, having finally recognised the choices they faced, the common people of Vietnam, Cambodia and Laos demonstrated en masse that the deep blue sea was much to be preferred over a socialist government. Thailand, Malaysia and the Philippines were the first countries of refuge for these escapees but, by December 1977, when the Fraser

government faced its first re-election contest, Vietnamese boat people arriving in Australia had become a regular event. Senator Mulvihill, the then ALP immigration spokesman, demanded that these boat people be pushed out to sea. Instead, the Fraser government set up processing teams in Malaysia to speed up refugee acceptance. In the meantime, the Darwin branch of the Waterside Workers Federation called strikes to protest at the preferential treatment given to refugees, and the secretary of the Northern Territory Trades and Labour Council threatened to impose black bans on any would-be employers of refugees.

From that inauspicious beginning, through skilful and compassionate management of both domestic and international politics, the Fraser coalition government, from 1977 to 1982, welcomed into the Australian community the first large-scale addition of a truly diverse cultural and linguistic group—the Indochinese people who today number well over 300,000. That is made up of nearly 190,000 Vietnamese born people who are first generation Australians by choice plus their second-generation Australian children.

So today let me pay tribute to Michael MacKellar and to the Vietnamese people—both the ethnic Chinese and the ethnic Vietnamese—who have conquered unimaginable adversities to build a new life among strangers and in the process made them friends and neighbours in mutual prosperity. Let me also pay tribute to the Vietnam vets who went off to fight Australia's war and did us proud in the way they upheld the Anzac tradition—only to find that Australia had changed its mind and that they too were cast aside. I pay tribute especially to the nashos—those who were conscripted to go but who were in fact volunteers since they could have easily dodged the draft as many others did. It is some compensation to see that after 30 years

a more mature nation is now more prepared to recognise their sacrifice.

Anzac Day

Senator BARNETT (Tasmania) (9.45 pm)—Tonight I want to put on record my observations of the Anzac Day dawn service at Gallipoli and defend the great majority of the many thousands of young Australians who attended this sacred event. I want to express my immense gratitude for the honour of attending the Anzac Day dawn service at Gallipoli this year, where young people wept as they mourned their personal loss. You anticipate this emotion when you go to Gallipoli for the first time—as it was for me—but it still hits you profoundly in the early dawn of this national day. You simply cannot visit Gallipoli without being gripped by this loss, but you are also gripped by pride in your Australian heritage. It is the key to understanding why this day and this location have come to embody our nationhood.

I believe the behaviour of the thousands of young Australians at the dawn service has been unfairly reported and distorted in some news reports I have read and seen. I also want to voice my strong support for the awarding of military and bravery medals on Anzac Day, 25 April, because I believe Australians want more of the Anzac tradition incorporated and absorbed into our current endeavours. I have outlined my views on this proposal previously in the Senate.

The increasing relevance and resilience of Anzac Day has brought with it record attendances at commemorative services both in Australia and at Gallipoli. It has also brought challenges and problems. Gaining access to the site is not easy; nor is catering and caring for the growing number of visitors to a Turkish national park. In the lead-up to Anzac Day the media focused on the problems rather than on the growing sense of affiliation between Australians—particularly

young Australians—with the Anzac spirit and the fantastic logistical achievements of staging such a professional event on foreign soil. Notwithstanding some glitches, congratulations to Minister De-Anne Kelly, her team, Gary Beck and the Department of Veterans' Affairs.

The estimated 20,000 patriotic and passionate Australians who attended the 90-year anniversary services at Gallipoli have been sadly misrepresented. Some say they comprised drunken yobbos and littering backpackers. Wrong. The overwhelming majority travelled 14,000 kilometres or more at their own expense to have an experience of a lifetime. They were motivated to do this because they love Australia and the qualities demonstrated by our Anzac diggers. They had to undergo personal inconveniences not normally experienced in Australia. Having flown for 24 hours or so to Istanbul they then bussed for five or six hours to the Gallipoli Peninsula, where they were confronted with a further 800 or 900 buses full of people with the same objective.

