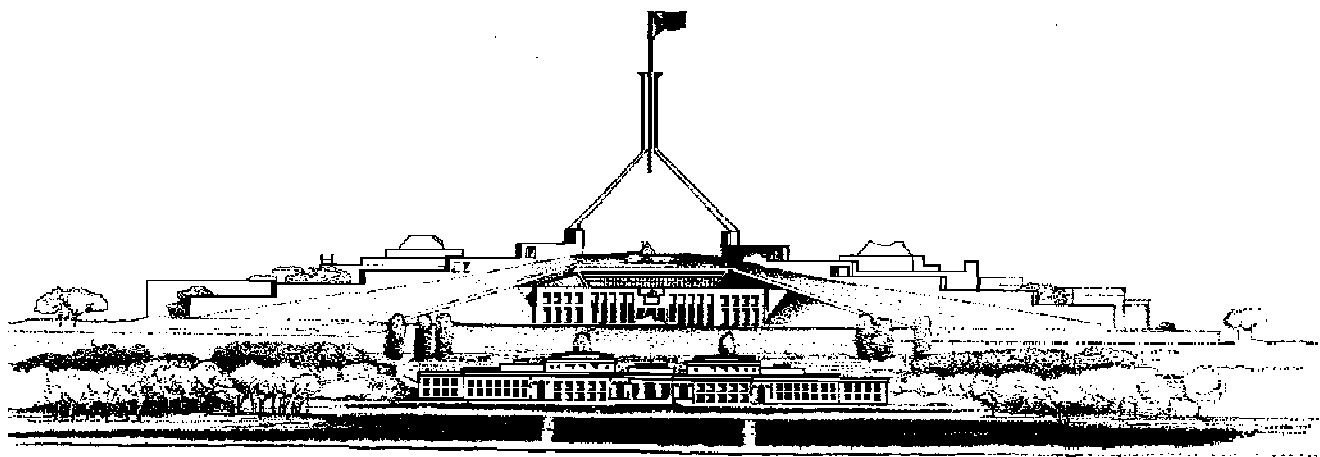




COMMONWEALTH OF AUSTRALIA  
PARLIAMENTARY DEBATES



# SENATE

## Official Hansard

**MONDAY, 20 MAY 1996**

THIRTY-EIGHTH PARLIAMENT  
FIRST SESSION—FIRST PERIOD

BY AUTHORITY OF THE SENATE  
CANBERRA

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**The PRESIDENT (Senator the Hon. Michael Beahan)** took the chair at 2.00 p.m., and read prayers.

#### REPRESENTATION OF TASMANIA

**The PRESIDENT**—I inform the Senate that I have received, through the Governor-General, from the Governor of Tasmania the original certificate of the choice of the houses of the Tasmanian Parliament of Senator Susan Mary Mackay to fill the vacancy caused by the resignation of Senator John Robert Devereux. I table the certificate and related documents.

#### QUESTIONS WITHOUT NOTICE

##### Native Title

**Senator FAULKNER**—My question is directed to Senator Hill representing the Prime Minister. Does the government intend to legislate for the extinguishment of native title on pastoral leases?

**Senator HILL**—I presume that if the Labor Party stands by its previous position it would argue that legislation is unnecessary, because it was the Labor Party which assured the Australian people that pastoral leases did in fact extinguish native title. It was so certain of that, in fact, that it was unnecessary to include it within its own legislation. Is the Labor Party coming in here today, now that it has been defeated and is out of office, without having to face up to these responsibilities, and suggesting that we should now do so?

**Senator Bob Collins**—I think you are having an identity crisis.

**Senator HILL**—No, it is not a question of an identity crisis. The identity crisis is on the other side because they have one position in government and another position in opposition. The implication in the question is that perhaps they misled the Australian people on the consequences of the effect of pastoral leases on native title.

There is no doubt that within the Australian community there is uncertainty on this issue

at the moment and that that is making life very difficult for many Australians—no doubt about that at all. Some of that uncertainty may be removed when the Wik case has been concluded, but probably—as Senator Faulkner, if he knows anything about this matter, will recognise—not all the uncertainty will be removed.

The correct response to this unsatisfactory state of affairs that we have inherited from Labor is something that we are deliberating. If you just wait patiently for a little while longer you will find the answer. But you assured us at the time of debate of that bill that it was not necessary to specifically include it within legislation because of your determination that it did in fact extinguish native title.

**Senator FAULKNER**—Mr President, I ask a supplementary question. My question was whether you intended to legislate to provide for the extinguishment of native title on pastoral leases. Of course, we had a non-answer; it was just equivocation and obfuscation. I ask: will you cave in to the likes of Mr Tuckey and Senator O'Chee or not?

**Senator HILL**—It is not a question of caving in to anyone. What we said at the time of the election is that there is an uncertain situation left as a result of Labor's failure which we must address and that is exactly what we are doing. There are a number of different alternatives that are open to us. One of the alternatives is to wait until the High Court resolves the matter. As I said to Senator Faulkner—although I do not think he does understand the consequences of his question—it may well be that the Wik case will not totally determine that question. I could go into the differences between native title in Queensland and native title in Western Australia, if Senator Faulkner likes.

Another alternative would be to seek to accelerate other High Court cases that could resolve what questions might be left unanswered. There are a series of potential approaches for us to take to do what we said we would do at the election, and that is act to resolve the uncertainty that currently exists, and we are addressing those options.

### Sale of Telstra

**Senator CRANE**—My question is directed to the Minister for Communications and the Arts, Senator Alston. I ask: what would be the likely impact of the Democrats' proposed environment funding bill—or should I say taxing bill—on Telstra, its competitors and Australian consumers? Does this proposal amount to nothing more than a new tax?

**Senator ALSTON**—Obviously Senator Kernot is very sensitive about this subject, and well she might be. I saw the cartoon on the editorial page of Saturday's *Australian* and I am sure the rest of Australia saw it too. The cartoon says:

What are you doing? . . .

That is addressed to Senator Kernot and the answer is:

Keeping the bastards dishonest.

That is precisely what is involved in this proposition. The Democrats say—and this is the old trick of the money tree at the bottom of the garden—that you could have a seven per cent tax on Telstra's pre-tax profits.

The first question you would ask yourself is: what are pre-tax profits? When you look at their annual report you see that there is no such thing. There is operating profit before abnormal items of \$2.9 billion or operating profit after abnormal items of \$2.4 billion. In other words, there is about \$500 million to \$600 million difference between the two propositions, yet your scheme does not distinguish between the two. Fairly casual economics.

Let us just say you take the higher figure, which gives you \$200 million or \$210 million a year. That has to come from Telstra's bottom line. So where should it come from, Senator Kernot? Should it come from Telstra cutting back on its infrastructure roll-out program? Should it come from even worse quality service to consumers? Should it come so that it is handicapped in competing with its competitors when it needs new capital investment?

Alternatively, should it simply come from the \$200 million worth of welfare initiatives, housing commitments and other areas of budget that are currently funded by that

contribution? This is precisely the approach Paul Keating took. Whenever he was short of a quid, he went to Telstra with a gun to his head and said, 'Give us an extra couple of hundred million dollars.' And you've learnt nothing from it. It clearly is an outrageous way to treat the national carrier as it goes into a new and highly competitive environment. You might like to pretend that somehow it is just going to go on and on with increased profits every year—18 per cent. That's what you said.

**The PRESIDENT**—Order! Senator Alston, would you address the chair, please?

**Senator ALSTON**—Yes, Mr President. The fact is that last year the increase in operating costs was actually higher than its increase in revenue. So it is in a very parlous position. You should know that they are committed to 30 per cent unit cost reductions over the next two years. I do not know what their chances are of getting that, but on recent experience they are not too good—certainly not without a lot more community support and cooperation from the union movement. Yet you blithely think you can somehow make one telephone company in a highly competitive environment carry the environment can. In other words, you want them to be the big polluter pays outfit.

The way to tackle this issue is the way we have proposed; that is, reduce government debt and at the same time build up a fund that will meet the best environment package in 50 years. You do not simply go around punishing Telstra—that is what you are doing—or punishing ordinary—

*Senator Kernot interjecting—*

**Senator ALSTON**—I know why you are sensitive. I heard all about what happened at the Housing Industry Association.

**The PRESIDENT**—Order, Senator Alston, I have asked you—

**Senator ALSTON**—You were struggling on this particular issue.

**The PRESIDENT**—Order! Senator Alston, I have asked you to address your comments to the chair, please.

**Senator ALSTON**—I have addressed them to the chair. I've already called you 'Mr President' once. What more do you want? I'm addressing the question. I don't have to look in your direction in doing that. I am directing it through the chair, Mr President.

**The PRESIDENT**—Order! I have asked you to address the chair and that means addressing the chair. You have not done that. Until you do, I will keep on asking you.

**Senator ALSTON**—Thank you, Mr President. Well, I hope Senator Kernot understands that we understand she is on very shaky ground. Her performance with the Housing Industry Association demonstrated that amply. Quite clearly, you are lacking in coherent justification for an obviously ideological position on the issue. You know full well that this cannot possibly benefit anyone, except try to get you off a hook of your own making. *(Time expired)*

#### Retrospective Legislation

**Senator BOB COLLINS**—My question is directed to the Minister representing the Prime Minister. Given the Prime Minister's stated position on retrospective legislation—'that no government of Liberal principles likes retrospective legislation'—can you advise whether the government supports the view expressed by Mr Justice Wells in his oft quoted judgment in the case of *Heading v Elston* in 1980? It states:

The statutory presumption against retrospectivity rests upon the well nigh universal conviction that, if members of a community are expected and encouraged, as they are, to govern their conduct by reference to the laws in force in the community, it would be unfair to penalise someone for conduct that was not contrary to the law at the time when he committed himself to it.

**Senator HILL**—I think if you read the *Hansard* over the 15 years I have been here you would find that, basically, I am pretty much in accord with what you have read out, Senator. Now let me get to the real point. No!

**Senator Bob Collins**—That's it, Senator. That is all I wanted.

#### Natural Heritage Trust

**Senator KNOWLES**—My question is directed to the Minister for the Environment.

I understand that you recently opened and spoke at the national conference of the Surfrider Foundation at Bondi Beach. Could you please inform the Senate of the foundation's views of the Natural Heritage Trust?

**Senator Schacht**—That was your Dorothy, Robert. Come on!

**Senator HILL**—I'm still puzzling over Senator Collins's question, I have to say. I do welcome the opportunity to tell you about the Surfrider conference held at Bondi Beach a couple of Saturdays ago. This is an important national group of conservationists interested in our coasts and oceans and interested in repairing the damage that has been done by neglect over a long period of time.

This was a national conference. People came from all over Australia. Of course, having recognised the failure of Labor, they particularly wanted to know what the coalition's plan was in relation to coasts and clean seas. It gave me the opportunity to remind them of our election promise to introduce a \$100 million coast and clean seas initiative—a very large sum of money—

**Senator Robert Ray**—Per year?

**Senator HILL**—Not per year, no. During the course of the program.

**Senator Robert Ray**—How many years?

**Senator HILL**—Five years. This is a large sum of money that could go a long way towards remedying the deficiencies in our coasts and ocean policy at the moment—your failure, Senator Faulkner, to face up to these responsibilities at all.

It was heartening to note the response of the office-bearers of that particular foundation. No doubt senators, on the other side particularly, saw it as reported in the *Sun Herald* on 12 May when Surfrider executive director, Brad Farmer, said—I ask the Australian Democrats particularly to note this:

With the 2000 Olympics on their way, we need to show the world that our coast, our greatest national asset, is being protected. They are not coming to look at our telephones.

His position is so similar to so many conservationists in Australia now. What they are saying is, 'Take the opportunity to be part of

this \$1 billion Natural Heritage Trust—money that can be reinvested in the natural capital of Australia.’ In other words, take part of one asset—that is, part of the capital asset of Telstra—and reinvest it in another capital asset—that is, the natural asset of Australia. That is something we would have thought the Democrats and the Greens in this place would regard as a tremendous initiative. We would not have expected it from the Labor Party.

The question also gives me the opportunity to remind you that the clean seas and coast policy will address some of the longstanding and very difficult issues relating to our sewerage systems and the pollution of our coast as a result of it—oil, grease and waste pollution. This will be an opportunity to redesign outfalls to operate more efficiently, to progressively raise the treatment standards, even to tertiary levels where ecological studies show this is necessary, and to develop significant water use, efficiency and effluent reuse. In other words, this is an opportunity to tackle some of the difficult issues that governments have not been able to tackle in the past either because they have not bothered, as in the case of Labor, or alternatively because they have not had a capital base to do it.

This is why it is so important that the Senate should not miss the opportunity to establish this capital base and do what most conservationists, practically all conservationists, want and what most Australians want—that is, they want this government to keep its promise and to implement the Natural Heritage Trust and reinvest some of the capital from the partial sale of Telstra in the natural environment of this country.

#### **Export Market Development Grants**

**Senator SHERRY**—My question is directed to the Minister representing the Minister for Small Business and Consumer Affairs. Is the minister aware that more than 70 per cent of last year’s 3,500 export market development grants went to companies with less than 25 staff—in other words, small business? In view of this, will the minister now enthusiastically restate the government’s commitment, given during the election campaign, to maintain the scheme in its present form?

**Senator PARER**—The government has a strong commitment to the enhancement of Australia’s export performance.

**Senator Cook**—Rubbish! That is an absolute piece of rubbish.

**Senator PARER**—It is a pity that the listeners could not hear that inane interjection from Senator Cook. This government based its election campaign on a number of issues. One was to improve our export position and to address the blown out foreign debt. We have a strong commitment to export performance, and we are mindful of our election commitments in relation to the export market development scheme.

The scheme, which falls within the portfolio responsibilities of the Minister for Foreign Affairs and Trade, is being reviewed, as are other government programs, in the context of the 1996-97 budget, and election commitments will be taken into account when considering any changes to that scheme. Any changes to government programs will be based on our absolute commitment to creating an environment in which business can get on with the task of generating exports and jobs for the long-term benefit of all Australians.

**Senator SHERRY**—Mr President, I ask a supplementary question. Minister, given your response in which you used the term ‘mindful’, which we are hearing quite a lot when it comes to election commitments, I take it that the unequivocal commitment you gave during the election campaign is no longer a commitment?

**Senator PARER**—I have satisfactorily answered the question, but let me go a little further. We are taking a very responsible attitude and we have to address the Beazley black hole in the budget, which means that all programs must be subject—

**Senator Bob Collins**—The Prime Minister said before the election that didn’t matter.

**Senator PARER**—An \$8 billion black hole in the budget. That is something you people did not address in your period in government. The whole thrust of our policies will be to give small business a push along.

**Senator Schacht**—Right over the cliff.

**Senator PARER**—I am very amused by the interjection from Senator Schacht. After all, Senator Schacht was the minister for small business in the last government. Every now and then he would get up in this place to answer a dorothy dix question until one day, some few weeks out from the election, he said, ‘Of course, we recognise the fact that we don’t have the support of small business.’ Naturally he did not have the support of small business. (*Time expired*).

### Economy

**Senator KERNOT**—My question is directed to the Minister representing the Prime Minister. This morning’s *Australian Financial Review* published a letter by three very respected economists—Fred Argy, Fred Gruen and John Neville. They write:

It is neither necessary nor desirable to seek to reduce discretionary spending by \$8 billion over the next two years simply because the economy is forecast to grow more slowly. If the economy is indeed slowing down, such a policy may well slow it down further and increase unemployment in the short term while helping neither the fiscal deficit nor the national savings rate.

Minister, in light of your previous comments to me when I have raised this issue, do you find it less offensive when it is coming from three senior independent economists? Don’t you agree that this letter lays serious challenge to the claimed rationale for your government’s budget cutting program?

**Senator HILL**—I remind Senator Kernot of what I said previously. I regarded her question that said we were out there targeting public servants as offensive. One of the issues we have to address is a forecast budget deficit of some \$8,000 million. Senator Kernot would presumably want us to increase taxes.

**Senator Kernot**—Ha,ha!

**Senator HILL**—Well, the policy the Democrats have always advocated in the past to overcome budget deficits is to increase taxes. We won’t forget that after the election before last the Australian Democrats urged the Labor Party to break its promise and increase taxes. I have to say the Labor Party did not take a lot of encouragement. It did so without any hesitation at all. But your answer is always to increase taxes. The Labor Party’s

answer has traditionally been to let the debt blow out—let the deficit blow out.

**Senator Sherry**—What Rubbish.

**Senator HILL**—Yes, it has. This is the problem. This is our inheritance from you. What we have inherited is a forecast deficit of \$8,000 million. If that is not letting it blow out, what is letting it blow out? That is what we get from you. The Labor Party’s answer always is to borrow more. The Democrats’ answer always is to tax more. We think it is time a responsible government tackled the expenditure side because by doing that we can do something about keeping interest rates down—

**Senator Kernot**—Oh!

**Senator HILL**—You may not be interested in this, Senator Kernot, but that would encourage small business to grow and to employ; in other words, create some fundamentals in this economy that can help provide an environment for greater economic growth. Why do we want to do that, Senator Kernot? You may not understand it, but there are still three-quarters of a million Australians in this country who are unemployed as a result of Labor’s failure. We inherited from Labor not only a forecast deficit of \$8,000 million—the Beazley black hole—but also mass unemployment.

So we have to get the fundamentals right. It is about time that a government in this country was prepared to tackle the hard decisions. I have to say, Senator Kernot, all indications are so far that the Australian people are strongly behind us in doing so.

**Senator KERNOT**—Minister, are you blithely dismissing the views of these three senior independent economists that the policy you are pursuing has the capacity to actually add to unemployment, which you just said was something you wanted to solve?

**Senator HILL**—Obviously we listen to the advice of all, but we take the decisions that we believe are correct. We have taken a decision that we are confident is in the best interests of this nation. The three independent economists do not have to have responsibility for mass unemployment in this country. We have been elected to do something about



putting the fundamentals of this economy right so that we can start eating into that unemployment list again. We are confident that we have the right recipe.

You do not think it would be, because you believe putting up taxes would solve the problem. Putting up taxes will only make it harder for small business to grow and to employ. Labor says, 'We'll borrow more. That's the way.' All that does is put pressure on interest rates, which makes it harder for small business to grow and to employ. So, Senator Kernot, the answer is that we disagree with what you propose. We believe the economic formula that we have adopted is correct, and we intend to stand by it.

#### DIFF Scheme

**Senator COOK**—My question is to the Minister representing the Minister for Finance. Will the government come out and honestly admit that its decision to abolish the DIFF scheme disadvantages Australian companies and advantages foreign companies—notably those in Japan, Germany, France and Italy? Recognising that Australian companies compete in the global economy, can you give the Senate details of DIFF type schemes that those nations and other nations provide to their business sector to help win contracts in Asia and elsewhere? Are you aware that Price Waterhouse has just forecast a hard \$A25 billion worth of contracts in Asian infrastructure alone? What damage to the current account deficit and our ability to win our share of the \$25 billion will the axing of DIFF do?

**Senator SHORT**—First of all I am not going to, as Senator Cook well knows, speculate on speculation about what may or may not be in the budget, but let me answer his question in terms of the disadvantages that Australian companies face. Australian companies have faced, during Labor's 13 years in government, massive inhibitions and constraints to their ability to become as internationally competitive and as globally oriented as they and Australia need and require.

It is as a result of the policies of the Hawke and Keating governments—particularly, more latterly, the Keating government—that we

have seen a situation where there has been a massive deterioration in the finances of this nation. We as an incoming government have inherited a massive hole of \$8 billion in the Commonwealth budget—a hole which unless repaired will lead, and indeed already has led, to higher interest rates in this country than should be the case. We are one of the highest interest rate nations on earth.

If Senator Cook were to ask about the major factors that cause problems to competition in business in Australia, they will answer that the level of interest rates are putting us way out of line with the rest of the world. They will mention the abject failure of the past government, as Senator Cook well knows, to take any action whatsoever to reform the archaic, arthritic labour laws in this country to enable Australian employers and employees to negotiate agreements which enable productivity to flow, economic growth to flow, international competitiveness to flow, jobs to increase and Australia to be the export oriented nation that we so desperately need.

**Senator COOK**—Without accepting any of that list, won't you also recognise the truth of what we read and hear daily—that Australian companies want the DIFF scheme to continue—and that by axing it you will, in fact, put them at an international disadvantage which will hurt the current account deficit and which will damage companies which have already got bids out in the marketplace? Won't you just say yes to that? I am not asking you to speculate on the budget—just say yes. If you remove a scheme to help companies win contracts, you will damage their prospect of winning those contracts. Just be honest about that. Tell us how the axing of DIFF will help small business. Have you done any studies at all of the effect of abolishing DIFF, or have you just thought of a figure and slashed it?

**Senator SHORT**—For Senator Cook to ask someone on this side of the chamber 'to just be honest and just say yes' is an absolute hypocrisy beyond belief.