Yes, it was a logistical nightmare for the organisers. Access to food, water and other refreshments, as well as to temporary toilets, were all limited or restricted, and travel was at a snail's pace to get from one part of the peninsula to the other. For the Anzac dawn service, which started at 4.30 am, people gathered on site from the afternoon of 24 April, staying up all night in the freezing cold. There was no accommodation nearby; it was camping out without the tent. Thousands then travelled, many on foot in the hot sun, the five kilometres plus to Lone Pine for the Australian Anzac service, and many others continued further to the Turkish and New Zealand services elsewhere on the peninsula.

On occasion there was rowdy comradeship, but nothing disrespectful. At each service they participated fully. The spontaneous

applause for the veterans at the Lone Pine service was fantastic. For nearly all in attendance it was a deeply emotional experience. A spirit of helpfulness and care for one another amidst the trying conditions was obvious, a reincarnation of the mateship back in 1915. The positive interchange amongst us Aussie and other visitors was apparent, as indeed was the respectful comradeship with the Turks. The lack of refreshments and access to basic facilities caused discomfort, especially for the elderly. The security arrangements were tight, causing further delays and inconvenience, including the searching of bags and the prohibition on all rubbish bins. It is disappointing that some of the pre-dawn service music was inappropriate and rubbish was left. I am sure these issues will be addressed by the department and the organisers at future services.

Roadworks in any national park, let alone at Gallipoli, will always need special care and attention. To suggest that the recent roadworks destroyed the sacredness of the Gallipoli site is purely a political beat-up. A well-respected local guide at the Anzac Peninsula, Kennan Chilik, advised it was not an issue and he had not received any adverse feedback on it. It is easy for the glitches to overshadow an Anzac service that was an outstanding success, had record numbers and was in keeping with the Anzac spirit of courage, compassion, mateship and respect for the adversary.

I want to pay tribute to the Peter Sculthorpe Quartet, led by Chris Latham, and the didgeridoo solo performance by William Barton at the Gallipoli pre-dawn service for their creative and moving contribution to this sombre event. It was a wonderful display, a mix of classic and Indigenous excellence. William Barton is only 23 years old and has a rewarding future ahead.

The address of the Hon. John Howard, Prime Minister of Australia, was respectful and honouring of the Anzac heritage, and was well appreciated. For me, touching the stones on the beach at Anzac Cove where the diggers landed and standing on the hills where they raced and then dug their trenches was both an awesome and solemn experience. You felt and sensed the plight of our sons, 90 years ago. You were overcome.

The Tasmanian Lieutenant Colonel Harry Murray VC, of the 16th Battalion, was one of those Anzacs. He received the Distinguished Service Medal at Pope's Hill, defending the position and saving his mates. Following his service in France, he became Australia's most decorated soldier and the most highly decorated soldier in the British Empire in World War I. The Murray Memorial Committee, chaired by David von Stieglitz, has raised money to erect a statue of him at Evandale, Tasmania. The Howard government has committed \$20,000 to this statue and is working with President Ian Kennett and the RSL to establish memorials in honour of Tasmania's 13 VC recipients.

Gallipoli was a tragic military outcome and we were defeated. More than 8,700 Australians died, with over 19,000 wounded. In total, 44,000 allies and 86,000 Turks died. There were more than 130,000 deaths and more than 261,000 casualties over the eight-month battle. Yet the Anzacs have left us a profound legacy that endures today. Like those who invested so much to attend the 90th anniversary at Gallipoli, I hope and pray that, as we reflect on our diggers who made the ultimate sacrifice and the Anzac legacy which lies at the spiritual heart of this country, our response would make our Anzacs proud.

How gracious of our Turkish hosts to allow Australian and other visitors to hold commemorative services on their land. It is

difficult to conceive of similar Japanese services in the USA or German services in London. This Turkish hospitality must not be taken for granted. The Turkish government has spent \$25 million on upgrading the road and improving facilities in the area and I am advised they plan to spend a further \$25 million on the Gallipoli Peninsula in the years ahead. This is a huge and, might I say, extremely generous commitment.

I had the pleasure this week of meeting the Speaker of the Turkish Grand National Assembly, Bulent Arinc; the Turkish Ambassador to Australia, Tansu Okandan; and other Turkish MPs and dignitaries. I passed on my thanks for their hospitality. Mr Arinc said a wonderful thing in a speech at Parliament House this week. He spoke of an 'undestroyable bridge of friendship between our countries'. I believe this postwar bond and friendship is unique in a world where hatred between former enemies can last for decades or even centuries. Interestingly, while our respective armies faced each other in conflict at Gallipoli, Australian and Turkish military peacekeepers toiled side by side in East Timor to provide national security for this young nation and close neighbour.

There are about 150,000 people of Turkish origin living in Australia. Across the lake here in Canberra, a monument to the great Turkish military leader, statesman of the 20th century and Turkey's first President, Kemal Ataturk, stands proudly alongside our national War Memorial on Anzac Parade. In closing I want to read a quote from Kemal Ataturk himself from 1934. He said:

Those heroes that shed their blood

And lost their lives:

You are now lying in the soil of a friendly country,

Therefore rest in peace.

There is no difference between the Jonnies

And the Mehments to us where they lie side by side,

Here in this country of ours.

You, the mothers,

Who sent your sons to faraway countries,

Wipe away your tears.

Your sons are now lying in our bosom

And are now at peace.

After having lost their lives on this land they have

Become our sons as well.

The PRESIDENT—I remind all senators that legislation committees are to meet to consider budget estimates in a fortnight, beginning on 22 May.

Senate adjourned at 9.54 pm

DOCUMENTS

Tabling

The following documents were tabled by the Clerk:

[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number]

Appropriation Act (No. 3) 2003-04—Determination to Reduce Appropriation Upon Request—Determination No. 3 of 2004-2005 [F2005L01127].*

Census and Statistics Act—Statement No. 3 of 2005—List of businesses for the Department of Education, Science and Training.

Corporations Act—ASIC Class Order [CO 05/26] [F2005L01126].*

Customs Act—Tariff Concession Orders—

0502563 [F2005L01111].*

0502564 [F2005L01112].*

0502566 [F2005L01113].*

0502569 [F2005L01115].*

0502570 [F2005L01116].*

0502572 [F2005L01118].*

Family Law Act—Family Law (Superannuation) Regulations—Family Law (Superannuation) (Methods and Factors for

Valuing Particular Superannuation Interests) Amendment Approval 2005 (No. 3) [F2005L01023]*.

Financial Management and Accountability Act—Net Appropriation Agreements for the—

Australian Taxation Office [F2005L01073]*.

National Archives of Australia [F2005L01071]*.

Fisheries Management Act—Great Australian Bight Trawl Fishery Management Plan (Revocation) [F2005L01123]*.

* Explanatory statement tabled with legislative instrument.

QUESTIONS ON NOTICE

The following answers to questions were circulated:

Pharmaceutical Benefits Scheme Medicines**(Question No. 24)**

Senator Allison asked the Minister representing the Minister for Health and Ageing, upon notice, on 16 November 2004:

- (1) What discussions or consultations were conducted with industry and consumer groups regarding the pre-election announcement of compulsory 12.5 per cent cuts in the Pharmaceutical Benefits Scheme (PBS) prices for newly listed medicines.
- (2) (a) How will this saving measure be realised; (b) what legislative changes will be required; and (c) when will these be presented to the Parliament for consideration.
- (3) What information does the Minister have on the potential consequences of these enforced cuts in PBS prices for the sustainability of the pharmaceutical industry in Australia.
- (4) What work has been done to study the impact of this decision on the take-up of generic medicine manufacture.
- (5) What information does the Minister have on the potential consequences of these enforced cuts in PBS prices to community pharmacies.