**Senator Alston**—How many prizes has he got for misleading the Senate?

**Senator SHORT**—Yes, I think he was censured several times for misleading the

Senate. I think I am right in that. I do not have anything to add to what I have already said.

There are very many elements that go to make up the competitive environment within which a company operates, including the international market. Far and above all other questions is the question of the ability to be productive by having effective labour market relations and by having interest rates that enable us to compete on a competitive basis. I hope Senator Cook knows that. It appears from his question and those of others opposite in the last couple of weeks that they have learnt nothing whatsoever from their 13 years of disastrous economic mismanagement.

#### **Labour Market Programs**

**Senator TIERNEY**—My question is to the Minister for Employment, Education, Training and Youth Affairs, Senator Vanstone. Can the minister shed any light on the usefulness of the extravagant spending by the former Labor government on the so-called Working Nation programs? How does the minister propose to address the appalling mess in which Labor has left labour market programs?

**Senator VANSTONE**—I thank Senator Tierney for his question. Mr President, I am concerned, as are providers of services to unemployed Australians, especially young Australians, that at the moment they are being treated like the ball bearing in a pinball machine—shunted from one place to another. Consider, Mr President, that people in this position need to go to the Commonwealth Employment Service; they need to contact the Department of Social Security; there they may be assessed and sent to contracted case managers who, in turn, might send them to training programs or to skillshare, which will put them on training programs; then they will go back to skillshare or the other contracted case managers; and during all that time they will need to keep in contact with the Department of Social Security and with CES.

It is not satisfactory that any unemployed Australian can say that we are not giving them value for the money we are spending on them but the outcomes from these programs are not good enough. I have indicated there-

fore that the cost of some of the programs needs to be looked at in terms of the outcomes. Why? Because that is what people who are unemployed are concerned about. Basically, they want to get an unsubsidised job or a training place in order to enhance their job skills and increase their chances at the next step towards getting a job.

If we look at the cost of getting someone into a job through providing them with skills that they did not otherwise have—that is, the net impact cost of these programs—we find that some of them are very expensive, some more expensive than others, and they have varying outcomes. But it is important that Australians understand what we are spending and that there is an opportunity to reconsider whether we are giving unemployed Australians value for the money we are spending on them.

For example, for someone placed on a jobskills program, you could estimate that the cost of making a net impact in that area was something like \$76,575. I do not imagine that the people who participated in that program and who did not get a job think that is value for money and providing a positive outcome. As another example, jobclubs, on net impact, work out at over \$6,000, while jobtrain is over \$7,000. The more effective programs in this respect are jobstart and skillshare, which are each over \$3,000 and moving towards \$4,000 for a net impact.

The important thing is to look positively at what can be done to redesign what we are doing in this area with a number of objectives in mind. The first objective must be to deliver outcomes to unemployed Australians, not just to satisfy the tactical and political needs of any government at any particular time. The second aspect of any redesign must be that any system designed is comprehensible to young and unemployed Australians, that they are not faced with something like a Hampton Court maze. Thirdly, any redesign of a system must understand the situation of unemployed Australians and try as best as possible to discontinue shunting them from one place to another and treating them as ball bearings in a pinball machine.

### Higher Education

**Senator CARR**—My question is to Minister for Employment, Education, Training and Youth Affairs. Senator Vanstone, commenting upon your recent meeting with the Australian Vice-Chancellors Committee, Professor Mal Logan from Monash University accused you of having no vision whatsoever for the higher education sector. He told the *Australian*:

I formed the impression that she did not have a view about the future of the university system, but was preoccupied largely with cutting expenditure just for the sake of cutting.

Will you now confound Professor Logan by giving to the Senate your vision of the higher education sector?

**Senator VANSTONE**—I thank the senator for the opportunity to raise the question of the vice-chancellors and the response they made to what they understandably see as very bad news. Senator, the very bad news for the vice-chancellors, as it is for so many Australians, is that your government left a \$8 billion deficit that needs to be repaired.

It is not at all surprising that no sectors which may have to bear some of the burden that you have left Australia to shoulder receive that news positively. Why would they, when some sectors put so much faith in a Labor government which, in the end, failed to deliver to them.

I met the vice-chancellors last Monday night at a dinner to which I had been invited to speak to them. The message I gave to the vice-chancellors is basically this: the serious budgetary problem facing the government was left by the Labor Party—which basically failed to open the books and let all Australians know the difficult situation we were in prior to the election—and this government is absolutely determined to resolve the problem.

I further told the vice-chancellors that within my portfolio I had the luckiest people in the community and the unluckiest. The unluckiest are those that your government failed to skill properly. Your government failed to get the economy going enough so that they could get jobs. At the other end, as I told them, I have the luckiest people in the community, the people who are able to par-

ticipate in higher education—the people who have the skills and the opportunities.

I told them that any approach to resolve the problem left to us—this enormous black hole left by the previous government—could reasonably be expected to include the luckiest portion within my portfolio. I told them that we wanted the tertiary education calmly and sensibly to tell us the most rational way to make any savings required from this sector. I think it is fair to say that the vice-chancellors did not warm to that task.

The purpose of my speech was basically to take that message to them. I have no intention of misleading the higher education sector, as the previous minister did when he said to them, 'Nudge-nudge, wink-wink, we'll give you the money for your pay rise', and then he got rolled in cabinet. There is no benefit in misleading any sector as to the size of the budgetary task faced by this government. I chose to speak on the topic I did to make sure that the higher education sector understood the size of the problem and to let them know that we wanted to hear their best ways of resolving that problem.

At the conclusion of my speech, there were questions. One of the questioners said words to the effect, 'Well, I would have preferred to have heard a positive story about what your vision is for higher education.' We would prefer to be in a position to be able to make that the focus. But the point is that those opposite left us with this serious problem, and that is the problem we must first address. In the short time which is available to answer questions at the end of a dinner, I referred to the theme of our higher education policy—*(Time expired)*

**Senator CARR**—Mr President, I ask a supplementary question. A report in the *Weekend Australian* stated:

According to those who heard it, Vanstone said in a jocular, even teasing tone, words to the effect: "I could say a figure of 5 per cent, I could say a figure of 12 per cent." Then, laughing, she said: "You should not have heard that."

Is this report accurate? If not, what did you tell the vice-chancellors about the effect of budget cuts on their universities?

**Senator VANSTONE**—I thank you for the opportunity to complete the first question.

**Senator Faulkner**—You are out of order. Come to the supplementary.

**Senator VANSTONE**—I will come do that. I referred the questioner to our policies, which indicate that we want to have more diversity, more quality and more choice. I mean no disrespect to the vice-chancellor, but if a student used the level of information that he used—my short answer—in making those comments to come to a conclusion, he would fail that student.

I have consistently declined all offers to give a specific indication of what kinds of savings need to be made. If someone had said to me, 'Could it be five per cent or 12 per cent?', undoubtedly I would have replied, 'It could be five per cent or 12 per cent.' I can guarantee Senator Carr this: not one person who was at that meeting thinks that the budgetary situation facing this government is amusing or light-hearted. I certainly don't. And guess what? No-one else is grateful to your government for leaving us with this budgetary black hole. (*Time expired*)

#### Environment

**Senator CHAMARETTE**—My question is directed to the Minister for the Environment. I refer the minister to the Prime Minister's commitment that all the funding commitments in the coalition's election environment package 'are additional to Labor's budgeted funding for the environment'. Will the minister spell out the government's plans for environmental spending which falls outside the package linked to the partial sale of Telstra? Can the minister assure the Senate that funding to environment groups will be continued by this government? If not, why not?

**Senator HILL**—I thought I had answered this question the other day but, for the purpose of the Western Australian Greens, I will run through this again. It is certainly true that it was our objective that the capital fund produced through the sale of one-third of Telstra would provide a funding base to enable us to meet important and urgent environmental tasks beyond those in the existing program. That is the purpose of it—to set up

a \$1 billion Natural Heritage Trust over and above the existing program.

I think Senator Chamarette will be familiar with how we have undertaken to expend the capital fund that we were putting together. A large sum of it—over \$300 million—is for national vegetation initiatives. I mentioned earlier the coast and clean seas initiative of \$100 million. There will be a long overdue land and water audit, which will cost a considerable amount of money. A sum in excess of \$100 million is to be expended on the Murray-Darling program. We think that these initiatives are important and vitally urgent. We would urge the Greens to take the opportunity—

**Senator Chamarette**—Mr President, I raise a point of order. The minister is not answering my question, which had nothing to do with the Telstra package. I specifically asked: what is the environment spending priority outside that package; and, can this Senate be assured of continued funding for environment groups, as committed by the Prime Minister?

**The PRESIDENT**—I ask the minister to get to that point.

**Senator HILL**—I was going to urge the Western Australian Greens to take the moment and join us in supporting the setting up of the largest and the best environment program in Australia's history. I will be astonished if they fail to take this opportunity—particularly Senator Chamarette, who is in her last days in the Senate. I earlier quoted from the press release of Mr Farmer from the Surfriider Foundation. Another quote from that press release that I could have reminded Senator Chamarette of was, 'The partial sale of Telstra is environmentally friendly.' I urge Senator Chamarette to take the moment and be part of the setting up of the biggest and the best environment program in Australia's history.

With regard to the balance of the program, it is our objective that it will continue. Senator Chamarette knows the details of that program as well as I do. It is under spending pressure at the moment. All existing programs are being revisited in terms of our need to find \$8,000 million in savings as a result of the legacy that we inherited from Labor. But

it is our objective to, as much as possible, maintain that program and build upon it with the Telstra capital fund.

In relation to specific grants for conservation groups, you will recall our policy promise that we would seek to maintain those grants on the basis that effective public advocacy requires the advocacy group to be sufficiently funded to be able to put its point of view in an effective way, and that remains our objective.

**Senator CHAMARETTE**—I thank the minister for finally getting round to answering the question. Will the minister give the Senate a commitment that existing environmental programs—as foreshadowed in the revised forward estimates for January 1996—will continue to be funded regardless of the outcome of the government's attempts to sell part of Telstra?

**Senator HILL**—I think the honourable senator is asking whether we will adopt all of Labor's pre-election promises on top of its previous budget commitments. The answer to that is, basically, no. Most of those commitments have been overtaken by the Natural Heritage Trust—

**Senator Margetts**—So the environment from June goes down?

**Senator HILL**—The money has to come from somewhere. What Labor did was go out and promise further expenditure on the top of budget deficit forecasts of \$8,000 million. We say that you have to find a funding base. What we have done is set up a Natural Heritage Trust—which incorporates and improves upon many of the funding initiatives that Labor announced in its pre-election platform—and we have provided a funding basis for it, which is most important. Furthermore, we have provided a funding basis that will take it outside budget pressures for the future. You are missing the point, Senator Chamarette. Take the chance. Be part of it! (*Time expired*)

### Higher Education

**Senator STOTT DESPOJA**—My question is addressed to the Minister for Employment, Education, Training and Youth Affairs, Senator Vanstone. In your higher education

policy document you promise to maintain levels of funding to universities in terms of operating grants. Given this election pledge—and you have just stated your unwillingness to mislead the higher education sector—why did you warn the Australian Vice-Chancellors Committee to brace itself for funding cuts of up to 12 per cent? And if, as you claim, a decline in Commonwealth funding of 13 per cent over the last 13 years under the last government resulted in overcrowded lectures, unworkable tutorials and inadequate libraries, what impact do you think a 12 per cent funding cut in one budget will have on our higher education system?

**Senator VANSTONE**—That question comes in two parts. The first is an attempt by Senator Stott Despoja to get an indication from the government as to the budgetary process between the election policy statements and the next major policy statement, which is the budget. Senator Stott Despoja should well know by now, but I will repeat it in any event, that the next major policy statement is the budget. In the meantime, I am not going to engage in the process of policy making by discussion with Senator Stott Despoja or others, by giving advance indications of what the government's thinking may be with respect to the budget. The second part of the question does deserve a more—

**Senator Schacht**—An answer.

**Senator VANSTONE**—I was about to say 'a considered response', but I was trying to find words that were pleasant to the senator for having engaged in what undoubtedly is an extraordinary beat-up. The situation is that I did not tell the vice-chancellors that they should be expecting any particular figure whatsoever. On that basis, Senator Stott Despoja's question is simply encouraging fearmongering in the community. I would have thought that anybody who understood the higher education sector, who was really concerned for its future, would do three things: they would recognise the budgetary problems faced by the government because of the deficit left by the previous government and not made public prior to election; they would then sensibly and calmly acknowledge that it was not likely that you could exempt

the higher education sector from making some contribution to that budgetary savings process; and they would then seek the views of the vice-chancellors and other people, with respect to that matter, as to the best way to make that contribution. That is what I have done. I have done it with the vice-chancellors as a whole. If they are unwilling to make a contribution as a group, then I will seek their contributions individually or in smaller groups. But I will not participate in the fearmongering which the senator is trying generate.

**Senator STOTT DESPOJA**—Given your unwillingness to speculate about the size of budget cuts I simply ask: are you willing to keep your election promise to maintain Commonwealth funding to universities' operating grants?

**Senator VANSTONE**—I repeat the first part of my answer. The last major policy statement by the government involved the policies released at the election. The next major policy statement is the budget. The senator is not a part of the government parties and cannot therefore be expected to be included in the budgetary processes forming the decisions as to how to respond to the budgetary mess left by the Labor government.

#### **Importation of Cooked Chicken Meat**

**Senator BURNS**—My question is to Senator Parer, representing the Minister for Primary Industries and Energy. I have a first-hand knowledge of the concern being expressed by people in the poultry raising and processing industry about the introduction of disease into Australia. My question concerns a report in the *Australian Financial Review* last week which stated that that newspaper had been informed by Mr Anderson's office that a decision had been made to allow the import of cooked chicken meat into Australia from the United States, Denmark and Thailand only to be told half an hour later that this was wrong and that, in fact, a decision was imminent, pending further consultation with industry. Given the decision is made by delegated authority, can the minister advise the Senate if the delegated officer has in fact signed off on this approval? If so, when?

**Senator PARER**—AQIS conducted a quarantine risk assessment in response to requests from the governments of the USA, Thailand and Denmark for market access for cooked chicken meat. There has been extensive consultation to ensure all disease issues have been considered. The major poultry industry organisations have expressed their opposition to importation, citing as concerns possible disease risks and adverse economic consequences.

AQIS's position paper states that the importation of cooked chicken meat product from the USA, Denmark and Thailand under specified conditions would not represent a disease risk. Importation from Thailand would be subject to prior inspection by AQIS of the Thai processing plants. AQIS will publish a statement within a few days setting out the detailed arrangements under which importation of cooked chicken meat from these countries will be allowed.

Separately from the AQIS process, the government has received advice from an interdepartmental committee concerning the potential economic impact on the domestic industry of the removal of protection against import competition which has been provided to this time by quarantine restrictions. The minister has encouraged the industry to consider their adjustment requirements, and he will examine closely any submission that they put to him on this aspect.

**Senator BURNS**—Mr President, I ask a supplementary question. Given that there are reports in the press from time to time about the lack of integrity of some people in Thailand, will there be a presence of AQIS to ensure the quality of that particular process?

**Senator PARER**—Senator Burns, I understand your concerns on this matter. I think that you probably missed what I said in the response. What I did say was, in regard to Thailand, that anything to do with that area in regard to chicken meat would be subject to prior inspection by AQIS of their processing plants. As I also indicated to you—

**Senator Burns**—Continual.

**Senator PARER**—Yes. There will be a statement in a few days setting out the detailed arrangements.

#### Industrial Relations

**Senator PATTERSON**—My question is addressed to Senator Hill, Leader of the Government in the Senate. I refer to yesterday's comments by the President of the ACTU, Ms Jenny George, critical of the Accord process. Can you inform the Senate as to whether the government's industrial reforms will include an accord with the trade union movement?

**Senator HILL**—Mr President, it certainly would not include an accord of the type that Labor had because the Accord, the partnership between the Labor Party and the trade union movement, has cost Australians dearly. Basically, the major problems facing this country of mass unemployment, three-quarters of a million people unemployed, plus the debt levels, can be laid at the feet of this partnership arrangement.

Those opposite have every reason to sit on the other side of this chamber red-faced and embarrassed as a result of 13 years of government that have left so many people in a state of misery. It is not only those who are unemployed; it is also those who are underemployed and those who have seen their standard of living fall. That has been the legacy of Labor, Mr President: after 13 years of Labor, the result is so much misery and disappointment. Continually you lifted their hopes and aspirations, only to let them down again, and you did so because of this arrangement with the leadership of the trade union movement.

In many ways you let the leadership down as well, and that is what Jenny George is saying. If I can go to the quote, she was asked whether Labor would enter into such an accord again. She said, 'I don't think there will be an accord like the one that we had because, at the end of the day, when workers made sacrifices in the national interest, they got no thanks for it'. That is right; you succeeded to the extent of keeping wages down, but you did not give workers jobs. Either you kept them out of work or you kept them poor.

**Senator Burns**—That is not right.

**Senator HILL**—Senator Burns, that was your contribution to the workers of Australia. That was your failure, and that is the reason they threw you out. All of a sudden we have Labor in opposition reflecting on whether or not such accords are a good thing. Former Senator Gareth Evans, your deputy leader, still thinks they are because he is positively talking about another accord. Mr Beazley, your leader, is hesitating; he is moving away. 'The quite symbiotic relationship in the Accord policy making process, if you like, disappears', Mr Beazley said. Former Senator McMullan, a pretty smart, astute politician, recognises that not only did you let the workers down but also it was not a politically good policy, so he is moving away from it as well.

One of the most appropriate comments came from the Construction, Forestry, Mining and Energy Union when its view was reported on 10 May 1996. Of the Accord, it said:

We call on the ACTU and the union movement generally to soberly reflect upon the damage caused to the trade union movement over the last 13 years and ensure that there is no repeat of a process which in its effect puts the political survival of the ALP before the industrial interests of workers.

They recognised that you put the political survival of the Labor Party ahead of the interests of the workers that you claim to represent. You let them down, and that has resulted in mass unemployment and falling living standards in this country, and for that legacy you have been thrown out of government.

The Australian workers will now have an alternative put to them that will give them hope for the future—policies that will take the hard decisions and look at expenditure for the first time, not the easy deals with the trade union movement that require workers to make the sacrifices; policies that recognise that workers are entitled to more as productivity rises; policies that are designed to lift productivity and provide benefit for all Australians. These are the reasons that we were elected, and this is why we will not implement your accord. (*Time expired*)

### DIFF Scheme

**Senator CONROY**—My question is directed to Senator Short in his capacity as Assistant Treasurer. Noting your response to Senator Cook's earlier question, would you agree, if the government did abolish DIFF, the government should give consideration to paying compensation to the 55 companies with projects in the DIFF pipeline for the tendering and other costs they have incurred?

**Senator SHORT**—Again, I am not going to speculate on what the government may or may not do in this area for the very reasons that I outlined in my previous answer to Senator Cook.

### Minister for Primary Industries and Energy

**Senator BOB COLLINS**—My question is addressed to Senator Parer, the Minister representing the Minister for Primary Industries and Energy. You would recall that two weeks ago I asked a question of you in question time which you agreed to refer to the minister. I asked whether the minister's pastoral company was in receipt of payments under the diesel fuel rebate scheme. I am sure you would recall that in your answer you said, and I think this is a reasonable quote, you assumed it was. Do you now know whether the minister's pastoral company is in receipt of payments under the diesel fuel rebate scheme?

**Senator PARER**—I have had no direct response from the minister on that subject. I have a fairly high respect for Senator Collins but I cannot help but be amazed by the fact that a question was asked about whether someone who owns a farm, which is where his home might be, who would be using tractors and other machinery, would use diesel fuel. As a result of that, he would get the normal diesel fuel rebate that applies to rural producers.

**Senator BOB COLLINS**—It may have completely escaped your attention, Senator Parer, that the minister has recently told the media that his family will divest itself—as it should—of the shares it currently holds in Boral because of the decisions the minister is participating in on woodchips. Considering

that the minister is currently—in fact, I would imagine a key figure—in cabinet and 'committees of cabinet' in respect of the retention of the diesel fuel rebate scheme, can you advise the Senate if the minister has declared his interest and absented himself from such discussions, as he told the *Country Hour* he would?

**Senator PARER**—This is entirely a matter between the minister, the Prime Minister and the cabinet. The minister himself is a man of the highest integrity, and I do not think anyone would dispute that.

**Senator Bob Collins**—No-one is questioning that.

**Senator PARER**—Senator Collins said no-one would dispute it. In my response after question time last week I indicated that the minister had responded to me and had pointed out quite clearly that his actions were entirely in accordance with the requirements of his position as a minister of the crown.

### Strelley Pastoral Leases

**Senator PANIZZA**—My question is directed to Senator Herron, the Minister for Aboriginal and Torres Strait Islander Affairs. Is he aware of the report tabled in the Senate some time ago concerning the Strelley pastoral leases in Western Australia and the concern in that report regarding that group? What is he going to do about it?