Senator Patterson—The Minister for Health and Ageing has provided the following answer to the honourable senator's question:

- (1) On 1 October 2004, the Australian Government announced its intention to introduce a mandatory 12.5 per cent reduction in the price for Government subsidy purposes when listing a new brand of an already listed Pharmaceutical Benefits Scheme (PBS) medicine and that it would consult with key pharmaceutical industry and pharmacy bodies in implementing the measure. Following the election, Government representatives met with the peak bodies representing the prescription medicines industry in Australia, Medicines Australia and the Generic Medicines Industry Association. Furthermore, detailed consultations with the peak industry bodies and with the Pharmacy Guild of Australia occurred in January 2005.
- (2) (a) Savings will occur as a result of a reduction in the PBS price for subsidy purposes. This price will be reduced by 12.5 per cent when a new brand is listed. This reduced price will also flow through to the PBS subsidies for other brands of equivalent medicines and medicines in related therapeutic groups, via usual reference pricing arrangements. (b) and (c) Legislative changes are not required as agreement has been reached with the industry to put the policy into effect. The manufacturers of the newly listed brands will accept PBS listing on the basis of 12.5 per cent price reductions.
- (3) The Australian Government is committed to achieving the best value for public money spent on the PBS and to keeping medicines affordable for all Australians. This measure will achieve significant savings to the PBS.
Use of cost-effectiveness evaluation for PBS listings will continue to reward innovative new therapies by allowing higher prices to be paid for drugs that deliver better health outcomes compared to existing treatments.
- (4) The Australian Government aims to encourage the use of lower priced generic medicines as an important part of strategies to sustain the PBS into the future. The measure will act to encourage awareness of generic medicines and choice by consumers of the lowest priced suitable medicine for their needs. The use of generic medicines in Australia, before and after the introduction of the

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measure, will be monitored. Australia currently has a low penetration of generic brands relative to other developed countries. In addition, the average price reductions for generic medicines when listed on the PBS are less than in comparable countries.

- (5) The Australian Government is not involved in commercial arrangements between pharmacies, pharmaceutical companies and distributors for supply of PBS medicines. The measure will have an impact on pharmacies as a component of their remuneration is linked to the price of PBS drugs. The Australian Government identified the Pharmacy Guild of Australia as one of the stakeholder groups to be consulted prior to implementation.

Tobacco Products

(Question No. 364)

Senator Allison asked the Minister representing the Minister for Health and Ageing, upon notice, on 4 March 2005:

- (1) Is the Government aware of the 1994 British American Tobacco (BAT) report which found that 'light' cigarette labels misled consumers into thinking that they were reducing their health risks; if so, has this report been provided to the Australian Competition and Consumer Commission (ACCC).
- (2) Is the Government aware that the 1994 BAT report identified that young female smokers in particular associated strongly with 'Lights' descriptors.
- (3) What information is available regarding the increases in smoking prevalence among young Australian women and the use of 'light' and 'mild' descriptors.
- (4) Is the ACCC considering accepting the use of the terms 'smooth' and 'fresh' as alternatives to 'mild' and 'light', as reported in the Sunday Age on 20 February 2005.
- (5) What evidence does the Government have on how the terms 'smooth' and 'fresh' are perceived by current and potential smokers.
- (6) Has the Government undertaken any examination of the potential for the introduction of sweet-flavoured cigarettes or cigarettes that use 'potentially reduced exposure products', such as filter technology, into the Australian market.
- (7) What changes to current tobacco regulations are the Government considering to control the use of sweet-flavoured cigarettes and cigarettes that use 'potentially reduced exposure products', such as filter technology.
- (8) In February 2005 the ACCC advised the Economics Legislation Committee during estimates hearings that the Department of Health and Ageing was the responsible body for initiating a regulatory framework for the harmful and addictive ingredients in tobacco products on the basis that it is a health matter: Has the Government considered such a move; if not, why not.