**Senator HERRON**—I thank Senator Panizza for the question about Strelley Nomads. ATSIC has taken all possible action in relation to the Strelley Nomads position. I understand your concern because this action has been obstructed in every possible way by the Strelley Nomads group. ATSIC did provide a response to the Strelley Nomads ombudsman query on 23 April this year and the response refutes allegations of spending on abandoned cattle stations. The only ATSIC funding provided to the Strelley Nomads organisation was for the purpose of community infrastructure, the community development employment project and health funding for those communities living on the five pastoral properties concerned.

Funding for Strelley Nomads has been suspended since July 1993. This decision was



made in response to concerns about the level of Aboriginal participation in those community projects administered by Strelley Nomads. Financial concerns in relation to the organisation were not apparent until the undertaking of the 1993 task force review. Accountability requirements had been met by the organisation in the past. The review recommended, amongst other things, that ATSIC engage an independent accountant to undertake a financial audit of Strelley Nomads and that action be taken to recover surplus funds and assets still held by the organisation.

Following the completion of the task force review, ATSIC sought advice from the Australian Securities Commission in October 1993 on whether it had powers to investigate ATSIC grant funds transferred to a private company, Nomads Management Pty Ltd. The ASC advised that it would not be able to initiate any investigation on the basis of available information. ATSIC felt that the completion of the independent audit would provide further information to allow the Australian Securities Commission to undertake such an investigation.

Duesburys Chartered Accountants was appointed on 24 February 1995 to carry out the independent financial audit. Duesburys was unable to commence the investigation until May 1995 due to the refusal by Strelley Nomads to allow it access. In fact, ATSIC was required to take legal action to enable Duesburys to gain access.

**Senator Cook**—Are you reading this?

**Senator HERRON**—I thought you wanted a complete reply to Senator Panizza's question and I thought you might be interested. The final Duesburys report was made available in January this year. The report was forwarded to the Australian Securities Commission in April this year for appropriate action. ATSIC has taken action to recover surplus funds of \$315,377 held by Strelley Nomads. In relation to a lack of documentation to community development employment projects, Duesburys had been advised by the Strelley Nomads accountant that wage sheets were located at the relevant communities. ATSIC has since followed up on this matter,

although Strelley Nomads has continued to be uncooperative.

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

#### Public Service Cuts

**Senator ALSTON**—On 7 May 1996, Senator Harradine asked me as the Minister representing the Minister Assisting the Prime Minister for the Public Service a question without notice about the extent to which the proposed public service cuts were consistent with the government's policy on decentralisation. I undertook to obtain an answer for Senator Harradine. I now seek leave to have the answer incorporated in *Hansard*.

Leave granted.

*The answer read as follows—*

The Minister Assisting the Prime Minister on Public Service Matters has provided the following answer to the honourable senator's question:

The Government has a very difficult task ahead of it to rein in the \$8 billion 'black hole' bequeathed to us by Labor. The Budget which we will deliver on 20 August will contain measures to bring the Budget back into balance over the next two years. Prior to bringing down the Budget, the Government is not prepared to engage in speculation concerning individual cases as to where adjustments to the level of Government expenditure may or may not occur. For that reason I am not prepared to comment on Senator Harradine's statement concerning the Comcare office in Hobart.

With respect to the closure of the Launceston Tax Office, I would draw your attention to the media release from the Australian Taxation Office dated 10 April 1996 in which the Commissioner of Taxation in announcing the closure of fifteen small regional offices stated: "The future of regional offices have been under review for several years and today's decision is unrelated to any decisions the Federal Government may make on the future of Public Sector staffing". It is clear that the decision is very much an ATO business decision, arising from several comprehensive reviews of these regional offices which have failed to establish a sound business case for their future. The decision was based on considerations of providing cost-effective service delivery for the community as a whole.

I would like to make it quite clear that our objective is not to sack public servants. Rather, what we are about is reducing the cost of Government as part of a thorough overhaul of Government ex-

penditure. There are no arbitrary staff cuts to be implemented in the Australian Public Service.

With regard to possible reductions in expenditure, there is no policy to target one section of the community as opposed to another. The Government is of course sensitive to the needs of people outside the capital cities or the principal towns and will achieve its fiscal target in a fair and efficient manner.

This government recognises that a sound fiscal strategy is required to deliver strong and sustainable economic and employment growth which will be to the benefit of all Australians.

#### **Australian Securities Commission**

**Senator VANSTONE**—On 1 May 1996, Senator Cooney asked me, as Minister representing the Attorney-General, whether the government had obtained any advice, written or otherwise, of the likely effect on the efficiency with which the Australian Securities Commission operates of proposed cuts in its personnel. I seek leave to incorporate the answer in *Hansard*.

Leave granted.

*The answer read as follows—*

The Treasurer has provided the following answer to the honourable senator's question:

Senator Cooney's question was referred to the Treasurer as responsibility for corporate law matters has been transferred from the Attorney-General's portfolio to the Treasurer's. The Government sees the effective operation of the Australian Securities Commission as fundamental to the success of business and investment in Australia. At the same time, as with all other Commonwealth agencies, the ASC is subject to the Government's policy on reductions in running costs. Details of the ASC's funding will be announced in the Budget on 20 August 1996. I do not intend commenting on any particular options the Government is considering in the Budget context.

Changes in technology, the internationalisation of markets and the way business is conducted all have an effect on the ASC's operations. It is primarily a matter for the members of the ASC to conduct on-going reviews of programs and processes to ensure that the Commission is delivering an optimal service to the community. This Government has made it clear to the ASC that a key element of that service must remain an appropriate level of surveillance and enforcement activity.

#### **Election of Senator**

**Senator VANSTONE**—Equally, on 1 May 1996, I was asked a question by Senator

Bolkus in my capacity as Minister representing the Attorney-General and was subsequently given the opportunity, if one likes, to answer a question of Senator Colston's which was asked of Senator Short. I have an answer to both of those questions which either I seek leave to incorporate in *Hansard* or, if the opposition would prefer, will read into *Hansard*.

**The PRESIDENT**—Is leave granted for the incorporation?

**Senator Bolkus**—Read the second one in, given the confusion last time.

**The PRESIDENT**—Leave is not granted; so if you could read the second answer.

**Senator VANSTONE**—I understand that. I am not reading the first one in, Mr President. It is available for incorporation in *Hansard*. I am reading the second. Since it was raised, Mr President, I might add, as you well know, that last time there was no misunderstanding, as I think the *Canberra Times* thought there was, as to which question I was in fact answering. The date of the question answered was given. Perhaps I will come back to this by way of a personal explanation after we have done this.

Can I point out that, Mr President, as you would well remember, that when the opposition raised a concern that I had sought to table the answer and they wanted the answer either incorporated into *Hansard* or read in, I gave an indication to you, Mr President, that I was happy to do whichever was their choice and you said, 'Is leave given to incorporate them in *Hansard*?' Had you said, 'You'd better read it in,' or if they had asked, it would have happened. I make that point to indicate that there clearly was a perfect willingness on my part to read the answer last time.

That having been said, I will now read the answer to the question of Senator Bolkus. His question read:

Can the minister confirm that the Department of Administrative Services approached the Attorney-General's Department on 28 March this year seeking a legal opinion on the validity of the election of a South Australian senator?

Senator Bolkus asked this supplementary question:

I have a supplementary question. As you are seeking that information, Senator, can you also find out whether the Attorney-General's Department did in fact give the Department of Administrative Services advice as to whether a senator-designate was the holder of an office of profit under the crown? If so, can you find out for us what the nature of that advice was as well?

The Attorney-General has provided the following answer to the honourable senator's question:

It would not be appropriate for me to comment on whether the Department of Administrative Services sought or obtained legal advice from the Attorney-General's Department on the matter you have raised.

The Minister for Administrative Services has requested that I provide the following additional answer in relation to the questions asked. I might add that this is quite a different situation from what would have been the case had the people now in opposition been in government. This is the additional information:

No. However, the Department of Administrative Services did seek advice from the Attorney-General's Department relating to the proposed appointment of senator-elect Ms Jeannie Ferris to the staff of Senator Minchin. While any advice that was provided is privileged as between my Department and the Attorney-General's Department, I am prepared to indicate that my Department received advice from the Attorney-General's Department that it is not the practice of the Commonwealth to advise in relation to the application of section 44(iv) of the Constitution either generally or in particular cases. However, the advice of the Attorney-General's Department noted previous advice it tendered in 1984 that employment under the Member of Parliament (Staff) Act 1984 would probably involve holding an office of profit under the crown within the meaning of section 44(iv). The advice further noted that Ms Ferris' qualification for being chosen as a senator would be open to question if she held an office of profit under the Crown.

I am also advised by the Minister for Administrative Services that he did not approve the proposed appointment of Ms Ferris to Senator Minchin's staff.

I turn to the question subsequently asked the following week by Senator Colston. It relates to further, new issues raised by him on

9 May this year. The Minister for Administrative Services has requested that I provide the answer to Senator Colston's question. His question read:

Did a South Australian senator on 18 March write to the Department of Administrative Services seeking to appoint a South Australian senator-designate to his staff?

The answer is yes. To Senator Colston's following question:

Did the senator-designate accept any employment rights or benefits from this position at any time after her nomination for the election?

the answer is this:

The question raised by Senator Colston goes to the previous questions raised by Senator Bolkus about whether senator-designate, Ms Ferris, occupied an office of profit under the Crown. I am aware that legal advice, by Ms Christine Wheeler, QC, concludes that, as relevant approval was simply never obtained prior to Ms Ferris' indication that she did not wish to proceed with the appointment, Ms Ferris has not at any relevant time held an office of profit for the purposes of s44. of the Constitution.

That is where the answer concludes.

#### PERSONAL EXPLANATIONS

**Senator SHORT** (Victoria—Assistant Treasurer)—Mr President, I seek leave to make a personal explanation.

Leave granted.

**Senator SHORT**—On 9 May, Senator Colston asked me a question in question time concerning a South Australian senator-elect. I took the question on notice. Immediately after question time, I advised the Senate that, in respect of Senator Colston's question, I understood that my colleague Senator Vanstone, in her capacity as Minister representing the Minister for Justice, would be replying shortly to a question asked of her by Senator Bolkus a week earlier. That question related to the same matter raised by Senator Colston. I, therefore, advised the Senate that the answer to his question to me would be covered in the answer Senator Vanstone would be providing to Senator Bolkus.

Immediately after I had concluded that statement, Senator Vanstone provided an answer to another question she had taken on notice from Senator Bolkus the previous

week. That question had not related in any way to a South Australian senator-elect.

Later that day, on 9 May, Senator Bolkus put out a media release accusing Senator Vanstone of misleading the Senate and me of unintentionally doing so as a result of Senator Vanstone's actions. An article by Bruce Juddery in the *Canberra Times* of 15 May also alleged that Senator Vanstone had caused me to mislead the Senate. The article did not even contain the word 'unintentionally'.

Senator Vanstone can, of course, speak for herself, as she has done. But I want to reject in the strongest terms that I misled the Senate, either intentionally or unintentionally. It therefore follows that I also reject totally the allegation that Senator Vanstone did anything to cause me to mislead the Senate.

In my answer to Senator Colston after question time on 9 May, I very carefully and advisedly used the word 'shortly' to describe my understanding of when Senator Vanstone would be replying to the question from Senator Bolkus of 1 May. The only persons wanting to make mischief or mislead the Senate would interpret the word 'shortly' to mean immediately. I did not know precisely when Senator Vanstone would be responding to the 1 May question from Senator Bolkus. Indeed, I used the word 'shortly' after consulting with Senator Vanstone. Neither she nor I saw any implication whatsoever that the word 'shortly' meant immediately.

It was purely coincidental that immediately after I had given my reply to Senator Colston, Senator Vanstone gave a reply to another of the questions she had taken on notice from Senator Bolkus—that is, his question of 2 May, a date which she specifically designated. I was not aware that Senator Vanstone was going to give that reply when she did. Even if I had been aware, it would have made no difference whatsoever to the answer I gave Senator Colston because Senator Bolkus's question of 2 May dealt with totally different issues and was asked on a different date.

This outburst of righteous, theatrical and mischievous indignation from the opposition was caused by the fact that Senator Bolkus was, once again, caught napping because he had failed to do his homework, which was

also the hallmark of his pathetic performance as a minister.

**Senator Cook**—I rise on a point of order, Madam Deputy President. The minister is out of order because he is now canvassing the argument. Taking leave to make a personal explanation enables him to explain where he believes something was done wrong in his view. It does not enable him to debate the matter, and that is what he is now doing.

**The DEPUTY PRESIDENT**—Order! The minister should not be debating the matter. I believe he is making a personal explanation and should stick to that.

**Senator SHORT**—No, I am not debating it; I am just pointing that out as a fact. The other fact which relates to my own situation and my personal explanation is that Senator Vanstone said very clearly in her reply to Senator Bolkus on 9 May that she was replying to a question Senator Bolkus had asked her on 2 May. Senator Bolkus was either too slow and/or incompetent to recognise that his question relating to the election of the South Australian senator was asked on 1 May, not on 2 May.

**Senator Faulkner**—I rise on a point of order, Madam Deputy President. My point of order is that Senator Short is using the device of a personal explanation to attack senators on this side of the chamber when his own incompetence on this matter is apparent to all.

**The DEPUTY PRESIDENT**—Senator Short, I think you need to keep your remarks to making a personal explanation.

**Senator SHORT**—I have only one sentence to go actually.

**Senator Faulkner**—Madam Deputy President, I would ask you to rule on my point of order.

**The DEPUTY PRESIDENT**—I ruled it out of order and I have asked the minister to be sure to keep his remarks precisely to making a personal explanation.

**Senator SHORT**—Once again, I totally reject any allegation that I misled the Senate on 9 May, either intentionally or unintentionally. I call on Senator Bolkus and the *Canberra Times* to apologise publicly to me.

**Senator BOLKUS** (South Australia)—I seek leave to make a statement on the same issue, Madam Deputy President.

**The DEPUTY PRESIDENT**—Is leave granted?

**Senator Vanstone**—Madam Deputy President, Senator Bolkus may have the interests of the Senate at heart in disposing of this matter as quickly as possible. If he wishes to comment on this matter before he commences his remarks, he might like to consider whether he would like me to make the remarks I wish to make with respect to his press statement, which I would also claim was misleading and seek to make a personal explanation on. If he wishes to go first and take up more time, that is fine.

**The DEPUTY PRESIDENT**—I had called Senator Bolkus, but it is a matter for him.

**Senator BOLKUS**—I defer to Senator Vanstone.

**Senator VANSTONE** (South Australia—Minister for Employment, Education, Training and Youth Affairs)—by leave—In line with the suggestion I put to Senator Bolkus that it is not in the interests of anybody to waste the Senate's time on matters, I simply want to say that I believe I have been misrepresented. The suggestion has been made that I have encouraged Senator Short to mislead the Senate in one way or another. I simply want to say two things. Firstly, I completely concur with the remarks made by Senator Short. I will save the Senate's time by not repeating them. Secondly, Madam Acting Deputy President—

**Senator Panizza**—Madam Deputy President.

**Senator VANSTONE**—Sorry, Madam Deputy President; I apologise. We hope you will soon be President. The second point I wanted to make is simply that when the matter of how the answer was to be put into *Hansard* was being dealt with, I stood up and, in response to a remark made by Senator Faulkner, said to the then President in the chair—not in these exact words—'Look, Mr President, I don't mind if they want it incorporated in *Hansard*. If they want it read in, I am happy to do that.' Mr President chose to say, 'Is leave given for it to be incorporated?'

and there was much nodding on the opposition side. It was incorporated by choice of the opposition when it was made perfectly clear that I was perfectly happy to read the answer in.

Presumably Senator Bolkus does know the dates on which he asked particular questions and would have known that he was waiting for one of one particular date, and it was advised verbally that one of another date was coming. Had the opposition made that choice and asked for the answer to be read in, it would have been perfectly clear to them and this matter would not have arisen. I simply make the point that any confusion that was created came about by virtue of the fact that the answer was incorporated, not read, into *Hansard*. That was not my choice, but a choice made by the opposition.

**Senator BOLKUS** (South Australia)—I seek leave to make a statement, Madam Deputy President.

**The DEPUTY PRESIDENT**—Is leave granted for Senator Bolkus to make a statement? There being no objection, leave is granted.

**Senator BOLKUS**—I now know how the vice-chancellors felt last Monday night. There are two parts to the answers given by Senator Short and Senator Vanstone today, and I need to go to both of them. In respect to the substantive question that they were asking about, let me say that a number of things had been established but, most importantly, a number of very critical questions have been left hanging. They were the questions that we asked about in the first place and they were the questions that we will continue to ask about on this particular matter.

It has been established that a senator-designate was proposed to be appointed to Senator Minchin's staff. It has also been established that that person was not approved for appointment. Putting aside the ineptness of going ahead and proposing to appoint someone who would have had their position jeopardised by that new appointment, what has been left outstanding here are some of the most critical questions that have been raised by the opposition.

The appointment was one thing, but when one looks at the questions Senator Colston and I asked one sees that we were not just focusing on whether a person was actually officially appointed but also on whether anyone had been proposed for appointment and whether anybody had acquired any benefit at all during the course—

**Senator Vanstone**—Madam Deputy President, I raise a point of order. Is Senator Bolkus seeking to just make a speech at large on this matter, is he making a personal explanation or is he more properly wanting to take note of the answers given? Which category is he dealing with here?

**Senator Faulkner**—Madam Deputy President, Senator Bolkus sought leave to make a statement on this matter. Leave was granted by the Senate and he is now making the statement.

**The DEPUTY PRESIDENT**—That is correct, Senator Vanstone.

**Senator Vanstone**—On that point of order, Madam Deputy President: to make a statement on this matter can be fairly taken to be making a statement on the question of whether the Senate was misled. That is the question that Senator Short and I raised. The subject matter of that is another matter, but if Senator Bolkus wants to continue I am not unhappy about that. I simply make the point that he is making a statement on the substance, not on the question of whether or not the Senate was misled. That is the matter which Senator Short and I were dealing with. If he has leave to make a statement on that matter, then he may come to the question of whether the Senate was misled on that particular day.

**Senator Bob Collins**—You should have denied leave.

**Senator Vanstone**—I take note of the interjection that we could have objected, but the inference that I certainly took was that Senator Bolkus wanted to make some remarks as to whether he felt the Senate had been misled—and it is perfectly fair that he does that. It is my view, however, that if he wanted to address the substance of the issue he should be taking note of an answer. I will not waste the time of the Senate; I think it is a

perfectly fair point to make. I believe senators on this side thought that was the matter he was addressing—namely, the question of whether the Senate had been misled.

**The DEPUTY PRESIDENT**—The Senate did not ask what Senator Bolkus wished to speak about. He sought leave to make a statement and leave was granted for him to do so. That is what he is doing at the present time.

**Senator BOLKUS**—I will try to be concise on this, but there are some issues that need to be addressed. The critical issue that we need to address here is whether the senator-designate, at any time at all, received any benefits, any employment rights, by the fact that she was somehow occupied in the office of Senator Minchin. That is the critical issue. That is an issue that goes to the constitutional validity of that particular person to be able to hold office in this place.

That was the second part of Senator Colston's question, Senator Vanstone. What I find quite curious about your answer is that you do answer some specific facts but, despite her not being officially approved for appointment, you do not go to the critical point of whether she spent some time working in the office, which would bring her under section 44 of the constitution, and you do not go to the question of whether she received any rights or benefits and whether she travelled interstate or intrastate in South Australia, which also goes to section 44 of the constitution.

I have a very close interest in this because when I was elected to the Senate in November 1980 I had to resign the position I held as a backbencher's staffer. I had to resign from the day the writs were issued in 1980. I took up my place in the Senate on 1 July. The issue remains outstanding. The question is still left hanging, and the question is: did this particular senator-designate, in any way at all, infringe the constitution? We will continue to pursue this particular matter.

On the second matter, all I can do in my defence is refer to *Hansard*. In referring to *Hansard* can I say that once again we have seen this amazing Punch and Judy show over the other side. Short and Vanstone. I do not

know who sat you together, but they had a great sense of humour. If you look at *Hansard* of 9 May 1996, under 'Questions without notice', with Senator Short about to contribute to the parliament, what is the matter listed under? What does *Hansard* think he is talking about? It is listed under 'Election of Senator'. It is not listed under 'Family Court of Australia', which was the heading for the answer that was given, Senator Vanstone—the answer we did not expect to get because we were led to believe that Senator Colston's question was to be answered. If you misled me then you misled the parliamentary process and *Hansard* altogether. Let us have a look at what Senator Short said on that particular occasion.

**Senator Hill**—What were the dates?

**Senator BOLKUS**—Forget the dates for a moment. In his contribution, Senator Short said:

During question time today, Senator Colston asked me a question which I took on notice. I now have a reply for him, following consultation with Senator Vanstone.