Senator Patterson—The Minister for Health and Ageing has provided the following answer to the honourable senator's question:

- (1) The Department of Health and Ageing recently become aware of the 1994 British American Tobacco report after claims about the report appeared in the media. The Department of Health Ageing has not provided a copy of the report to the Australian Competition and Consumer Commission after ascertaining that the organisation was already in possession of the report.
- (2) The Department of Health and Ageing is aware that the 1994 British American Tobacco report identified that young female smokers in particular associated strongly with 'Lights' descriptors.
- (3) The Department of Health and Ageing is not aware of any available research findings which attribute an increase in smoking prevalence among young women to cigarettes that carry 'light' and 'mild' descriptors.

- (4) This question should be referred to the Australian Competition and Consumer Commission.
- (5) The Department of Health and Ageing does not have any such evidence.
- (6) Yes. Recent legal advice obtained by my Department indicates that there is no Commonwealth/State legislation to prohibit the sale of sweet-flavoured cigarettes in Australia, with the exception of New South Wales. Regulation 6 of the New South Wales Public Health (Tobacco) Regulations 1999 appears to capture these products, making their sale an offence in NSW.

The Department has been keeping a watching brief over the issue of potentially “reduced exposure” tobacco products but has not undertaken a formal examination of the potential for their introduction.
- (7) The Government is not currently considering changes to current tobacco regulations to control the use of sweet-flavoured cigarettes or cigarettes that use potentially reduced exposure products.
- (8) No. The National Tobacco Strategy 2004-2009 recognises that every ingredient in a tobacco product is harmful when combusted. The Strategy is a long-term framework for national tobacco control activity which builds on existing tobacco control efforts and achievements by State and Territory Governments and the Australian Government, including education programs and campaigns; pricing measures; labelling tobacco products with health warnings and banning most forms of tobacco advertising, promotion and sponsorship.

Public Dental Services

(Question No. 502)

Senator Allison asked the Minister representing the Minister for Health and Ageing, upon notice, on 11 April 2005:

- (1) Can the Minister confirm his reported comments on 16 February 2005 that ‘the public dental system is a nightmare’ for treatment.
- (2) What is the reason the Government has not acted to resolve this ‘nightmare’.
- (3) Is the Government aware that the Organisation for Economic Co-operation and Development’s average is 56 dentists per 100 000 head of population.
- (4) Given that around one-third of the population are told they are eligible for dental care in the state and territory systems, when are we likely to see the same proportion of dentists being available for employment in the public sector to meet this need.
- (5) What measures have been adopted to solve this serious dentist shortage, particularly in rural areas.

Senator Patterson—The Minister for Health and Ageing has provided the following answer to the honourable senator’s question:

- (1) Yes.
- (2) State and territory governments are responsible for the planning, funding and delivery of public dental services. As such, they are best placed to identify and resolve structural, management or financial problems affecting the quality and accessibility of public dental care. If more funding is needed for the public dental network, states and territories can choose to use some of the additional GST revenue which will accrue to them under the New Tax System in the provision of such services.
- (3) No. The OECD does not publish an average number of practising dentists per 100,000 population. This is because direct comparisons are difficult due to varying definitions, training and qualifications of dentists in different countries. Additionally, the structure of the oral health labour force varies significantly between countries and comparisons are further complicated by the variance in the years for which data are available.

- (4) The primary responsibility for issues around the recruitment and retention of dentists within the public system rests with state and territory governments.
- (5) The Australian Government and state and territory governments are looking at a range of oral health issues, including the shortage and maldistribution of dentists.

In July 2003, Australian Health Ministers established a joint working group with representatives from the Australian Health Workforce Officials' Committee and the National Advisory Committee on Oral Health to examine issues relating to the oral health workforce. Issues being considered include the current shortages in the oral health workforce, public sector recruitment and retention (including remuneration) and the maldistribution of dentists across rural and remote areas. The working group anticipates reporting to the Australian Health Ministers' Advisory Council by mid-2005, and then reporting to Health Ministers.