The question Senator Colston asked was about senator-designate Ferris. Senator Short said that he had a reply for him.

**Senator Short**—Absolutely.

**Senator BOLKUS**—'Absolutely', he says. If it was 'absolutely' then, why didn't we absolutely get the answer to Senator Colston's question? Because you were misled. He went on:

You will recall that Senator Bolkus asked a question on a similar matter last week . . .

Well, I had asked a question on a similar matter last week. I asked it on 1 May, maybe not 2 May. That was the only question I asked about Ferris and Minchin that previous week. The connection very clearly is that the question I asked, which was relevant to Senator Colston's question, was one going to the validity of the election of a senator. Senator Short further went on:

. . . I understand that the Minister representing the Minister for Justice, Senator Vanstone, will be replying to Senator Bolkus's question on this matter in the Senate shortly . . .

I do not know how you understood that, but it is quite clear that you were telling Senator

Colston that he was going to get an answer to his question from Senator Vanstone, and, in the context of that answer, that I would be getting one as well.

The date might have been different—1 May or 2 May—but the fact is that we were led to believe that there would be an answer on Senator Minchin's little problem and that the answer would cover Senator Colston's question and my question on a similar matter. The fact is that we got an answer on another matter altogether. In looking at that answer, Senator Vanstone, I think you have got yourself in a bit of bother on that one as well because I will contend later on that you misled the Senate on that.

Going back to the issue at hand, some questions have been answered. Senator Minchin ineptly tried to appoint a particular person to serve on his staff after the election. But the basic questions have not been answered and I think we will have to take further action on those.

## QUESTIONS WITHOUT NOTICE

### DIFF Scheme

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

That the Senate take note of the answer given by the Assistant Treasurer (Senator Short), to a question without notice asked by Senator Cook today, relating to the development import finance facility scheme.

In question time today, I asked Senator Short a question on the DIFF scheme and the government's intention to abolish it. Once again, I was favoured with another inept performance. We on this side of the chamber have become used to seeing Senator Short rise and look at us like a stunned mullet before he gathers himself to answer a question. When we ask a straight question, we have become used to getting a crooked answer from Senator Short or no answer at all. We got that again today.

He said, in answer to a very direct question, that he would not speculate on the budget. He was not asked about the budget. He was asked about an issue that the government itself has put in the public domain that is a matter of considerable commentary in all of

the media that cover business issues and which is a matter of grave importance to Australia's standing in this part of the world. It is a matter that has invited adverse comment or speculation about Australia's role, particularly in Asia, by a number of distinguished Asian ambassadors to this country. This is not a light matter. This is not a matter that can be put aside until several months time, when it might or might not then be answered in a budget context.

I framed this question, unrelated to the budget, to encourage Senator Short to give us a straight answer which would start to quell some of the concerns and speculation going on in the Australian business community about what certainty they had from this government to undertake long-term planning and what the situation would be—such a situation was drawn out in a later question in question time today—for the 55 Australian companies which have planned and lodged bids and incurred costs should the government go ahead with its announced decision to abolish the DIFF scheme. These are quite fundamental and important questions to commercial Australia and they deserve to be answered.

The DIFF scheme gives Australian companies a competitive edge in bidding for infrastructure contracts in developing nations, specifically in Asia. It is a modest scheme by international standards. It is not a generous one, but in the globalised economy in which Australian companies operate, other nations provide schemes of this nature.

Senator Short also declined to indicate that the government had in any way, shape or form conducted any examination of what schemes are provided by other countries to advantage their commercial operators in bidding for these programs at the very time that the Australian government is cutting out the scheme and removing the advantage to Australian companies and thus imposing a considerable handicap on Australian business in being able to win these contracts. What we got by way of answer can only be justified if Senator Short did not know; can only be justified if he was prepared to keep the Australian companies guessing until late

August, when their bids are going to be decided in the near future; or can only be justified if it was untruthful. The government has said to the population at large outside this chamber that the DIFF scheme is to be cut. Senator Short would not say inside the chamber what the government has been saying outside it—that the scheme would go. This is an active public debate.

I remind Senator Short, through you Madame Deputy President, that no lesser light than Dick Woolcott, a former head of the Department of Foreign Affairs and Trade—and the current Prime Minister's personal emissary in settling matters of a bilateral nature between Australia and Malaysia—has pleaded publicly with the government to reinstate this scheme or replace it with something that does the same thing. The ambassadors of Indonesia, China, the Philippines and Vietnam have all called on this government not to penalise their countries and to reinstate this scheme. The Queensland industry minister has done the same, and he is a National Party person. The MTIA, BCA and ACCI have all said they want the scheme to continue.

By removing this scheme, the Australian government hands a competitive advantage to corporations from Germany, France, Japan and Italy and penalises Australian companies. Therefore, it means that Australians who could get jobs will not get jobs. The removal of the scheme will put in jeopardy the 55 Australian companies who are active bidders now, who have incurred costs currently and who have to repay those costs. Not only is it making a laughing-stock of this country in the region, incurring criticism rightfully of this government by those countries; it is undermining our competitive ability. (*Time expired*)

Question resolved in the affirmative.

### Higher Education

**Senator CARR** (Victoria) (3.36 p.m.)—I move:

That the Senate take note of the answer given by the Minister for Employment, Education, Training and Youth Affairs (Senator Vanstone), to a question without notice asked by Senator Carr today, relating to higher education funding.



Last week Senator Vanstone met with the Australian vice-chancellors. I am particularly concerned by the suggestion made here today that the vice-chancellors essentially are lying about the minister's response to them and that, somehow or other, they are not up to it and would fail as first year students.

This is extraordinarily insulting to Australia's intellectual leaders—the people that this parliament effectively charges with running our tertiary institutions to produce, we believe, a result that places Australia at the forefront of higher education in the world. The minister, in a jocular and even teasing tone, said, 'I could say a figure of five per cent or I could say a figure of 12 per cent.' Then, in reference to proposed budget cuts, she laughingly said, 'You should not have heard that.' Given the number of vice-chancellors who have spoken out on this matter, that suggests to me that it is the minister herself who may well have got the matter very wrong.

Let us take the Vice-Chancellors Committee President, Professor Fay Gale. She indicated quite clearly that she was very dismayed by what had been said to her and to the other vice-chancellors. Let us also look at the position of Professor Mal Logan from Monash University. He indicated that the minister had no vision whatsoever. Let us take the position of the vice-chancellor of Macquarie University, Di Yerbury. You notice again the devastation that this sort of proposition would have on Australia's higher education sector.

In terms of higher education's contribution to our national exports, vice-chancellors right across the country are saying that this would have a devastating effect on the quality of service provided and on Australia's international reputation, particularly within the region.

We have the minister's departmental head, Sandy Holloway, doing his very best to soothe tempers within the industry at the moment. Unfortunately, that will not be sufficient, no matter how professional Sandy Holloway is on these matters, because the real issue goes to the whole question of whether or not this government has a vision about what sort of industry it is trying to produce

and what sort of future it sees for Australia's university sector and the higher education sector more generally.

What sort of conceptual framework does this minister operate under? It was clear from the answer she tried to give today that she does not have one. The real issue for us as a parliament is whether the \$6 billion we expend on this sector is being administered by a government and a minister that really have not faced up to these very fundamental questions.

I have read the proposals in press right across the country. You cannot say that it is just the *Australian*. I read it in the *Age*, I read it in the *Sydney Morning Herald* and I read it in the *Adelaide Advertiser*. The same message came through. You see it from vice-chancellors right across the country. You cannot say that this is one person that is not up to it, not up to being a first-year student. The implicit presumption that they are all a pack of liars cannot be sustained given the widespread concern that is being expressed.

We have to ask ourselves what impact such an indiscriminate attack on the sector would have in terms of reduced research capacity, reductions in curriculum options, student quality, the provision of social justice in higher education and Australia's international reputation, given the very significant role that education now plays within the region and given the fact that Australian universities are amongst the best in the world.

What threat is being posed by these cuts? Quite clearly, as I read it, there is very grave concern right across the sector on this matter and the minister has failed to address these questions. She cannot come here and jocularly or teasingly suggest to us that there is some sort of proposal around that people have misunderstood. It is up to the minister now to give an indication to this parliament of exactly where she stands on these matters.

**Senator SHERRY** (Tasmania—Deputy Leader of the Opposition in the Senate) (3.41 p.m.)—Like Senator Carr, I was dismayed at Senator Vanstone's response to our questions yet again in the Senate chamber at question time today. The minister refuses to answer questions—we had that famous comment

three weeks ago when she effectively asserted that she would bother to answer questions when it suited her—yet when she apparently answers one of a series of questions to the vice-chancellors, she jocularly teases them about cuts to the higher education sector. This is according to reports in the media, which are direct quotes from the vice-chancellors. There is not just one; there are a number of them.

We gave Senator Vanstone the opportunity today to get up and, on the record, refute the accusations made. We gave her the opportunity to do that. What did she do? She declined to indicate publicly, on the record, that the vice-chancellors were wrong. Instead, she indulged in some abuse of one of the vice-chancellors. I do not recall the exact words, but she questioned his intellectual ability and his ability to gain a degree.

That is the sort of minister we have. She gets herself in trouble by her own mouth—mouthing off at meetings with vice-chancellors. She gets herself in trouble by, certainly at one point in time, refusing to answer questions that we put to her in the Senate. She gets herself in trouble by blaming the media. The latest episode is blaming the *Canberra Times* for misreporting her. Senator Vanstone, you get yourself in trouble. You get yourself into these messes.

Today we asked you to outline your vision for higher education. We gave you the opportunity to say what you would like to do in the higher education sector—a question quite genuinely posed—and you could not offer us very much at all, if it was anything other than the usual abuse, the usual cover-up or the usual lack of answers to our questions.

Whether you like it or not, Senator Vanstone, your response has caused widespread fear in the university sector. On Sunday, driving back from the service at Port Arthur, I stopped at a hotel and I met two university lecturers there. To my knowledge, they are not the most political of university staff in the world, but they raised with me the issue of cutbacks to the University of Tasmania. They raised your comments to the vice-chancellors at this infamous dinner last Monday.

There is widespread fear in the university sector because of your comments, Senator Vanstone. You must be either very silly or naive in the extreme if you believed that when you made your comments they were not going to be reported by the vice-chancellors. In all the media right around Australia this has been the lead item, certainly over the weekend. In every newspaper you pick up there is major speculation about the cuts that you referred to in your conversation with the vice-chancellors. Tasmania, a rural and regional state, is one of the areas where there is very significant concern in the community. There has been speculation in the past few years about the closure of the medical school in Tasmania.

**Senator Watson**—That's not right.

**Senator SHERRY**—Senator Watson says, 'That's not right.' We will see what happens to the University of Tasmania after this budget. We will see what Senator Watson does about defending the University of Tasmania against the cuts that Senator Vanstone has told the vice-chancellors she is going to roll over on when it comes to budget time. We will see what the Liberal senators and members do in defending the interests of Tasmania, particularly our university. There is no doubt that any sort of cuts—(*Time expired*)

**Senator MARGETTS** (Western Australia) (3.46 p.m)—I rise to speak briefly in relation to Senator Vanstone's answer to a question from the Labor Party, and also a question from Senator Stott Despoja, in relation to higher education. It has been quite clear from information we have received over the last couple of years that there are already crisis situations occurring in Australian tertiary education. One that was widely reported was the perceived shortfall in relation to our research facilities. At the very minimum, \$250 million was considered to be required to provide the research infrastructure that is now necessary to have a good standard of research infrastructure.

What happens if, first, that is not provided and, second, further funds are taken from the current crisis level of research infrastructure? First of all, it means you become even more

dependent on private funding. That means those courses and research that do not attract private funding may go by the board. Certain courses and resources will be cut out. Unless you cut out the funding for research and development, taxpayers will still be paying for research and development. Basically universities will have to run round and round in circles faster to attract research, but the taxpayer will still end up paying for that research even though we have said that it is no longer the responsibility of the taxpayers to fund it.

If you asked the average person whether or not they thought it was reasonable to pay directly to universities for research—that is pure research that actually leads to being a clever country—or whether or not we should pay quite substantial subsidies for companies to then take ownership of that research, they would probably say it is more reasonable for us to directly fund the research. That is the reality. It is a false saving because if we continue to run down our research infrastructure the cost, when we finally realise the damage we have done, will be much greater. If we are looking at long-term scenarios, at the benefits and costs of such expenditure, then we are not saving anything by cutting out the support for good tertiary research facilities in our country.

If we end up saying that the private sector will have to take that burden more and more, it is still the taxpayer who pays for it, unless you then say, 'No, we're going to cut out the research and development funds to the private sector to commission research from the universities.' I think those issues have to be taken into consideration. Have we really saved anything, especially in the medium to long term? What will be the cost when we come to the crunch and realise we have so deteriorated our research and development that the cost in the future will be enormous? What is the actual social and even economic cost of having the private sector dictating what gets research in our institutions even more than it does now? I think these issues have to be taken into consideration before we assume that we save money by pulling resources out of our tertiary sector in Australia.

Question resolved in the affirmative.

### **Retrospective Legislation**

**Senator BOB COLLINS** (Northern Territory) (3.50 p.m.)—I move:

That the Senate take note of the answer given by the Minister for the Environment (Senator Hill), to a question without notice asked by Senator Collins today, relating to retrospective legislation.

I asked Senator Hill a question today relating to the government's position on retrospective legislation. I quoted a statement that the now Prime Minister (Mr Howard) had made in the House of Representatives on this issue. I said accurately that the Prime Minister had said that the coalition parties did not support such legislation. In fact, and I think it was in the same debate, he went on to say that conservative parties were 'disdainful' of such legislation.

I quoted a judgment of Mr Justice Wells which, I think, is probably the most quoted judgment in respect of retrospective legislation. I asked Senator Hill to indicate whether the government supported the position that Mr Justice Wells had put in that case. The position Mr Justice Wells put could hardly be more succinctly put than it was.

Senator Hill replied in a very forthright way that he did support the sentiments of Mr Justice Wells when he said, and I quote again:

The statutory presumption against retrospectivity rests upon the well nigh universal conviction that, if members of a community are expected and encouraged, as they are, to govern their conduct by reference to the laws in force in the community, it would be unfair to penalise someone for conduct that was not contrary to the law at the time when he committed himself to it.

I am pleased and thankful to Senator Hill for his forthright support of Mr Justice Wells's objections to the retrospective effect of legislation which unfairly penalises people or companies for actions they took which were absolutely lawful at the time they took them.

There are currently three companies in Australia: BHP, Shell and, I mention in particular, Mackay Sugar—and I am sorry that Senator Boswell left the chamber five minutes ago because I am sure that, if he were here, Senator Boswell would want to rise in this

debate and support what I am about to say in respect of Mackay Sugar.

BHP, Shell and Mackay Sugar have all contracted the construction of very large and important vessels to the Australian fleet. I am delighted to say in respect of the Mackay Sugar company that there is a unique vessel—nothing quite like it in the world—which will significantly increase Australia's exports of refined sugar; in other words, value added product from Australia. Indeed, it will improve the situation to the extent that additional income to Australians working in that industry will, in fact, be millions of dollars—millions of dollars—in additional income to Australia from each and every shipment carried by that ship, which can carry a refined food product and discharge it in either bulk form or bag form. The bagging is actually carried out in the ship itself.

The carriers from BHP, Shell and Mackay Sugar were all contracted with those grants under the ships grant scheme in place. The government is now proposing to repeal that scheme, not at its legislated end date of 1997 but immediately. This means that those companies—again, I particularly mention Mackay Sugar—were contracted to build those very expensive vessels, and they all did so on the basis that those grants would be available to them. For the government to now announce that that scheme, which was not due to expire until 1997, will be immediately repealed, having a retrospective effect on those companies of millions of dollars—that is, negatively impact on them to the tune of millions of dollars—is iniquitous. The government, in relation to the very forthright statement that Senator Hill made today about his objections to retrospective legislation, should now carefully reconsider.

Question resolved in the affirmative.

**Minister for Primary Industries and Energy**

**Senator BOB COLLINS** (Northern Territory) (3.54 p.m.)—I move:

That the Senate take note of the answer given by the Minister for Resources and Energy (Senator Parer), to a question without notice asked by Senator Bob Collins today, relating to ministerial guidelines and the Minister for Primary Industries

and Energy (Mr Anderson) benefiting from the diesel fuel rebate scheme.

Today we heard what I thought was an unusually foolish statement from Senator Parer in respect of the question I asked about the diesel fuel rebate scheme. I say 'unusually' because I think Senator Parer is a person, in terms of the compliments that have been exchanged on both sides of the chamber today, who conducts himself very professionally. Senator Parer said, as if it were some foolish side issue, that he could not understand why I was pursuing that, of course the minister's pastoral company received payments under the diesel fuel rebate scheme. It had tractors—I think Senator Parer said—and the tractors, unless they were kerosene tractors—

**Senator Crane**—You remember them, do you?

**Senator BOB COLLINS**—Well, Senator, I do not mind admitting my age. I learnt to drive on a Chamberlain 40k kerosene tractor, but I have not seen one around for a few years and I suspect that all of Mr Anderson's have been replaced. In fact, to be fair to Senator Parer, I think it was an interjection from another senator on the government's front bench that Mr Anderson was a man of unquestioned integrity and that, therefore, I should not be questioning him on the subject. On my knowledge of Mr Anderson, whom I thought I had a constructive relationship with, as shadow minister I am the last person in this parliament to question the integrity of Mr John Anderson, and I do not. Mr Anderson's integrity is entirely irrelevant to the question of complying, as all ministers must, with not only the new rules of the Prime Minister (Mr Howard) but the rules contained in the *Cabinet Handbook*.

The reason I raise this is obvious, and it seems to have escaped Senator Parer. I raised my concern—and let me tell you that it is a real concern; it is not a party political concern—about the probity of parliament and its ministers and how they conduct business. I would like anyone in the government—

**Senator Michael Baume**—You didn't show that concern about the Keating piggery, did you?

**Senator BOB COLLINS**—Senator Baume, especially you, as you are so concerned about this issue and pursued it with some vigour, to disagree with me when I say, in respect of the integrity of particular ministers, that it is not a question of whether there is or is not a conflict of interest; it is enough for there to be an appearance of conflict of interest. The *Cabinet Handbook* makes that absolutely clear.

I imagine that is why Mr Keating divested himself of that interest, even though he—and I can say this as I was the primary industries minister—never had the slightest involvement in any debate that concerned the pig industry during the whole time I was the primary industries minister. He never discussed that issue with me once—not that I would ever have discussed it with him. He never did.

**Senator Michael Baume**—Why didn't you say that about Mr Keating's piggery?

**Senator BOB COLLINS**—I do recall, Senator Baume, in response to your interjection, when matters of conflict of interest did arise in the cabinet of which I was a member, and I was present on an occasion when a cabinet minister left the room because an issue involved them personally in terms of a perceived conflict of interest. I would also remind you that the *Cabinet Handbook* quite rightly says that the interpretation that a minister must place on this potential conflict of interest, in respect of both themselves and their families, has to be a broad and not a narrow interpretation. That, of course, is also unquestionably correct.

I raised my concern, and real concern it was, that the minister was currently conducting a review—and it has been in all the papers—to apparently significantly increase woodchip exports, particularly from northern New South Wales. The company that holds probably more licences for woodchip exports from northern New South Wales than any forestry company—

**Senator Sherry**—Boral.

**Senator BOB COLLINS**—Thank you, Senator, is Boral. I am not saying that is a bad thing; it is not. But I was concerned that the minister was doing this while his family

had a raft of shares in this company. The minister has quite rightly now told the media that his family will divest itself of these Boral shares before the decision is announced on woodchip exports.

The same issue applies to the diesel fuel rebate, and I am sorry that Minister Parer cannot see this. If the minister's company is in receipt of a single dollar—and I am sure it is more than that—under the diesel fuel rebate scheme, then that particular minister should not be participating in any discussions or deliberations of cabinet on the retention of that scheme if he is a direct financial beneficiary from it. I would like an argument—

*Senator Vanstone interjecting—*

**Senator BOB COLLINS**—That is not a scheme that is open to the general public. The minister should have a look at the *Cabinet Handbook*. I am sure he has never even read it. That is the test. Is the rest of the Australian community in receipt of that scheme? No. It is only a particular group of people, the farmers, who are in receipt of it. The minister should not be debating it if he is getting it. (*Time expired*)

Question resolved in the affirmative.

#### FILM AND VIDEO GUIDELINES

**Senator VANSTONE** (South Australia—Minister for Employment, Education, Training and Youth Affairs)—In response to the Senate motion of 9 May 1996, I table a copy of the draft of guidelines for the classification of films and videotapes which is being considered by the Standing Committee of Attorneys-General. I am advised that this draft includes amendments made as a result of public submissions and consultations, as well as suggestions by the participating jurisdictions.