At their meeting of 25 June 2004, the Council of Australian Governments commissioned a study of health workforce issues. The study, to be undertaken by the Productivity Commission, will take a broad, whole-of-government perspective, including both health and education considerations and will cover the full range of health professionals, including dentists. The study is due for completion by the end of February 2006.

The Australian Government, through the Department of Education, Science and Training, makes a significant contribution to the dental workforce through funding undergraduate university places in dentistry and other undergraduate oral health courses. The Government's higher education reform package, *Our Universities: Backing Australia's Future*, will deliver close to 36,000 new, fully-funded HECS places to higher education institutions by 2008. The new places, which commenced in 2005, are provided across a range of disciplines, including the health sciences. With regard to dentistry, 78 new places were provided across Australia in 2005, rising to 213 places by 2008.

Courts

(Question No. 508)

Senator Ludwig asked the Minister for Justice and Customs, upon notice, on 11 March 2005:

With reference to the recommendations of the report on the 'Review of the Federal Magistrates Court':

- (1) Has any progress been made on the consideration of Recommendation 2 of the report; if so, what progress has been made.
- (2) What were the reasons for the low client satisfaction rates of the Family Court of 54 per cent, compared with its target of 75 per cent.
- (3) What steps have been taken to increase the client satisfaction rate; if no steps have been taken, why not.
- (4) If steps have been taken to increase the client satisfaction rate, how effective have they been.
- (5) With reference to the discussion paper, 'A New Approach to the Family Law System', when is the Government expected to release its position following consideration of the submissions.
- (6) With reference to Recommendation 7 of the report, have the Family Court, Federal Court and Federal Magistrates Court established the recommended costing methodology; if not, at what stage are they.

Senator Ellison—The answer to the honourable senator's question is as follows:

- (1) Recommendation 2 of the report on the Review of the Federal Magistrates Court is under consideration by the Government.
- (2) The Family Court has provided the following information in relation to questions (2), (3) and (4).

The Portfolio Budget Statement (PBS) for the Family Court stipulates a client satisfaction target that '75% of clients are satisfied with Court resolution (i.e. mediation) processes'. According to the 2003-04 Annual Report of the Family Court, in the 2004 Client Satisfaction Survey the Court achieved a client satisfaction level of 54% for Court resolution processes.

The Court is concerned about the level of client satisfaction. It notes that, having regard to the increasing availability of mediation services in the community and the role of the Federal Magistrates Court, less complex family disputes are increasingly likely to be resolved or determined without approaching the Family Court. Consequently, the matters that do come to the Court are increasingly the more complex and difficult, involving more entrenched issues and disputes. The Court considers that client satisfaction with the Court's resolution services is impacted by the fact that court mediation occurs after clients' personal positions have become entrenched and that, in such circumstances, it is likely that many clients' assessment of the system is affected by the emotional turmoil associated with the relationship breakdown that they have experienced. Accordingly, the Court considers that the client survey response is affected (at least in part) by clients' experiences during relationship breakdowns (especially those involving children) as much as by the length of time to reach finalisation, the complexity of these cases, and the tangible costs involved for cases requiring judicial determination.

The Court advises that the highest rated area of client satisfaction was with 'Staff Professionalism', at a national average of 87% client satisfaction. Clients were highly satisfied with staff behaviours and professionalism, reporting that staff were polite and approachable, sensitive to needs, and maintained privacy and confidentiality. Further, a significant number of clients rated themselves as being 'neither satisfied nor dissatisfied' with the relevant services provided by the Court. Under the survey methodology, these clients were effectively counted with those who gave an unsatisfactory rating.

The Court notes that, from the survey, there is a direct correlation between increased client dissatisfaction and the duration of proceedings in the Court – that is, the longer their matter took to finalise, the more dissatisfied the client. This is a significant issue, which the Court is presently addressing through several major initiatives (reported below in response to Question (3)).