One hundred and forty eight public submissions were received in response to an extensive consultative process in which the previous draft was sent to all federal, state and territory parliamentarians, to everyone who had lodged a complaint with the Office of Film and Literature Classification within the two preceding years and to everyone who responded to press advertisements by the Office

of Film and Literature Classification inviting submissions.

I am further advised that ministers have not yet approved the draft and that it will be the subject of further discussions at the July SCAG meeting. I table the revised draft guidelines.

#### **GREENS (WA)**

**Senator MARGETTS** (Western Australia)—by leave—I wish to inform the Senate that from this time I am to be designated whip for the Greens (WA) and Senator Chamarette is to be the deputy whip.

#### **PETITIONS**

**The Clerk**—Petitions have been lodged for presentation as follows:

##### **Census**

To the Honourable the President and Members of the Senate in Parliament assembled. The Petition of the undersigned shows:

That the current practice of destroying the Census is denying future generations an invaluable and irreplaceable resource of data on medical, historical, social, scientific, and demographic factors.

Your Petitioners request that the Senate should:

Request the Government to review its current policy of destroying the Census; and support a proposal to retain the census forms for release for specific research purposes in either 70 or 100 years time.

by **Senator Bourne** (from 300 citizens).

##### **Nuclear Testing**

To the Honourable President and Members of the Senate in Parliament assembled.

We, the undersigned, wish to lodge our protest in the strongest possible terms against the resumption of Nuclear Testing. Therefore we request:

1) the immediate and permanent cessation of mining and the export of Uranium as a signal to all nations that we will not accept nuclear weapons in any form,

2) the use of all means possible to dissuade France and any other nation from Nuclear Weapons Testing, and

3) that the Minister for Foreign Affairs make a submission arguing the illegality of Nuclear Weapons to the International Court of Justice.

by **Senator Kernot** (from 238 citizens).

##### **Privatisation**

To the Honourable the President and Members of the Senate in the Parliament assembled.

The petition of the undersigned strongly opposes attempts by any Australian government to privatise Telstra as well as any other Australian public assets.

Your petitioners ask that the Senate oppose any intentions by an Australian government to sell off national assets through privatisation.

by **Senator Kernot** (from 580 citizens).

##### **Breast Cancer**

To the Honourable the President and Members of the Senate in Parliament assembled:

The petition of the undersigned citizens of Australia:

(a) deplores the fact that six Australian women per day die from breast cancer and notes the possibility of contracting breast cancer is as high as one chance in 12 for Australian women;

(b) recognises the fact that breast cancer has the potential to affect every Australian family;

(c) recognises that there are inadequate research funds available to help combat breast cancer.

Your Petitioners ask that the Senate call on the Government to:

(a) increase funding for breast cancer research ten-fold (a minimum of \$14 million) in the 1994/95 Budget; and

(b) consider further initiatives through the tax system to encourage donations for breast cancer research.

by **Senator Panizza** (from 15 citizens).

##### **Logging and Woodchipping**

To the Honourable the President and members of the Senate in Parliament assembled. The petition of the undersigned respectfully showeth:

that the forests of the Great Western Tiers, Tasmania are of high conservation value

that they are on the interim list or register of the National Estate

Your petitioners therefore most humbly pray that the Senate in Parliament assembled should request the Government:

to impose a moratorium on the logging of old growth forests and other forests of high conservation value on the Great Western Tiers and in all other parts of Australia.

by **Senator Panizza** (from 54 citizens).

Petitions received.

## NOTICES OF MOTION

### Election of Senator

**Senator BOLKUS** (South Australia)—I give notice that, on the next day of sitting, I shall move:

That there be laid on the table, not later than 1 pm on Thursday, 23 May 1996, by the Minister representing the Minister for Administrative Services (Senator Short), the Minister representing the Attorney-General (Senator Vanstone) and the Parliamentary Secretary to the Prime Minister (Senator Minchin):

- (a) all records relating to the employment of Ms Jeannie Ferris by the Commonwealth, and to the receipt by Ms Ferris of any other benefit, either direct or indirect (including the provision of air travel), during the period from the date on which nominations opened for the March 1996 federal election to the present; and
- (b) any legal advice sought or obtained in relation to this matter.

### Introduction of Legislation

**Senator KEMP** (Victoria—Parliamentary Secretary to the Minister for Social Security)—I give notice that, on the next day of sitting, I shall move:

That the following bill be introduced: A Bill for an Act to amend the *Export Market Development Grants Act 1974*, and for related purposes. *Export Market Development Grants Amendment Bill (No. 1) 1996*.

### NASA Shuttle Endeavour

**Senator CHAPMAN** (South Australia)—I give notice that, on the next day of sitting, I shall move:

That the Senate—

- (a) notes the successful launch of the National Aeronautical Space Agency (NASA) shuttle *Endeavour*, the 77th flight of the NASA shuttle series;
- (b) congratulates Adelaide-born Dr Andrew Thomas, Australia's second astronaut, and its first astronaut to command a space mission, on his history-making flight;
- (c) sends its best wishes for the successful completion of the mission and safe return to Earth; and
- (d) thanks the citizens of Adelaide for 'turning on the lights' between 8 pm and 10 pm on Sunday night, the time when the *Endeavour*

flew over the city, to show support for their local hero.

### Universities: Funding

**Senator CARR** (Victoria)—I give notice that, on the next day of sitting, I shall move:

That the Senate—

- (a) views, with grave concern, the turmoil engulfing Australia's universities as a result of the Coalition Government's proposed budget cuts and the mishandling by the Minister for Employment, Education, Training and Youth Affairs (Senator Vanstone) of her portfolio;
- (b) notes that these indiscriminate funding cuts will threaten:
  - (i) Australia's international reputation and higher education export industry,
  - (ii) university research capacity and course options,
  - (iii) the quality of service for Australian students,
  - (iv) university teaching staff numbers and morale, and
  - (v) potential closure of faculties, suspension of building programs and reduction of student numbers; and
- (c) notes that the proposed funding cuts breach Coalition election promises and guarantees.

### Rural and Regional Affairs and Transport Legislation Committee

**Senator CRANE** (Western Australia)—I give notice that, on the next day of sitting, I shall move:

That the Rural and Regional Affairs and Transport Legislation Committee be authorised to hold a public meeting during the sitting of the Senate on Tuesday, 21 May 1996, from 7.30 pm for the purpose of taking evidence for the committee's inquiry into the provisions of the Shipping Grants Legislation Bill 1996.

### Importation of Cooked Chicken Meat

**Senator MARGETTS** (Western Australia)—I give notice that, on the next day of sitting, I shall move:

That the Senate—

- (a) notes:
  - (i) with grave concern, that the Government is considering a reversal of the current quarantine regulations restricting the importation of cooked chicken meat,

- (ii) with grave concern, the suggestion that a one-off or period inspection of a processing plant in Thailand may be considered sufficient protection against disease,
  - (iii) with concern, that reduction in Australian Quarantine Inspection Service staff numbers appears to precede and complement the dismemberment of quarantine regulations or effective inspection processes,
  - (iv) that this suggested reversal of the quarantine laws is consistent with the lowest common standard approach that appears to be pursued by some nations through the World Trade Organisation (WTO), and
  - (v) that this suggested reversal comes soon after the removal of the quarantine ban to protect salmon and fish has been pursued by the United States of America and Canada through the WTO;
- (b) expresses the view that the Government should be pursuing measures that will ensure that Australia's membership of the WTO should involve encouraging the WTO to take international measures to prevent disease, to protect the environment, and to prevent the erosion of environmental, health, and quarantine laws and regulations in all member nations; and
- (c) calls on the Government to heed the strenuous objections of the poultry industry and environmentalists who are concerned that the introduction of Newcastle disease and other poultry diseases will have devastating effects on both the poultry industry and native bird populations, and maintain the current ban on the importation of cooked chicken meat.

#### Foreign Affairs, Defence and Trade Legislation Committee

**Senator TROETH** (Victoria)—I give notice that, on the next day of sitting, I shall move:

That the time for the presentation of the report of the Foreign Affairs, Defence and Trade Legislation Committee on the examination of annual reports be extended to 26 June 1996.

#### Customs (Prohibited Exports) Regulations

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate)—I give notice that, on the next day of sitting, I shall move:

That the Customs (Prohibited Exports) Regulations (Amendment), as contained in Statutory Rules 1996 Nos 47 to 50 (inclusive) and made under the Customs Act 1901, be disallowed.

#### Consideration of Legislation

**Senator KEMP** (Victoria—Parliamentary Secretary to the Minister for Social Security)—I give notice that, on the next day of sitting, I shall move:

That the order of the Senate of 29 November 1994, relating to the consideration of legislation, not apply to the Export Market Development Grants Amendment Bill (No. 1) 1996.

I table a statement of reasons to justify the need for the bill to be considered during this sittings. I seek leave to have the statement incorporated in *Hansard*.

Leave granted.

*The statement read as follows—*

#### STATEMENT OF REASONS

#### EXPORT MARKET DEVELOPMENT GRANTS AMENDMENT BILL (No. 1) 1996

The purpose of the bill is to effect amendments to the Export Market Development Grants Act 1974 as follows:

- (a) Reduce the grant ceiling from \$250,000 to \$200,000.
- (b) Accountability/risk management measures;
  - cap the amount of extra grant generated by details submitted after claim lodgment
  - limit the number of joint venture and consortium of which a person may be a member
  - disallow expenditure by joint ventures to the extent that expenditure breaches conditions of approval
  - disallow claims prepared by disqualified consultants
  - disallow expenditure relating to illegal activities
  - more clearly define the term 'ordinarily employed';
- (c) Introduce registration and grants entry testing of first time claimants.

Introduction and passage of the bill in the Winter 1996 sittings of parliament is required because amendments proposed by the bill impact on EMDG claims lodged on and from 1 July 1996. The savings effected by the bill are included in forward estimates.



Budgetary savings foregone should the bill fail to be passed by 30 June 1996 are in the range \$1 million to \$3 million.

Apart from a change in title and the deletion of subitem 4(1) of schedule 8, the 30 April 1996 deadline for which has passed, this bill is the same as the Export Market Development Grants Amendment Bill (No. 2) 1995 introduced to the Senate by the previous government.

Circulated with the authority of the Minister for Trade, The Honourable Tim Fischer, MP.

#### **Australian Labor Party: Parliamentary Representation**

**Senator TIERNEY** (New South Wales)—I give notice that, on the next day of sitting, I shall move:

That the Senate—

- (a) notes that:
  - (i) the Australian Labor Party (ALP) has preselected a male candidate to represent the party for the seat of Blaxland, and
  - (ii) the female candidate for ALP preselection in Blaxland only gained 35 votes out of 205 in the ballot, running third behind the two male contenders;
- (b) concurs with views expressed by Ms Jennie George, President of the Australian Council of Trade Unions, about female ALP parliamentary representation on the 'Face to Face' program, 'I think it is very disappointing because the longer it goes on and the less evidence there is that the Labor Party is genuinely serious about the issue, I think to the greater the disaffection among women voters'; and
- (c) by way of contrast, notes that of 34 new Liberal members of the House of Representatives elected on 2 March 1996, 11 of these, or 32 per cent, are female members.

#### **Nuclear Testing: China**

**Senator MARGETTS** (Western Australia)—I give notice that, on the next day of sitting, I shall move:

That the Senate—

- (a) notes, with concern, the decision by the Chinese Government to resume nuclear testing and its decision to continue to argue for the exclusion of so-called 'peaceful nuclear explosions' from the comprehensive test ban treaty which is currently being negotiated in Geneva;
- (b) congratulates Greenpeace for despatching its vessel *MV Greenpeace* to Shanghai to

highlight these outrageous decisions of the Chinese Government; and

- (c) calls on the Australian Government to:
  - (i) condemn, in the strongest possible terms, the decision by the Chinese Government to resume nuclear testing, and
  - (ii) continue to argue strongly for a total ban on any form of nuclear explosion in the negotiations for a comprehensive test ban treaty.

#### **Labour Market Programs**

**Senator TIERNEY** (New South Wales)—I give notice that, on the next day of sitting, I shall move:

That the Senate—

- (a) notes the massive cost of the Australian Labor Party's (ALP) *Working Nation* labour market programs concealed from public scrutiny by the Keating Government and now revealed by the Minister for Employment, Education, Training and Youth Affairs (Senator Vanstone);
- (b) condemns the former ALP Government for its blatant misuse of taxpayers' money in spending more than \$76 000 under its *Working Nation* scheme to create each job;
- (c) notes that the New Work Opportunities Program implemented in Labor's dying days in office is costing up to \$100 000 to create a single extra full-time job;
- (d) condemns the complexities of *Working Nation* and other ALP employment policies, which provide 15 major labour market programs leading to utter confusion for Commonwealth Employment Service staff, prospective employers and, most seriously, for unemployed persons; and
- (e) supports the aim of the Howard Government to provide cost-effective, positive outcomes for the unemployed with people finding work in unsubsidised jobs or being placed in appropriate training, leading to jobs.

#### **ORDER OF BUSINESS**

##### **Rural and Regional Affairs and Transport References Committee**

Motion (by **Senator Woodley**) agreed to:

That business of the Senate notice of motion No. 1 standing in the name of Senator Woodley for this day, relating to the reference of matters to the Rural and Regional Affairs and Transport References Committee, be postponed till 17 June 1996.

##### **Sri Lanka**

Motion (by **Senator Woodley**) agreed to:

That general business notice of motion No. 4 standing in the name of Senator Woodley for this day, relating to Sri Lanka, be postponed till 17 June 1996.

#### **Public Interest Secrecy Committee**

Motion (by **Senator Kernot**) agreed to:

That general business notice of motion No. 1 standing in the name of Senator Kernot for this day, relating to the establishment of a select committee of party leaders on public interest secrecy, be postponed till 9 September 1996.

#### **Introduction of Legislation**

Motion (by **Senator Kernot**) agreed to:

That general business notice of motion No. 46 standing in the name of Senator Kernot for this day, relating to the introduction of the Natural Heritage Trust Fund Bill 1996, be postponed till the next day of sitting.

#### **Coalition: Election Commitments**

Motion (by **Senator Sherry**) agreed to:

That general business notice of motion No. 49 standing in the name of Senator Sherry for this day, proposing an order for the production of documents, be postponed till the next day of sitting.

#### **Indexed Lists of Files**

Motion (by **Senator Harradine**) agreed to:

That general business notice of motion No. 29 standing in the name of Senator Harradine for this day, proposing an order for the production of documents concerning indexed lists of departmental files, be postponed till 27 May 1996.

#### **Superannuation Committee**

Motion (by **Senator Abetz**, at the request of **Senator Watson**) agreed to:

That general business notice of motion No. 41 standing in the name of Senator Watson for this day, relating to the re-appointment of the Select Committee on Superannuation, be postponed till the next day of sitting.

### **CONSIDERATION OF LEGISLATION**

Motion (by **Senator Kemp**) agreed to:

That the order of the Senate of 29 November 1994, relating to the consideration of legislation, not apply to the following bills:

Dairy Produce Levy (No. 1) Amendment Bill 1996

Dairy Produce Amendment Bill 1996

Excise Tariff Amendment Bill 1996

Ministers of State Amendment Bill 1996

### **CONSIDERATION OF LEGISLATION**

**Senator KEMP** (Victoria—Parliamentary Secretary to the Minister for Social Security)—I ask that government business notice of motion No. 2, relating to the Telstra (Dilution of Public Ownership) Bill 1996, be taken as formal.

Leave not granted.

### **COMMITTEES**

#### **Community Standards Committee**

##### **Re-appointment**

Motion (by **Senator Harradine**) agreed to:

- (1) The select committee known as the Select Committee on Community Standards Relevant to the Supply of Services Utilising Electronic Technologies, appointed by resolutions of the Senate of 21 June 1991, 10 September 1991, 23 June 1992, 5 May 1993, 13 May 1993 and 8 February 1994, be reappointed with the same functions, membership and powers, except as otherwise provided by this resolution.
- (2) The committee have power to consider and use for its purposes the minutes of evidence and records of the Select Committee on Community Standards Relevant to the Supply of Services Utilising Electronic Technologies and its predecessor appointed in the previous two Parliaments.
- (3) The committee report to the Senate on or before the last day of sitting in December 1996.

### **MATTERS OF URGENCY**

#### **Gun Control**

**The ACTING DEPUTY PRESIDENT (Senator McKiernan)**—I inform the Senate that the President has received the following letter, dated 20 May 1996, from Senator Bolkus:

Dear Mr President,

Pursuant to standing order 75, immediately after question time today, I propose to move:

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

The necessity of unanimous support for the joint statement and resolutions made by the Council of Australian Police Ministers on Friday, 10 May 1996 and support for the proposed increase in the

Medicare levy to fund the buy-back of prohibited firearms.

Yours sincerely

Nick Bolkus

Senator for South Australia.

Is the proposal supported?

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

**Senator BOLKUS** (South Australia) (4.17 p.m.)—I move:

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

The necessity of unanimous support for the joint statement and resolutions made by the Council of Australian Police Ministers on Friday, 10 May 1996 and support for the proposed increase in the Medicare levy to fund the buy-back of prohibited firearms.

I move this motion in the spirit that has characterised the opposition's position on the issue of guns and, particularly in recent days, on the issue of the proposed increase in the Medicare levy to fund the buy-back of prohibited firearms. This motion represents a continuation of the position that we took before the election. It also represents a recognition of the need for bipartisan support on this issue.

Some nine years ago the then Premier of New South Wales, Barry Unsworth, whilst leaving a meeting of ministers discussing gun issues, stated that it would take a manslaughter in Tasmania before we got nationally uniform and effective gun laws. Unfortunately for Australia, for Tasmania, for Port Arthur and particularly for the 35 people and their families who were involved in the tragedy a few weeks ago in Port Arthur, he was right. It has taken such a massacre to force all of us to face our responsibilities.

Those responsibilities should have been faced earlier than this. There were the killings in Hoddle Street, in Queen Street and in Strathfield. This issue should have been addressed by then. Unfortunately, we have essentially had to force reluctant state governments to meet their national and domestic responsibilities. The responsibilities should have been faced by governments in this country over the last few years when the

former Minister for Justice, Duncan Kerr, was developing an agenda for national uniform legislation to cover guns.

This debate has come on in the wake of 35 people being killed at Port Arthur, with the impact that has had on their families. We are also having this debate in recognition of the fact that each year some five and a half thousand Australians die from gun related suicides and one and a half thousand from gun related homicides. Almost 7,000 Australians die in this way each year.

We also have this debate at a time when, gladly, on a national level, all sides of politics have moved on to banning the importation and the use of not just automatic weaponry but also semi-automatic weaponry. Both parties decided on the same day, just a few days after the Port Arthur massacre, to ban semi-automatic weaponry. It is an important decision because it provides a comprehensive base for giving some effective protection to Australians.

The more recent agenda builds on the one that we were pushing before the election. The bipartisan support for it recognises that what the government is doing is much of what we tried to do. By working together in this parliament, we can shore each other up against a very strong, strident and sometimes quite erratic and dangerous lobby group.

Kerr's national laws were to go to a meeting of state ministers in February this year, but that meeting was deferred because of the election. Those laws related to import bans and to a register of firearms. This goes to the core difference on this issue between Labor and the coalition. The coalition wanted a register of those who were too unstable to possess firearms. Gladly, the broader approach has now been taken by the government and the Keating government's proposal for a register of firearms has been embraced.

The laws go to all aspects of marketing, ammunition, mail order, qualification and training. It is a very comprehensive agenda. It is a necessary agenda. Together with the buyback scheme and the ban on automatic and semi-automatic weaponry, this agenda ensures that, when it comes to protecting Australian citizens from guns, we do not go

down the same road as the United States. It is an agenda which is built on the fundamental principle that, in this society, ownership and use of a gun is not a right, it is a privilege. That has underpinned the coalition government's proposals in this area. It was also a core part of the previous government's agenda, as reflected in Kerr's document to state ministers.

We also argue, in the spirit of bipartisanship that we have been showing on this issue, and that we continue to show, that there needs to be further commitment by government on not just the gun laws and the bans and so on but also on the maintenance of programs that have been put in place to ensure that we can raise the levels of safety awareness and the levels of consciousness against violence of all sorts, domestic and otherwise, in our community. We cannot afford to cut back on the level of funding in this area which has been organised through the access to justice statement and funding quite separate to that. There are quite a number of programs which in a sense we ask the government not to cut back in its ideological bent for savings over the next few months. We need to protect the Safety Australia programs. We need also to maintain our law enforcement agencies, the AFP and the National Crime Authority, and ensure that they get the protection and support necessary. We say to the government that this is something it should continue to do.