- (3) The Court advises that it has responded promptly to the client needs identified in the client satisfaction survey. The Court analysed those characteristics that most influenced the level of client satisfaction with the Court's performance. These were timeliness, informed and objective staff, and the conduct of events (i.e. clear explanation of event process, understanding expectations of behaviour, treatment with respect during event). The Court advises it has already taken the following steps, based on the evidence from the survey, to improve the experiences of clients:
- During a series of eight workshops between December 2004 and April 2005, the Court engaged in extensive consultation and discussion with a variety of stakeholders including all staff and the judiciary, clients, community based client groups and practitioners. The focus groups of external stakeholders were facilitated by an independent facilitator, without direct Court involvement in order to ensure robust and unfettered stakeholder opinion and input.
 - Registry Business Planning has adopted, as the key criteria to be addressed in action planning for 2005/06, timeliness, informed and objective staff, and improving how events are conducted.
 - Additional training is regularly being provided to staff on providing clear and accurate information and being balanced and impartial in their dealings.
 - A variety of continuous client feedback mechanisms, including point of service surveying, are being employed to ensure the Court has a clear and accurate understanding of client issues on a real time basis. The results of this feedback will inform decision making processes across other strategic projects of the Court.

- Registrars and Mediators have reviewed their conference processes including timing, opening statements and the desired outcomes of each event, to ensure that clients have a clear understanding of the purpose of each event.

The Court also advises that the steps it is taking to increase client satisfaction include two major innovations, which fundamentally alter the Court's processes and structure, and other initiatives to target specific areas of client needs. The major innovations are the Combined Registry Initiative and the Children's Cases Program.

The Combined Registry Initiative

The 'Combined Registry' initiative is part of the Government's response to the report of the parliamentary inquiry into child custody arrangements in the event of family separation, 'Every Picture Tells a Story'. This initiative will fundamentally change the way the Family Court of Australia works with the Federal Magistrates Court. Implementation of a combined registry will simplify the process for clients entering the Courts, and will streamline the progression of matters to the point of determination, where that is required, resulting in a more efficient progression through the courts to conclusion. The Court has worked closely with the Federal Magistrates Court and the Attorney-General's Department on this initiative, and has invested significantly in obtaining the input and feedback of other stakeholders by way of stakeholder workshops, which involved the Federal Magistrates Court and the legal profession.

The Children's Cases Program

The Children's Cases Program is intended to enable a less adversarial process for clients of the Court, to reduce the number of necessary courtroom events (thus reducing costs), and to achieve more satisfactory and durable outcomes. The pilot in Parramatta and Sydney has accepted over 200 matters. External, independent evaluators are monitoring pilot progress, and interim evaluation reports are expected in September 2005.

Other initiatives include the following.

Development of Client Perspective Model

The Development of the Client Perspective Model has involved the creation of 'case coordinator' positions – client service officers are assigned cases as soon as the application is lodged. If the case becomes complex, the client receives additional support (i.e. with information about compliance, documents required, interpreters etc). Structures and positions have been reviewed in client service sections to ensure consistency across the Court. Service is more personalised and tailored to suit client needs. A comprehensive case management manual has been developed, and on-line training for staff is now available. Staff members are being multi-skilled across all registry activities, and two surveys to all staff regarding improvements to the model have been undertaken in the last 12 months, as a result of which the model has been further refined.

Communication with Clients / Provision of Information

A project has been established to audit and review all letters produced in registries for the Family Court and the Federal Magistrates Court. A standard set of letters produced by the electronic case management system is being produced to coincide with the implementation of the combined registry. Initial scoping and identification of required improvements to the national phone system was produced in November 2004. Identification of options and planning is being undertaken currently with a finish date of mid- 2005.

The Family Court advises that it continues to work with other federal courts and tribunals to develop a Commonwealth portal for the delivery of web-based services (such as e-lodgement and e-filing). In recent times, the Family Court has played a leading role in the continued development of courts technologies, such as 'Casetrack', intended specifically to improve provision of information and communication with clients. The Court's commitment to continued technological advance-

ments, in order to improve provision of information and communication with clients, will be pivotal to improved client satisfaction over time.

Self-Represented Litigants

The Court is undertaking the following programs to support self-represented litigants:

- An information brochure promoting the 'step by step guide' for self-represented litigants is being developed (to be available in community based organisations and court registries).
- A self-represented litigants kit is being developed in collaboration with Federal Magistrates Court, Family Court and external agencies.
- An e-learning package is being developed for Court staff, to help better understand what information they can provide to self-represented litigants.
- A joint management plan is being developed between the Federal Magistrates Court and Family Court.

Men's Issues

The following steps are being taken to improve satisfaction levels among male clients:

- greater engagement with recognised organisations such as Mensline, No to Violence, Dads in Distress, to commence relationship building and explore possible partnership approaches;
 - delivery of the first iteration of a training package (developed by Crisis Support Services and Mensline) for client services staff; and
 - targeting of new initiatives in a way that is designed to meet the needs and concerns of men as well as women (eg Mental Health Initiative, Family Violence Project).
- (4) The Court advises that it has invested significant effort and resources in addressing the issues presented in the client satisfaction survey report. The major initiatives outlined above being developed and implemented to improve client satisfaction are significant undertakings that represent fundamental changes to the Court's business processes, structure and organisation. Additionally, these initiatives are closely interdependent and involve numerous other stakeholders. Appropriately, this detailed and comprehensive planning effort will incorporate monitoring and evaluation mechanisms that will enable the Court routinely monitor the effectiveness of these changes in terms of client satisfaction, and will enable identification of further opportunities for improvement.
- Following the recent client satisfaction survey, the Court is presently undertaking a comprehensive legal practitioner satisfaction survey, as part of an ongoing commitment to improve service delivery to all Court users. It is not intended that a further comprehensive client satisfaction survey will be conducted during 2005-06.
- (5) The Government has announced its position in the content of the 2005-06 Budget.
- (6) Recommendation 7 has not yet been fully implemented but significant work has been done by the three Courts to ensure a common understanding of each of the Court's differing financial models and to align the current costing methodologies.

Health and Ageing: Fraud

(Question No. 520)

Senator Ludwig asked the Minister representing the Minister for Health and Ageing, upon notice, on 11 April 2005:

In each of the financial years 2000-01, 2001-02, 2002-03, 2003-04 and 2004-05 to date, how many cases of fraud against the department have been a result of forged documentation including any of the following: (a) forged drivers' licences; (b) forged birth certificates; (c) forged Australian citizenship

papers; (d) forged passports, either Australian or other nationalities (please specify); and (e) forged marriage certificates, either Australian or other nationalities (please specify).

Senator Patterson—The Minister for Health and Ageing has provided the following answer to the honourable senator's question:

The number of cases of fraud against the Department that have been the result of forged documentation is:

2000-01:	4
2001-02:	3
2002-03:	1
2003-04:	1
2004-05 to date:	1

None of these cases involved (a) forged drivers' licences, (b) forged birth certificates, (c) forged Australian citizenship papers, (d) forged passports, either Australian or other nationalities, or (e) forged marriage certificates, either Australian or other nationalities.

Health and Ageing: Goods and Services

(Question No. 542)

Senator Sherry asked the Minister representing the Minister for Health and Ageing, upon notice, on 13 April 2005:

- (1) What is the normal period of payment of accounts from suppliers of goods and services to the department.
- (2) How many suppliers have not been paid within the period for payment, and in each case, what was the reason for late payment.

Senator Patterson—The Minister for Health and Ageing has provided the following answer to the honourable senator's question:

- (1) The Department follows Commonwealth guidelines of maximum payment terms 'not exceeding 30 days' from the date of receipt of the correct products or services and a correctly rendered invoice when contracting with small businesses. The payment policy applies to departmental payments valued up to and including \$5 million (including GST).
- (2) The number of small business core departmental payments processed in the 2004 calendar year was 30,007. Of these payments, 2,111 (7%) were not paid within the prescribed 30 day period.

To provide the reason for each late payment would involve significant resource effort and the Department is not currently in a position to undertake this work.