In the few moments I have left, it is important for me to focus on the implementation of the scheme. Getting the scheme right is one thing; making it work is another. What is needed to make it work is a degree of monitoring from our level of government. The states have been asked to go off and implement legislation to reflect the agreement they reached with the Prime Minister (Mr Howard), but we have to make sure that is what they do, we have to make sure that the legislation they put in place does not deviate from the proposals agreed to at that meeting some nine or 10 days ago. We need to focus on the laws to make sure they are consistent, and we need to focus on the implementation of those laws to make sure that that is also consistent.

I think an appropriate mechanism we should work through is the Standing Committee of Attorneys-General. That committee should be charged with monitoring the implementation. Also, I think it should table in this parliament a report on how and at what pace the states implement the agenda agreed to at a federal level. That committee needs to monitor the exemptions granted under the proposals agreed to by the Prime Minister and state ministers. For instance, we need to get quarterly reports on the number of exemptions in states and in regions to ensure that the spirit, if not the letter, of the agreement reached some 10 days ago is maintained.

In a sense these are historical times for us because the level of agreement that was achieved is something that has not been possible for quite some time. Those involved in it from the Prime Minister to other ministers ought to be recognised for their work. I think Duncan Kerr and members on this side of the parliament ought to be recognised for the spirit of bipartisanship which has been important in ensuring one national voice on this issue.

As I said a few minutes ago, we are in this with the government to ensure that bipartisanship gives strength to the national position. Bipartisanship needs to extend across the parliament, and it needs to be voiced by members of this parliament. This bipartisanship basically reflects the voice of the overwhelming majority of Australians who are saying very loudly at the moment, 'We have rights too; we have had enough. We need to ensure that we are not pushed around by the gun lobby. We need to ensure that our rights to live in safety and away from the violence of guns can be protected by the parliament.'

It is with regret that we have to move this motion given the genesis of it a few weeks ago but, from the opposition, I can say that our bipartisanship will continue to be maintained on this issue, despite tricky waters ahead.

**The ACTING DEPUTY PRESIDENT (Senator McKiernan)**—Before calling the Leader of the Government, I would advise the Senate that informal arrangements have been entered into on speaking times. With the

concurrence of the chamber, I ask the clerks to set the times accordingly.

**Senator HILL** (South Australia—Minister for the Environment) (4.27 p.m.)—Mr Acting Deputy President, I do not know that I will need all the time that has been made available to me, but I appreciate the opportunity the Senate has to indicate its unanimous support for the joint statement and resolutions made by the Council of Australian Police Ministers on Friday 10 May 1996 and support for the proposed increase in the Medicare levy to fund the buyback of prohibited firearms.

I also appreciate the spirit in which Senator Bolkus made his remarks on behalf of the opposition. Clearly they reflect the sentiments of the government. I am very pleased in this instance that not only do they reflect a position across the parties within the Australian Parliament but that they reflect a position adopted by both the Commonwealth and the states—in fact, I think across all parties within the states. So this really is an unprecedented demonstration of public commitment through the elected representatives of the Australian community to address a major social problem that we are facing in this country.

Mr Acting Deputy President, I will reflect for a moment on what was agreed—the subject of the matter before us in Senator Bolkus's motion—and use the words from the press statement of the Prime Minister (Mr Howard) of 10 May 1996 after the meeting of the ministerial council that I referred to. We have agreed to prohibit the importation, ownership, sale, resale, transfer, possession, manufacture or use of all military-style centre-fire rifles including those which substantially duplicate military styles; all other self-loading centre-fire rifles; all self-loading and pump action shotguns; all self-loading rim-fire rifles.

The importation ban is to be effective immediately, and I understand the regulatory requirements for that have in fact been implemented. The exceptions will be a limited range of official or occupational purposes certified by permit, and in practice this would mean primary producers could only have access to low-powered, self-loading .22s and self-loading and pump action shotguns if they

can satisfy the police that they have a genuine need for them which cannot be met by any other methods or by any non-prohibited weapons.

The Prime Minister said also that action would be taken to strictly regulate mail orders, that these prohibitions would be enforced by all jurisdictions as soon as the necessary legislation and regulations are passed and that all jurisdictions have agreed that this will be done as soon as possible. I think the states have already started to implement that. He mentioned that all jurisdictions have also agreed to fair and proper compensation being paid. He said that he would write to premiers and chief ministers regarding that matter, and I understand he has done so.

In addition, he said that all firearms will be registered as part of an integrated licensing system and linked nationally and that there will be a comprehensive common approach to licensing which will ensure that only those persons who are fit and proper with a genuine reason and in need of a firearm will have access to one. Stringent storage requirements and compulsory safety training for first time licence applications will be also introduced in all jurisdictions. Finally, he said there would be tight controls on the sale, advertising for sale and transfer of all firearms and ammunition both within and between jurisdictions.

A few days later the Prime Minister announced the detail of the funding of the gun buyback system, which is also referred to in the motion Senator Bolkus has put before the chamber today—that is, the funding of the buyback will be through a one-off increase in the Medicare levy from 1.5 per cent to 1.7 per cent for the income year of 1996-97. That funding has also been supported by all parties.

This is, as I said, unprecedented in the degree of support it has received not only across the political spectrum but also between the Commonwealth and the states. That unanimity arises not only out of the tragic events of Port Arthur but also out of a realisation by the majority of the Australian people that our culture is perhaps being impressed by offshore cultures and it is time to take hold to ensure that we are not heading in a direction that is alien to the values of most Australians.

There is no doubt that the gun culture is a powerful influence. There is no doubt that it has had an impression on some Australians. I hear some, as I have heard some within the last few days, talking about 'our right to bear arms' and saying, 'How dare they'—that is, governments—'interfere with our right to bear arms.' That is not, in my view, a sentiment that is Australian by nature. It is an alien sentiment; it is a foreign culture that is being imported, particularly through the powerful influence of television and other means of mass media.

The fact that we are now taking hold, and we have taken such a dramatic decision Australia-wide, to ensure that we take a stand and limit the further development of this culture will be something for which we will be regarded well by future generations of Australians. What we, jointly across the chamber, have imposed throughout Australia is dramatic and historic. None of us wants to try to make political points as to who led it, who supported it or what was the position of political parties in the past. It is more important now that we stand united, and this motion gives us an opportunity to do so.

In saying this, I recognise that there is another category of Australians who are law abiding but will be disappointed. There are some who may hold these weapons for use in hobbies. There are some who are in various gun clubs. There are certainly many within the rural communities who feel that in the past they have needed weapons of this kind. Some will come within the exemption that I mentioned but others will not. Nevertheless, they are somewhat disappointed because they know they would never breach the law in using their weapons and they feel perhaps an element of Big Brother involved in this.

It is important, and here lies the value of resolutions such as this, to demonstrate to these law-abiding people that we understand that they may feel somewhat frustrated and somewhat disappointed but that nevertheless this decision is in the national good. We, therefore, ask them to constructively be part of it. When they are constructively part of it, we are helped in isolating that very small part of the community which is fighting the

decision on less fair and genuine grounds. I would give that very small sector of the community very little publicity. They are a very small minority and in recent times they have been given prominence beyond their numbers, which only encourages them. The mass of Australians are totally supportive of what we are seeking to do. Here is a chance for us in the chamber to demonstrate our united support for it as well.

I applaud the fact that for the first time this is an instance where we are prepared to compensate those who are going to deliver their weapons as part of this national program. It is not an easy decision for any government to impose a new levy, and we are pleased it is being supported by all sides. It demonstrates how genuine we are in seeking to reach a fair and satisfactory outcome in this matter. (*Time expired*)

**Senator SPINDLER** (Victoria) (4.37 p.m.)—I rise to express the wholehearted and strong support of the Australian Democrats for this matter of urgency, moved by the opposition, calling for the unanimous support for the joint statement and resolutions of the special meeting of the Australasian Police Ministers Council and support for the proposed increase in the Medicare levy. On Friday, 10 May 1996, the special meeting of police ministers agreed to prohibit the importation, ownership, sale, resale, transfer, possession, manufacture or use of all military style centre-fire rifles, including those which substantially duplicate military styles; all other self-loading centre-fire rifles; all self-loading and pump action shotguns; and all self-loading rim-fire rifles. They also agreed that the importation ban would be effective immediately.

As I said before, the Democrats welcome and offer their strong support for these measures contained in the joint statement. We must also state that it is a matter of great regret that it took the horrendous tragedy at Port Arthur to give all our political leaders the backbone to finally take this action and to achieve the historic agreement that actually took place in that meeting of police ministers.

The Democrats have a long history of pressing for just these measures—and more—

to achieve a national system of gun control. One of our first questions in this debate which has finally led to this action was this: how often do we have to ask for these measures to be taken; this time, will the action be taken? It is indeed pleasing, despite the fact that it was caused by this tragedy, that this action has finally been taken.

One ground upon which the action has been taken is that we must try to push back the culture of violence. That violence has reared its ugly head, once again, at many of the meetings that were held in protest against the agreement and against the measures that arose out of it with statements which have been given altogether too much prominence, I feel, in the media and which are unworthy of citizens living in a democracy.

While the measures that have been agreed upon are useful and are to be welcomed as a first step, the Democrats also believe that they should have gone further. Perhaps they will go further in the future. We believe that gifted, inherited and privately purchased guns should also go through the licence, permit and registration process; that the buyback of guns should cover all guns and not just semi-automatics; that only practising members of genuine gun clubs should be licensed to carry firearms, not people who are simply members of sporting shooters associations, in other words, members of a lobby group; and that the advertising of guns should be banned.

We also wish to place on record our contempt for those sections of the gun lobby who have incited Australian gun owners to flout the laws of this country and refuse to hand in their arms and, worse, to 'spill blood' in defence of their political views. What these people fail to understand is that they further isolate their own cause by carrying on with such reckless campaigning.

I am confident that the community will continue to reject these extreme views. I am also confident that those parliamentarians in Queensland, in particular, who are being subjected to such pressure will withstand that pressure. I trust that the Deputy Prime Minister (Mr Tim Fischer) and Senator Boswell will hold firm.

I believe that the gun lobby is, in fact, overstating its strength and its leverage. At the last election the shooters parties obtained something like one per cent of the vote. They are disregarding the fact that, because all major political parties and all independents agree on these measures, they really do not have a great deal of leverage. I would expect that their words remain just that and that their opposition will not sway members of parliament of any party.

I should state also that the Democrats are determined that this time we should not fail. But if—for whatever reason—it should come to pass that these measures will not be implemented, I would wish to introduce a bill which I have drafted which would initiate a referendum to provide powers to the Commonwealth parliament to legislate on firearms. I trust that it will not be necessary to use that fall back, that reserve, that we have in place, but I will not hesitate to introduce it should it become necessary.

In conclusion, let me say again that the Democrats welcome this move, this historic agreement by all states and all political parties. I congratulate the Prime Minister (Mr Howard) for having achieved this.

**Senator CHAMARETTE** (Western Australia) (4.42 p.m.)—I would like to commend Senator Bolkus for moving this matter of urgency motion regarding the Medicare levy and gun control and for the spirit of cross-party support that is implied in it. I also commend the Prime Minister (Mr Howard) for his compassionate and strong response to the tragedy at Port Arthur.

The proposal for effective nationwide control of firearms, which emanated from the special meeting of the Australasian Police Ministers Council of 10 May 1996, demonstrates an excellent and strong outcome which I believe is overwhelmingly in the public interest. I commend all those involved in putting together this policy.

It is clear from the letters I have received that there is widespread support in the community for urgent and effective action to limit the number of firearms in private hands in Australia. The Greens fully support the government's efforts to ban the importation, sale

and private ownership of semi-automatic and automatic weapons. It is appropriate for the federal government to use its powers to ban the importation of such guns, even if state governments do not act to ban their sale and ownership. To have state cooperation and uniform measures is a definite bonus. The various actions in the different states, recognising the difficulty with which the states have to approach this matter, are very important. We need to give them the credit so they can involve themselves in the negotiations to bring their state legislation into a state comparable to what is being proposed at the moment.

I also want to express the need to control certain types of ammunition, in particular, the hollow point or dum dum ammunition. Basically, this is the ammunition that is designed to do maximum harm. It not only allows a gun to kill but also allows a gun to exert maximum damage when it penetrates a human being. I do not think that those who argue for the use of guns in relation to animals could argue that the hollow point and other kinds of ammunition that are designed for this purpose are justifiable. We have many tragic accidents in our country that support the need to control not only the types of guns available but also the availability of ammunition and the ease of obtaining it. The percentage of killings by guns that occur in the home—that is, domestically—is almost near the 80 per cent mark. There is a great need for that control. (*Time expired*)

**Senator SHERRY** (Tasmania—Deputy Leader of the Opposition in the Senate) (4.47 p.m.)—The debate on the motion before the Senate today is the first opportunity I have had in this place to speak about the events that occurred at Port Arthur. The motion relates to the conclusions and resolutions made by the Australasian Police Ministers Council on Friday, 10 May. Its unanimous actions arose from the dreadful shootings that occurred at Port Arthur.

It is very rare for a motion such as this to come before the Senate with not just the unanimous backing of all the political parties in this place and in the House of Representatives, but also unanimous support on a biparti-

san basis at a state level. I congratulate the stand taken by the new Premier of Tasmania, Mr Rundle, and the state Liberal Party, the stand taken by my state colleagues and the stand taken by the Green members of the House of Assembly in Tasmania.

Immediately after the shooting the three major parties took a variety of actions on a bipartisan basis on this issue of firearm control in my state. Similarly, at a national level we have had the Prime Minister, Mr Howard, act decisively and immediately, supported by his coalition colleagues Mr Tim Fischer and Mr Anderson; the Leader of the Opposition, Mr Beazley; and the Australian Democrats and the Greens in the Senate.

Before I further comment on the actions of the Australian police ministers on Friday, 10 May, I wish to say a few words about the service at Port Arthur on Sunday, at which I was present. I would like to congratulate the people involved in the organisation of that service. Those who were there and those who saw it on the national broadcast on the ABC would agree that it was a very appropriate and moving tribute to those involved in the tragedy that occurred at Port Arthur. Thirty-five people were killed and 18 were injured. It has had an enormous impact on the community of Port Arthur, the Tasmanian community and our national community right throughout Australia.

I spent a lot of my childhood at Port Arthur. The parents of a very close friend of mine owned a small farm just outside Port Arthur. It is really very difficult to understand the events that occurred in that community. It is a small, quiet, close-knit community. We witnessed the horror of the devastation that occurred a few weeks ago and the shattering of human lives in that community and it is very difficult to conceive that such an event could occur at Port Arthur—or, indeed, in Tasmania. As I mentioned earlier, I spent some time there as a boy. I can remember fishing in the bay opposite the Fox and Hound and riding a bicycle to Port Arthur. You really wonder how events such as the one we are discussing today can occur in such a community in Tasmania.



After the service on Sunday, I spent some time just walking around the ruins of Port Arthur and reflecting on the shootings that had occurred. It is very hard to comprehend how such an event, in which 35 people were killed, can occur in this country. I would like to pay a tribute to all those involved in the service on Sunday, including the Premier of Tasmania, Mr Rundle, the local mayor of the Tasman Peninsula, Mr Noye, and a number of others who made very appropriate and very moving tributes.

I also want to publicly congratulate all of those involved on the day of the shooting and its aftermath—all of the emergency service workers: the police, the ambulance, the emergency service personnel. I pay tribute to the way in which the local personnel involved handled the various issues. I also pay a special tribute to the actions of the staff at the hospital in Hobart. They were, unfortunately, subjected to some very unfair criticism after the shootings.

As I have said earlier, you have to wonder, knowing the Port Arthur community and Tasmania as I do, how such a dreadful event can occur. Arising out of this dreadful human tragedy at Port Arthur, the Prime Minister, the other leaders of the coalition and the Leader of the Opposition, who offered bipartisan support, acted very quickly and decisively in convening the Australasian Police Ministers Council on Friday, 10 May.

The gun debate is not a new debate. It is one that has gone on in our community as long as I have been in public life. We are fortunate to have had the effective bipartisan leadership, at both a state level and a national level, to act quickly and decisively after the events at Port Arthur. I certainly hope that the very strong commitments that have been made and the action that has been foreshadowed by the state parliaments around Australia will be acted on in order to avoid another tragedy like that which occurred at Port Arthur. I think that is absolutely critical when we look at the history of the gun control debate.

We have had a number of terrible tragedies in this country in recent years: seven people shot in Melbourne in 1987, the Hoddle Street killings as that shooting became known; eight

people killed in Melbourne in Queen Street; five people shot in Surry Hills, Sydney; six people shot in the Strathfield Shopping Plaza in Sydney; six people shot on the central coast of New South Wales; three people shot in the inner west of Sydney; three members of one family knifed to death in Brisbane; seven people shot dead in a murder-suicide in a Brisbane suburb in January of this year. These dreadful events are events that have occurred in just the last 10 years. As I have said, we are very fortunate to have had decisive and swift action by our national legislators, led by the Prime Minister.

As I said at the commencement of my contribution to this debate, it is a rare occasion when we do come together nationally, in a bipartisan way, in support of a range of proposals to limit the ownership and use of firearms in this country. We believe the proposed increase in the Medicare levy is an effective and fair way of dealing with the costs of the buyback of the prohibited firearms. (*Time expired*)

**Senator BOSWELL** (Queensland—Leader of the National Party of Australia in the Senate) (4.57 p.m.)—Senator Bolkus has presented the Senate with a motion that is quite obvious and has the support of all sections of the parliament. I rise on behalf of the National Party to signal my support for the motion. It is a tragedy beyond belief that 35 people lost their lives in terrible circumstances at Port Arthur, though it has led to a unified approach to gun control measures in Australia.

Subsequent to that terrible event—I do not know any words to describe it other than ‘terrible’ or ‘horrific’—on Friday, 10 May, the police ministers from all states and territories met with the Attorney-General (Mr Williams) to discuss and coordinate an approach that would have the universal support of the states. The resolution included the prohibition of importation and ownership, sale, resale transfer of possession, manufacture and use of all military style, centre-fire rifles. There is almost universal acceptance that there is no need or reason to have any assault-style rifles or automatic rifles in

Australia. That would be the belief and the understanding that I have had.

All other self-loading rifles were put on the prohibited list. All self-loading pump action shotguns, all self-loading rim-fire rifles and all firearms will come under a registration system that will be interconnected with a police computer and linked with a national exchange of police information.

This matter has been the subject of great debate in Australia. There has been a lot of consternation amongst law-abiding citizens who feel fairly hurt that they are being singled out and branded as criminals. Those people that have had guns for years are the ones that are making the biggest sacrifice of all. To some people it is part of their way of life to own a gun, and yet they are going to be the ones that have to surrender their guns, albeit with a compensation for them. It is hard for people to make the sacrifices who believe that they have never done anything wrong, have always been law-abiding and have always treated and used their guns in the utmost safety.

However, all parties are supporting the proposed legislation because it is believed to be in the best interests of society. The Premier of Queensland, Rob Borbidge, and the police minister, Mr Cooper, have supported a universal approach to gun registration and gun licensing. There is no doubt that the fairest way to effect the buyback is to increase the Medicare levy from 1.5 per cent of a weekly wage to 1.7 per cent, costing the average working family \$1.40 per week and increasing in proportion to incomes.

Across the political spectrum from Right to Left, it is probably the Right, the people that I represent, who have made the sacrifices. I do not argue about that. I feel sorry for those people as they have to surrender the guns but I do not think we ought to let this matter go halfway. If those on the Right of the political spectrum, the National and the Liberal parties—and you, Mr Acting Deputy President, represent rural South Australia—have made these sacrifices, then I believe that the Left of the political spectrum also has to make

sacrifices.

We can no longer have videos that depict violence. We can no longer have violent movies because, if we are all going to make sacrifices, it has got to be right across the political spectrum. The full responsibility cannot be put on gun owners. They are prepared to wear it and will reluctantly surrender their guns when they have to, albeit with a lot of doubt, because they are law-abiding citizens but let us not just leave it there; let us complete the job. Let us put as much focus on videos, violent movies and violence as we have on gun registration and the removal of guns. If we adopt a thorough approach, we have a chance of solving the problem. But if we just leave it to one section of the community to carry the burden, then we are not going to solve the problem. The Right of the political spectrum has made the sacrifices but the Left also has to meet its commitments.

**Senator LUNDY** (Australian Capital Territory) (5.05 p.m.)—I rise to support the motion, and I commend the government on its very quick action to introduce strict, uniform gun laws and the buyback scheme. I am certainly proud to be part of the Labor Party, which has a commendable record of seeking uniform gun laws. What used to be a glimmer of bipartisanship has now, as a result of the tragedy in Port Arthur, turned into a blinding flash. It is very pleasing to see that the Prime Minister of this country has responded very smartly to public opinion on this matter.

Today I wish to focus my contribution away from gun law reform specifically and look at the issue of public health. As a public health measure, strict gun control laws are essential. Any government or politician vacillating on this issue effectively abrogates their responsibility to their community.

Some people have advocated the establishment of a dangerous persons' register as an acceptable form of gun control instead of a national register of firearms. The fact is, however, that this course of action will not stop homicides. The record of gun violence in Australia clearly shows that very few incidences of violence are committed by people with

a history of dangerous behaviour, and 86 per cent of victims in mass killings were reportedly killed by a person with no reported history of violent crime or mental illness.

The sad facts are that seemingly law abiding citizens or members of their families are the ones who take their own lives or the lives of those around them. In Australia over a four-year period, between 1989 and 1993, 532 Australian women were killed. Fifty per cent of these women were killed in domestic violence situations and one-third of these women was killed by firearms. This figure does not include the number of children killed, but in many instances the lives of children were lost as well. Research shows also that many people commit violence with guns they do not own but which are easily accessible to them. You have to accept this as a contributing factor to the high number of unfortunately successful suicides in rural areas, particularly amongst young men.

Just last week, the National Rural Health Alliance, a body with the support of 18 national bodies representing rural health professionals, country women and other rural health consumers, entered the debate in support of stricter national gun laws. This alliance has the health of rural Australians as their first priority. They quote data that shows that amongst males between 15 and 24 years of age in country towns the rate of suicide increased 12-fold since 1964. That compares with a threefold increase overall for all males. Evidence shows that half of these suicides were associated directly with firearms.

The common theme in statistics on gun related suicide, domestic violence and other homicides is the accessibility of the firearm. It is the accessibility of the gun that creates the danger, hence the importance of the introduction of these new gun laws to try and stop this violence occurring. The overwhelming majority of gun homicides are by family members, friends and acquaintances. Research also shows that the presence of guns in the house increases the risk of both suicide and homicide by a family member or an intimate acquaintance in that home.

The National Committee on Violence, established after the Hoddle and Queen Street

massacres, concluded that the majority of gun homicides are unplanned and impulsive and, indeed, may not have occurred if that lethal weapon was not available. The availability of that firearm, so the committee said, made death a far greater likelihood.

Governments legislate for a variety of measures for the sake of a safe and healthy community. There are few people who would argue with this function of government. If gun related homicide were an infectious disease, there would be a national register of carriers.

On 10 May, while police ministers were gathering here in Parliament House to discuss gun law reform, I was privileged to speak at a rally in support of national gun laws organised by Wesnet, Women who work in Emergency Services Network. (*Time expired*)

**Senator NEWMAN** (Tasmania—Minister for Social Security and Minister Assisting the Prime Minister for the Status of Women) (5.10 p.m.)—I am sorry that Senator Lundy's time expired, because I was very interested in the things she had to say. I do welcome the opportunity, which is rare enough in this place, to have such bipartisan—or tripartisan or multipartisan—support for an urgency motion. As a Tasmanian, it has been a great source of comfort to see the way political parties have put aside their differences right around the country, as well as in my home state of Tasmania, to tackle this terrible problem that Australia is facing with the growth in violence.

We have always thought of our home state as being a peaceful and safe community, rather free from the troubles of the rest of the world, and very precious to us as a result. We thought of it as the last place one would expect to find a massacre so horrific and so tragic. Initially, there was just disbelief that it could have happened to us. That horror came to us through the barrel of a gun. The shots that were fired at Port Arthur that afternoon have changed Tasmania and, I think, its people forever. We have been very deeply scarred. There is hardly a person on the island who hasn't been touched in some way, however remote, by the tragedy.

Yesterday, several thousand people went to the Port Arthur historic site for the memorial

service. It was a difficult thing to do, to revisit the site that is so awesome and so dreadful. In the week after the massacre, services were held in each of our major cities and towns. A minute's silence was observed at 10.30 a.m. on 1 May. Shop assistants and office workers stood silently on the footpaths outside their workplaces. Cars pulled over to the side of the road. Hundreds of people attended church services to remember and pray for those killed and injured.

This has given us hope, however. It is hope that we can do something to prevent this ever happening again—in Tasmania or anywhere else in Australia. The wonderful thing is that people have grabbed that hope with their hands and run with it. That is why the action that was initiated by the Prime Minister (Mr Howard) and supported so widely around the country at the political level and at the level of the people—that is, in getting the various police ministers together and in having decisions made—is so important to us.

The new gun controls agreed to by the police ministers are just the important first step towards a safer Australian community. They will help us to take those high powered weapons of destruction out of the community. They will help us to prevent more Australians being killed and injured by guns. Senator Lundy went through some very worrying statistics about who is being killed with guns.

I know that there are many gun owners who feel they have been unfairly penalised for the actions of one person. They are concerned that their rights and freedoms are being infringed. There is no doubt that it will impinge on the rights of individual gun owners. The Prime Minister has acknowledged that. He spoke of his regret at that, but what right is more important? An individual's right to own a semi-automatic or automatic weapon or the right of the rest of us to live safe from those guns? In the case of primary producers and other rural dwellers—that applies to people in Tasmania just as much as in Queensland, Western Australia or the Northern Territory—there is room in the new laws for their special needs to be met.

I have responsibility for assisting the Prime Minister on issues related to the status of

women. I have found it most fascinating and really very pleasing that over these last three weeks women throughout Australia have been very strong in endorsing the measures that have been taken by the political parties about gun control. Obviously not every woman believes it is right, but there are a lot of women very much happier that this action has been taken and they want other measures to be taken too, relating to domestic violence and to videos, films and computer games which encourage people to think of women as victims in sexual violence matters.

We are concerned about all those issues as a society and rightly so. If there has been one good thing, apart from the gun control, that has come out of this massacre, it is that this society is at last prepared to focus on violence. It is no longer just politicians talking; it is the whole community. I am glad to hear people in the entertainment industry, and the media industry generally, are prepared to countenance that somehow people can become addicted to violence, that they can be affected by what they see on television and videos, et cetera. If you can sell more ice-cream by advertising it on television, why can't you condition people to the concept of violence?

I made a speech in this place a few years ago in which I read into the record some of the dreadful copycat crimes that had taken place in Victoria against women. The then justice minister, Senator Tate, urged me to stop because we were on the air and people could hear what was being said. The trouble is a lot of people have not known what sort of violence is being encouraged by some of these videos. It was, I thought, only by reading that into the public record that people would understand just how dreadful some of the violent material is that is made available to people in our community.

Women's experience of violence is most likely to be at the hands of a man known to them. Guns are used by perpetrators of domestic violence to both threaten and harm women and children, as Senator Lundy has said. I will not go through those statistics because she has already done that very tellingly. But women's groups have called on

governments for many years to take a strong stand against all forms of violence. We have promised in our election commitments to have a national summit on violence. The Office of the Status of Women is working to that end right now.

There is a national study being done by the Bureau of Statistics to give us comprehensive national data. It will be the first baseline national data on the incidents of violence against women and the results are expected to be available in December this year. We hope to have a national summit drawing in the states to help us so that further action can be taken.

I will finish by quoting the head of the medical services at the Hobart hospital. Dr Brian Walpole said:

Our innocence was violated and we have become yet another statistic on the international firearm catastrophe toll. Our home may never be the same again. We can and must start to build a safer and more compassionate society. The first step is to rid society of these offensive weapons.

**The ACTING DEPUTY PRESIDENT (Senator Ferguson)**—Order! The time for debate has expired. The question is that the urgency motion moved by Senator Bolkus be agreed to.

Question resolved in the affirmative.

## DOCUMENTS

### Auditor-General's Reports

#### Report No. 23 of 1995-96

**The ACTING DEPUTY PRESIDENT**—In accordance with the provisions of the Audit Act 1901, I present the following report of the Auditor-General, which was presented to the Deputy President on 17 May 1996 pursuant to the order of 13 February 1991:

*Report No. 23 of 1995-96—Performance Audit—Procurement of Training Services—Department of Employment, Education, Training and Youth Affairs.*

**Senator BELL** (Tasmania) (5.19 p.m.)—by leave—I move:

That the Senate take note of the document.

In doing so, I ask the Senate to note in particular the accompanying brochure, which

is included in the front part of the report, which gives an overview of not only the background and methodology but also the audit findings and recommendations to which I wish to draw particular attention. This is an auditor's view of the process of virtually the contracting out of a number of DEET activities. As such, I think the audit findings and recommendations need to be looked at very carefully. This is about Public Service agencies purchasing goods and services but, in particular, it is about purchasing the services which were previously provided by the department itself.

In the auditor's findings and recommendations, we see that there was not a framework in place that would allow the department to assess whether it was achieving value for money. In other words, the contracting out theory was followed, the currently favoured economic direction was followed, without there being in place any way of assessing whether it was any good. I think this is a damning indictment of that very theory because it demonstrates that this particular department is unable to evaluate that. Without a framework in place, how on earth could any sensible assessment be made.

There are some howevers and buts about this and there is some recognition of progress. The auditor does note that progress has been made, and rightly so. As is usual with the auditor, objectivity is brought to this assessment and the auditor is able to recognise that progress. I want to emphasise the inadequacies of the processes which still exist. I refer the Senate to page 20 of this report. Point 5.11 states:

In some cases the Departmental draft standard form contract was used.

That is to be acknowledged. The report continues:

However, in the majority of outlets the ANAO found that the contracts did not conform with either the Department's general guidelines for Labour Market Programs or the draft standard contract. Where the draft standard contract was not used, the contracts were generally of the short form type, containing insufficient detail as to the Department's requirements and/or the trainer's obligation.

With that in mind, one would surely be tempted to ask questions. What happened?

Was it successful? Did it meet the needs of either the department or the community at large? How do we know whether it was successful or not? The comment of the audit office in 5.13 reads as follows:

The ANAO considers that there would be benefit in monitoring the use of contracts to ensure that they align with Departmental guidelines.

So there would be benefit. I would have thought that would be fairly obvious to all concerned.

I say to the Senate that really it is about time the mythology of contracting out as a suitable way of conducting government service was exposed, and I believe it is exposed in this report. This is not a five-minute wonder that the ANAO conducted. This is an objective, timely and well-conducted investigation. It has revealed the fallacy of this mythology that contracting out is by definition the way to go, the way to provide services to the community. As DEET is one of the large providers of services to the community, I think it is timely that we have an exposure of the inadequacies of the theory when compared to the actual practice.

We have a lot of stuff pushed to us through the media about competitive price tendering and open tendering and all that sort of business. We are told so often that we need to look at the outcomes of various government processes. Here we have a revelation of the outcomes. We have no mechanism in many cases of comparing what it is that was asked for and what it is that was delivered. We have no coherent process of evaluation. Because of that, how on earth can a judgment be made about the success or otherwise of this contracting out process?

So I thoroughly recommend that a proper examination be made of this report and that people take note of what is being said here. It is no idle comment that is being made by the auditor; it is no baseless comment that is being made by the auditor. Here are the facts that reveal what is wrong with this.

I speak with some experience in this matter not only as a person who is interested in the educational field, which has been my direct interest as well as my professional interest over a number of years, but also as a person

who at one stage—for the benefit of those Tasmanian senators who may be interested in this—worked for the Tasmanian Department of Construction, which at various stages was associated with the Department of Main Roads, the Department of Public Works, Works Tasmania and various other names and identities. If one travels in Tasmania at the moment, one sees the result of this theory of contracting out being the best way to conduct the provision of goods and services to the taxpayer.

The result is that many of the major roads that one travels on are having to be rebuilt because the original theory was adopted without sufficient regard being paid to a measurement of the outcomes. In other words, the monitoring of what was provided, the examination of the quality of the service or the goods that are provided, was not in place. This is what the auditor is saying in this report: if you are to have these new fancy ideas, then you had better find a way of monitoring them.

In Tasmania, in the instances that I spoke of, on several of our major roads there was no capacity left in the department to examine what it was that taxpayers got for their money. It was contracted out all right, but it was not monitored and evaluated and the quality was not there. Now the taxpayer is having to fund the rebuilding of those very roads. This is at a not insignificant cost.

I wonder, with all the money that is spent through this department—the Department of Employment, Education, Training and Youth Affairs—at what cost these unevaluated, unmonitored and ill-conceived contracts will need to be repaired or replaced in the future. I do not give an unequivocal criticism of the department in this. The auditor rightly points out that there have been some improvements made, but it is within the capacity of the department to bring greater uniformity to the form of contracts and the type of evaluation which is brought to those and the measurement of what it is that is being received for the money that is paid out by the taxpayer.

**Senator TIERNEY** (New South Wales) (5.27 p.m.)—I also rise to speak on the ANAO performance audit report of the De-

partment of Employment, Education, Training and Youth Affairs. I support the remarks of Senator Bell and the tremendous concerns about the administration, yet again, of programs under the former Labor government.

We are here today dealing with a report from DEET. DEET has an annual budget of \$11 billion, and several billion of this is spent on a number of labour market programs to assist the long-term unemployed and disadvantaged job seekers. Much of the money is spent in two broad categories: specially contracted courses for a number of participants and individual places that are purchased in established courses. The audit examined whether these training services purchased by DEETYA for labour market programs provided value for taxpayers' money. This audit places a very considerable question mark over the matter of providing value for money.

I will quote directly from the report some very disturbing findings. For example, at the time of the audit, field work was undertaken, and the ANAO found that there was not a framework in place which would allow the department to assess whether it was achieving value for money. The audit raised practices about a number of matters, including the assessment of contracted courses, the tender selection process, advanced payments made to providers, and course monitoring and evaluation.

At page 12 of the report, assessments are made about the conduct and value of contracted training courses. The ANAO found that the quality of these assessments varied enormously. It took over two years to establish formal area consultative committees and ESL and literacy groups. Other common problems noted included those such as a lack of documentary evidence in support of course assessments. Justifications were often brief, consisting only of a few words such as 'good opportunity' or 'vacancy demand', which did not provide much assistance or insight.

At page 13 of the report the provision of established course placements for clients is noted as showing problems with value for money assessment. The points noted include:

. client statements in support of their application were often not supported by the necessary documentation; however, some courses were still approved;

. in some offices assessments were not carried out because it was claimed there were insufficient time and resources, or were only conducted when the course was unfamiliar or likely outcomes not known;-

If we turn to the actual tender selection process, at page 19 the report shows further inadequacies:

The ANOA found that registers of training providers were used in all nine Areas visited during the audit. However, in only one of the nine Areas did the register contain sufficient information to indicate that pre-screening, using the provider selection criteria, had actually been carried out.

On the matter of advance payments to providers, the tendering guidelines for labor market programs state that advance payments should only be made when there is a cost saving to the department. Yet, on page 21, the report reveals that, despite the guidelines, the ANAO generally found that advance payments were scheduled in 80 per cent of cases and only 20 per cent were done on acquittals.

This report also notes some irregularities in the course monitoring and evaluation procedures. At page 22 it says:

The guidelines require regular monitoring to be carried out throughout the course and should involve visits wherever possible. . . Despite the greater emphasis on monitoring, the ANAO found that the level of monitoring varied between CES offices.

While monitoring of contracted courses was carried out in the majority of CES offices visited, it went on to say:

By contrast, monitoring of established courses was not well entrenched and in a number of offices the ANAO found that there was no monitoring of established courses at all.

Thankfully, the ANAO report does note that, since this field audit, the department has made significant efforts to establish an appropriate framework to protect the taxpayers' interest.

Well, gee, it would want to after that report, which I consider a damning one. In a whole range of areas in the administration of these programs you have virtually no oversight of what is happening out there and no oversight

of the way in which the expenditure of government money is acquitted.

The ANAO concluded, finally, that there was no real guidance as to whether the government was getting value for money. Fairly obviously, on the basis of this report, they had to reform their procedures. They have started to do so, but there is no sign that they have completed this task—and they still have a long way to go. What the Senate should be doing is keeping a very careful eye on this process over the next few months to make sure that proper procedures are put in place so we can ensure that the government is getting value for money in the area of education.

**Senator MARGETTS** (Western Australia) (5.33 p.m.)—I rise to speak on the Auditor-General's *Report No. 23, Procurement of Training Services*. Those who follow the Senate estimates process will know that I have asked a number of questions in relation to DEETYA programs, in particular on case management and training programs, and about the outcomes of those training programs. Unfortunately, until now the responses from DEETYA have been that they do not have much of an idea about what part of their expenditure is working and what part is not.

I am pleased to see that some impetus has perhaps been created by the Audit Office report to push that along, so that DEETYA is looking at outcomes, at whether or not it is meeting those outcomes, at what courses are actually leading to employment, and what courses are perhaps simply making work resulting in people going round and round in circles.

But there are a number of issues here, apart from the impacts of the privatisation of training. One of those issues is that during debates such as the one on the youth training allowance that we have had in the Senate, it was brought to light that you needed to have an effective consultation with the unemployed to be able to place them in courses that were actually going to get them somewhere and lead them to a meaningful job. Firstly, there needed to be some interest by the client—the unemployed person—and, secondly, the course needed to lead them to somewhere

where they thought they wanted to go.

Unfortunately, in that debate we did not get any agreement in this chamber that the people who were the clients—the unemployed, and especially youth unemployed—had any rights at all to an actual negotiation of the agreements they signed, including agreements to attend a training course even if it might require them to take two buses and 90 minutes a day to get there. There was no real agreement per se because a contract was given to the unemployed person and they had to sign it. There might have been a cooling-down period, but they still had to sign it after several days.

Part of the problem is certainly whether or not the courses are appropriate. But it is also whether or not the people who are required to take those courses actually feel that they are appropriate to their needs and desires. Surely, a basic mechanism for someone taking a course is that they want to do it and they feel it is leading them somewhere. No matter how good the course is, if people have taken no real part in the agreement for them to take part in that course, they are not going to get a great amount out of it.

I spoke to a person in Perth who provides training services for DEETYA. That person said, 'I've got a bone to pick with you. The government told me that you are responsible for us having to do an audit every year.' I am glad to see that the Audit Office has said that the documentation requirements will be simplified. It seems ridiculous that people should use the Greens, and other people who ask questions about training, as a rationale for saying that course providers should have to be audited every single time they provide a course for DEETYA.

Certainly, course providers should be accountable; certainly, their books should be open and they should be available for spot auditing. But it should not be used as an excuse for auditing providers every single time they provide a course. They should obviously have to provide their books and acquit the amount of money that has been given to them. But to audit them every year



seems that you are actually providing a great disincentive for people to be involved if they have already been cleared and audited once and could perhaps be down as a preferred provider.

All in all, this Audit Office report only touches the surface because they have really only asked themselves to look at the procurement of training services, not the outcomes in general. There is a much bigger issue here. We should look closely at DEETYA. I am not suggesting that the funds provided to DEETYA are sufficient. But I am suggesting that we make sure that we are outcome oriented—and part of that means involving the clients in decision making about whether the courses they are asked to go on will lead them in the direction they would like to go.

Question resolved in the affirmative.

### **Auditor-General's Reports**

#### **Report No. 24 of 1995-96**

**The ACTING DEPUTY PRESIDENT (Senator Ferguson)**—On behalf of the President and in accordance with the provisions of the Audit Act 1901, I present the following report of the Auditor-General:

*Report No. 24 of 1995-96—Performance Audit—Impact of Sunset Clause on Investigatory Powers—Health Insurance Commission.*

### **COMMITTEES**

#### **Legal and Constitutional Legislation Committee**

##### **Additional Information**

**Senator FOREMAN** (South Australia)—I present additional information received by the Legal and Constitutional Legislation Committee as part of the 1995-96 budget estimates process.

#### **Corporations and Securities Committee**

##### **Establishment**

**The ACTING DEPUTY PRESIDENT**—A message has been received from the House of Representatives forwarding a resolution

relating to the Joint Committee on Corporations and Securities for concurrence.

Ordered that consideration of the message be an order of the day for the next day of sitting.

### **Membership**

**The ACTING DEPUTY PRESIDENT**—The President has received letters from party leaders nominating senators to be members of various committees.

Motion (by **Senator Kemp**)—by leave—agreed to:

That senators be appointed to committees as follows:

Economics Legislation Committee—

Participating member: Senator Carr

Economics References Committee—

Participating members: Senators Carr and Schacht

Environment, Recreation, Communication and the Arts Legislation and References Committees—

Participating member: Senator Carr

Rural and Regional Affairs and Transport Legislation Committee—

Participating members: Senators Burns and Tambling

Rural and Regional Affairs and Transport References Committee—

Participating member: Senator Tambling

Victorian Casino Inquiry—Select Committee—

Appointed: Senators Abetz, Childs, Bob Collins, Ellison, Kemp, Ray and Spindler

### **CONSIDERATION OF LEGISLATION**

**Senator ALSTON** (Victoria—Minister for Communications and the Arts) (5.41 p.m.)—On behalf of Senator Kemp, I move:

That the order of the Senate of 29 November 1994, relating to the consideration of legislation, not apply to the Telstra (Dilution of Public Ownership) Bill 1996.

This motion is about whether the Senate, and more particularly the government, should be entitled to get on with the business of governing. If anything was crystal clear during the last election campaign it was that we had a very specific and controversial proposal for the partial privatisation of Telstra. No-one

was in any doubt about the implications of that issue. We certainly did not get too much support from a number of quarters but everyone knew precisely what they were voting for when they voted for us—and they did, overwhelmingly.

If you blokes are serious about your logic, if you want to maintain the proposition that somehow a substantial section of the community was against this proposal to a passionate extent, all that tells you is that if we had not run on that particular proposal you would hardly have won a seat in the Senate, let alone the House of Representatives. It is absolute nonsense to suggest that we did not have overwhelming support for this proposition.

We must, therefore, have regard to the processes that should be followed in this place. Quite properly and understandably, there are rules that govern the conduct of business and which seek to ensure that all parties have adequate notice of legislation introduced into this chamber. But to mindlessly apply an arbitrary cut-off figure immediately—

**Senator Schacht**—It was your rule.

**Senator ALSTON**—It was never introduced in order to apply immediately after an election. You know that. It is nonsense; it is a contradiction in terms. The fact is, you would not be able to do any business at all in this chamber if you applied that rule rigidly. That is precisely why you caved in this morning and allowed four bills to be debated.

**Senator Schacht**—Most of them were our old bills anyway.

**Senator ALSTON**—There you go then. You cannot, by any stretch of the imagination, pretend that you need any more time to consider this, can you? You have made up your minds, haven't you? I do not have to ask you to concede that point now because Senator Faulkner conceded it in spades on 1 May last. I would have thought that that was a very silly thing to do. I suppose he is just learning the trade. After all those years in government, when you think it is pretty easy, when you have your advisers—

**Senator Schacht**—You are finding out how

hard it is now, aren't you, Richard.

**Senator ALSTON**—Not at all; we have learnt a lot from your experience and we are putting the lesson to very good use.

**Senator Faulkner**—Mr Acting Deputy President, I raise a point of order. It struck me when Senator Alston was speaking that he was not addressing the Senate from his proper place.

**The ACTING DEPUTY PRESIDENT (Senator Ferguson)**—You might just move across to your own seat, Senator Alston.

**Senator ALSTON**—Certainly, Mr Acting Deputy President. If that is the most we have got to fear, then we are quaking in our shoes.

Senator Faulkner sought to add the following words to the address-in-reply: 'and the Senate is of the opinion that no part of Telstra should be sold'. I don't suppose there are too many flash lawyers on the other side of the chamber; there are none over there at the moment. A bush lawyer from Bankstown would have told you that if you were concerned—as you will be in due course—about whether there was a refusal to pass, what the courts look for is evidence of your bona fides. If you refer a bill to a committee it is a reasonable assumption that it needs to be properly examined—due process. But if you make it crystal clear, as those opposite did on 1 May, that there is no point in referring a bill to a committee as you have made up your mind and you want everyone else in this chamber to have the same closed mind as you, then you are making it very clear that you don't have a feather to fly with and that any referral to any committee is simply a waste of time.

**Senator Faulkner**—Why don't we have a vote on that?

**Senator ALSTON**—Do you want to have a vote on it now?

**Senator Schacht**—Why don't you vote on it? Why don't you bring the address-in-reply on and vote on it?

**Senator ALSTON**—We will do that in due course. The fact is that you know full well that you let the cat out of the bag in spades. What you should have done was to at least

have the political cleverness to go through the motions: say that you were still thinking about it, that you wanted to consult the community. But you did not do any of those things because you knew the community overwhelmingly accepted that this was part of our mandate.

As the minister in charge of this bill, one would think that I might have had the odd letter on the subject. I have not had one expression of concern from the community. Not one person has said to me, 'We must have a committee inquiry to find out what you meant. What is the hidden agenda?' People are not saying, 'We are not clear on what this all means', because they are crystal clear. They know precisely what it meant. We spelt it out in great detail. You don't need to send it off to a committee. You don't need to hold up the debate. You don't need to go on with these fancy little games of holding it over for another three months. You ought to have the courage of your convictions, if you have got any. I am talking about political convictions; we will not refer to your colleague's real convictions.

**Senator Schacht**—Haven't you worked out yet as a minister that all those letters go off to the department first before you see them?

**Senator ALSTON**—I can assure you that I have asked, and I can be quite confident that people would have rung me if they had had the sorts of concerns that some people seem to think they might have had.

**Senator Faulkner**—You have not had one letter?

**Senator ALSTON**—I have not had any letters that would form any conceivable basis for saying that the matter ought to be looked at by a Senate committee or held over. The point is that you know that we have got a mandate for this. You want to be as obstructionist as you can, to hold things up, to put off the evil day as long as possible. Why won't you have the intestinal fortitude to simply bring the thing on? Let us see the colour of your money. I have not heard you trot out any explanations for opposition—apart from the usual ideological nonsense.

I suppose you are in the Democrats' camp.

They keep putting out all these totally factually inaccurate statements, then they have to grit their teeth and bear it in silence because they do not have any comeback. They end up saying things like, 'There is no economic justification for the sale of Telstra. You can improve efficiencies without privatisation.' That is the sort of mindless rhetoric that I am sure Senator Schacht would be very comfortable with. But that is no substitute for evidence, no substitute for looking at what has happened in the rest of the world, and no substitute for all of the advice that we would get from the private sector on the efficiencies that derive from privatisation.

We do not have to be out there saying that that therefore means that every private sector institution is more effective than any public sector institution. We just have to look at what you blokes did over the years when it came to privatisation. There is virtually nothing left to privatise, because you have done it all.

**Senator Schacht**—Except Telstra.

**Senator ALSTON**—That is only because you did not get around to it. You did not have the courage to stand up to the union veto. That is the only reason you did not do it. That is why Keating—

**Senator Schacht**—Telstra—the biggest company in Australia.

**Senator ALSTON**—No, BHP is bigger and Coles-Myer employs twice as many employees. It is near enough from your point of view, I suppose.

**Senator Schacht**—I bet you Coles-Myer wished they had Telstra's profit.

**Senator ALSTON**—Profit is a meaningless. What is relevant is the return on the investment. Efficiency is what it is all about. If you could double your profit by having a much greater level of productivity, wouldn't you be interested? You would say, 'Net profit is 1.7, that will do me.' Why wouldn't you be interested in having a net profit of \$2½ billion dollars? It is because you have an ideological mind-set. You are not interested in applying the same logic to this issue as that which you and your friends applied to other

privatisations for years.

**Senator Schacht**—This is your view about the sheltered workshop in the telecommunications industry that we heard the other day in the Senate.

**Senator ALSTON**—You didn't get much of a run with that one. You will have to do a lot better than that.

**Senator Schacht**—It got a bit of a run.

**Senator ALSTON**—In the scheme of things, I think I can just about live with that. Those opposite asked for bills to be debated as a matter of priority to get exemption from the cut-off. Of 93 bills introduced into the House of Representatives during 1995 that were subject to the Senate cut-off motion, 73 were exempted from the requirement that they be adjourned for debate to the next sittings. That was all at your request. If we go through those bills, we get to the airport sale bill, the Qantas Sale Amendment Bill, the ANL Sale Bill and the Commonwealth Bank Sale Bill. Those opposite show absolute hypocrisy. Every time they wanted to get privatisation bills debated forthwith; and we agreed with them. There was no reason to defer. They did not have the same reason that we now have: a new government that would have nothing to debate in this chamber, unless they allowed it.

**Senator Schacht**—It is your resolution, Richard.

**Senator ALSTON**—It is our resolution. I am seeking an exemption—

**Senator Schacht**—That was when you were in opposition. You were happy to put it through; you never thought about being in government.

**Senator ALSTON**—You know as well as I do that it was never meant to apply to an incoming government. You would think that the old Gareth would at least have gone straight once he left this chamber, but no, on *Meet the Press* on 12 May, he said:

Look, we frankly—

I am always very suspicious of people who say 'frankly'—

are prepared to debate the Telstra legislation in the

normal way when it comes up. We are not going to hang in imposing ridiculous constraints on that, and we will just respond to the issues in a measured way as they come forward. We will debate the bill on its merits and we'll look at the whole future course of the argument on its merits.

Are you going to repudiate your present deputy leader?

**Senator Faulkner**—No.

**Senator ALSTON**—So you are not going to be obstructionist—is that right? Because that is the sort of nonsense rhetoric that we got from Senator Faulkner on the very same day. He showed his hand. He did not have the political skill to realise that he was stepping into a huge minefield. What you have done is tell the High Court or the Governor-General that you are not seriously interested in this bill. You have made up your minds and, therefore, any attempts you make to string it out unnecessarily will clearly be regarded as a failure to pass.

There was Senator Faulkner saying, 'We will not be obstructionist. We will not be resorting to the same sort of tactics at which the coalition became expert over 13 years in opposition. We are not going to involve ourselves in deliberate disruption.' Is it going to be accidental disruption? Senator Faulkner said, 'We are not going to involve ourselves in time wasting. We are not going to involve ourselves in filibustering. We are going to behave in a sensible and constructive way.' I am sorry I was not here to see it. I am sure you had great difficulty keeping the smile off your face when you trotted out that sort of nonsense.

The fact is—you know it—that this bill does not contain anything that you were not aware of back in January when we released the policy. It got a great reception at the time. As I remember it, we consulted about 12 merchant banks.

**Senator Schacht**—Of course, the merchant banks! A bit of self-interest from the merchant banks!

**Senator ALSTON**—I will just show you how pathetic was your response. Do you know what happened? This is interesting. For

six months or more before we released that policy, Michael Lee had been jumping up and down whenever the strings were pulled in the House of Representatives. He would say things like, 'This mob are going to sell this for \$30 billion. This is a disgrace.' We, very sensibly, came up with a conservative estimate of \$25 billion. What was Paul Keating's best response when we released it? He was on the run, admittedly. He said we were selling it short, because it was worth every bit of \$30 billion.

**Senator Schacht**—So you are selling the lot, Richard?

**Senator ALSTON**—No, one-third. He knew that we were only going to sell one-third, but he thought the company was worth \$30 billion. In other words, just standing logic on its head, there was no coherent response to the proposal that we put. That is because it contains very sensible consumer protection devices; it almost effectively eliminates foreign ownership—less than two per cent can be held by any one strategic holder and less than 12 per cent of the company can be sold to foreigners. You ought to know all this. Don't tell me I have to conduct a refresher course at this late stage of the game. We might be able to refer it off to your room for a special briefing, but I would be surprised if you are not aware of the elements of this proposal.

Every score, whether it is consumer protection, foreign ownership, the sale process or consumer safeguards, is covered. This is the best package that you could ever look for when it comes to privatisation. Best of all, we are not just putting the money in the back pocket and throwing it around at whiteboards when the election comes along. We are actually spelling out what we are going to do with it: retire government debt, fund the greatest environment proposal in 50 years and do something constructive—get Telstra into shape.

Telstra knows it needs to lift its game. That is perfectly clear. But it is not going to do it with your sort of mindless union vetoes on any constructive change. You are depriving not only the Australian community of the opportunity to invest but also Telstra employ-

ees. I can assure you that they would be very keen to invest, just as they were in the UK. Do you know what happened back in 1984? The union membership of British Telecom recommended a total boycott of the sale process. They did not believe in privatisation, so they told the union members not to touch it. Do you know what the take-up rate was? It was 97 per cent. They all did very nicely because they all knew that it was good value.

**Senator Schacht**—And then they sold!

**Senator ALSTON**—What is wrong with selling?

**Senator Schacht**—How many employees of British Telecom own shares now?

**Senator ALSTON**—I have no idea. What does that have to do with it? Let us be clear on this. You are saying that it would be okay if you forced them to hold their shares as an employee, even if they actually halved in value. Is that what you are saying?

**Senator Schacht**—It was just a device to make sure that someone got hold of the whole of British Telecom.

**Senator ALSTON**—Everyone has an opportunity to buy in and then do what they like with the shares. They actually got incentives to hold on for 12 months. They got a bit of relief on their bills.

**Senator Chris Evans**—It was just privatisation.

**Senator ALSTON**—There is nothing wrong with that privatisation, my friend. You ought to know it. It has delivered enormous benefits for consumers. I am simply making the additional union point that, despite the veto, the workers themselves took it up because they knew it was very good value. And it was. Why wouldn't you want to let even Telstra employees have a share of the action, let alone the wider Australian public? Why wouldn't you want to let Telstra actually lift its game and not have this millstone around its neck the whole time? We all know the answer. The answer is pure politics. It has got nothing to do with the merits of the argument, because you are the privatisation experts. You have been doing it for years in

this chamber. If the former member for Blaxland had had his way, you would have broken it up into little pieces by now. Do you agree with that approach, Senator Schacht?

**Senator Schacht**—No.

**Senator ALSTON**—No. Did you ever agree with his wanting to sell off Mobilenet? No. Or *Yellow Pages*? Do you remember? Did you disagree with him? There you were, silent as the grave.

**Senator Schacht**—I disagreed with him strongly. I said OTC and Telecom should be merged into one, which they were. That was always my view.

**Senator ALSTON**—That was not his view. He was right, actually.

**Senator Faulkner**—He was right about you!

**Senator ALSTON**—He was right on that point. He also wanted to sell off *Yellow Pages*. He wanted to sell off OTC, as we know. He wanted to merge it with Aussat. That would have been a much fairer contest in the scheme of things. He wanted to sell off Mobilenet and probably anything else that moved if he could get his hands on it. Instead, he just settled for taking a couple of hundred million dollars extra off their bottom line, which is precisely what the Democrats now want to do, as we see from their private member's bill.

The fact is that these bills have been exhaustively examined in the wider community. Everyone has had a chance to look at them.

*Senator Schacht interjecting—*

**Senator ALSTON**—Any surprises? I did not see you put out a press release when we released it. Did you?

**Senator Schacht**—I certainly did.

**Senator ALSTON**—What did you say? What were your objections?

**Senator Schacht**—I pointed out that you had given up all the national interest and that you had repealed the minister's power to direct. I pointed out that there was no real protection to community service obligations—all gone.

**Senator ALSTON**—I see. In other words,

you trotted out this very tired and specious argument that somehow once you let the private sector get a foot in the door you just cannot rely on any of those consumer protection arrangements. I thought we had that debate out a number of times before, and at least Senator Margetts understands this.

The UK, for example, still has a price cap regime 12 years down the track, which we borrowed. So it still has a price cap regime in an entirely privatised telecommunications environment. In the United States they have the universal service fund, which provides the levy on the carriers to fund the community service obligations which we all hold near and dear, do we not? Yet, we borrowed that exact model from the US which has never had any public ownership of telecommunications carriers. There is no incompatibility, no inconsistency with private ownership and public protection.

**Senator Schacht**—The seven regional monopolies all became a regional monopoly, effectively.

**Senator ALSTON**—They did not. There are hundreds of little telephone carriers at the local level. The point is there are no coherent arguments against this proposal. You know it, and yet you want to stop a debate on this matter for the next three months. That is what you are on about, is it not? You do not have the courage of your convictions. You are not prepared to face up to that huge dead cat your current leader in the Senate put on the table when he admitted he wanted the Senate to reject this bill sight unseen, as of course did Senator Kernot, who was very keen to spell out all the reasons why she was totally opposed to it before she had actually seen this bill. At the bottom of her press release she said, 'We are looking forward to actually reading it in due course,' after she made plain what she thought of the concept.

If that is the level of debate in this country, it is a very sad day. This is the big opportunity to have a truly efficient telecommunications regime. Even you, Senator Schacht, are in favour of full and open competition from 1 July next year, are you not? You are not reneging on that one are you? You could not.

Are you still thinking about it?

**Senator Schacht**—No, wait until I speak.

**Senator ALSTON**—Why would you want to handicap Telstra? Why would you want it to have one hand tied behind its back?

*Senator Schacht interjecting—*

**Senator ALSTON**—It will. It will have to get Loan Council approval before it borrows. It will have to be told by the government how much to hand over in dividends.

**Senator Schacht**—When was the last time it drew on the government for investment?

**Senator ALSTON**—For investment?

**Senator Schacht**—For capital investment.

**Senator ALSTON**—It has been wanting to go to the Loan Council but it has to get approval to do so. It would much prefer to borrow. Its gearing ratio is about 28 per cent. It has the capacity to borrow at the present time.

**Senator Schacht**—You want it to borrow from overseas and increase the national debt?

**Senator ALSTON**—It does not have to borrow from overseas. It could borrow domestically if it wanted to. Do you have a problem with borrowing? A safe gearing ratio is about 50 per cent.

**Senator Schacht**—Goodness me. You have been going around saying that the national debt is a problem.

**Senator Margetts**—Mr President, I rise on a point of order. I am sure this is really terrific but do you think you could ask the speaker to deliver his speech rather than have a conversation across the chamber?

**The ACTING DEPUTY PRESIDENT (Senator McKiernan)**—I will uphold the point of order and I ask the minister to direct his remarks to the motion that is before the chair. In doing so, I would ask all senators to keep their interjections to a minimum.

**Senator Schacht**—I have the call actually.

**Senator ALSTON**—You would think so. I was trying to get a word in. I apologise for interjecting.

We are concerned about simply allowing this bill to be dealt with in the normal course

of business with none of these shabby and shoddy little tricks of pretending that somehow more time is needed or that you are not prepared to face up to the fact that it has been on the table now for four or five months. There is virtually no community concern. There is no reason why you cannot treat this in the way you treated the four earlier bills today.

You could easily allow this bill to go off to a committee for a couple of weeks and allow community input. If there are concerns there, we are obviously interested in addressing them. But, no, that is not what you are on about. You are burying your head in the sand, preparing to be mindlessly obstructionist by not debating the merits of the argument and frustrating the business of the Senate. Your tactics will be exposed in due course. If we have to explain your tactics to the public prematurely, I am sure they will fully appreciate why they are in that situation.

I hope you will at least heed the words of someone like the member for Holt (Mr Gareth Evans), who after all is supposed to be your vice-captain. He knows that there is no justification for holding up the debate. He says that frankly he is prepared to debate it in the normal way. Who is he speaking for? Is he talking about the House of Representatives only or do you just run your own race these days—you decide what level of frustration you want to exert in the Senate at any particular time? That may be your way of doing business but I can tell you that it will blow up in your face.

You will be exposed for what you are: a party not interested in reforming the telecommunications environment and not interested in delivering a first-class environmental package. You will simply be in the same category as your friends, the Democrats, who have made up their minds well in advance, who are now acutely embarrassed when they do come up with some factual criticisms and are shown to be completely wrong. Understandably, they now keep their heads down when they are not coming up with private members' bills to find other ways of locating funny money.

There is no funny money in this game. The only way you will fund the environment

package is to use the proceeds of sale. You will not do it by diverting dividend monies, and you know that. You know you cannot just pluck \$200 million out of thin air. I am surprised that someone as literate as Senator Kernot does not appreciate that either.

I conclude by saying—and I will not appeal to your finer nature because I know that would be a pointless exercise—that if and when you decline to allow this bill to be properly considered in this chamber you will certainly reap the consequences.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (6.07 p.m.)—What Senator Alston managed to achieve in his speech was to highlight the absolute procedural mess that the government finds itself in in relation to this issue. The Senate is being asked to deal with the Telstra bill as its first item of legislation today. Of course, this bill is caught in the coalition's own cut-off motion. It is caught in Senator Hill's own order of continuing effect that prevents debate on this bill in this sittings. It prevents debate until the next sittings of the parliament. This motion was enthusiastically presented to the Senate by Senate Hill and the then coalition in opposition.

At the same time, we have a government proposal on the *Notice Paper* to amend the order of continuing effect, the cut-off motion, to enable debate on bills that are introduced in the first two-thirds of the sittings. This is another matter that the Senate is still to decide a position on. In the meantime, while these matters are left up in the air, we now have a proposal to dragoon us into allowing an exemption for the Telstra bill.

In his speech, Senator Alston raised the issue of the possible referral of this bill to a Senate committee. This is another issue that the Senate still has to deliberate on and determine a position on. I understand that this matter was considered at the last meeting of the Selection of Bills Committee and that the issue was deferred. The government is yet to convene another meeting of the committee to resolve this issue.

It is my intention to resolve the confusion in relation to this debate that has been

wrought by the government by moving an amendment to Senator Alston's motion. I am happy, if it is the wish of the Senate, to have the amendment circulated in the chamber. If senators prefer, I would be happy to read it out but the usual process is just to have a copy of this amendment circulated in the chamber. Essentially, what the opposition is proposing is to refer the bill to the Environment, Recreation, Communications and the Arts References Committee for inquiry, according to the terms of reference that are before the Senate, and for report by 22 August, in the first week of the next sittings period.

This bill does raise very important issues that I do think deserve to be debated in a much more sensible and cogent way than was the case with Senator Alston's rather extraordinary contribution on this matter a few moments ago. It does not only raise the important issue of telecommunications policy but the issues of privatisation, of deregulation, of foreign ownership and of the future of public ownership of our national assets. It is, I think, a bill which really does have far-reaching consequences for economic management and far-reaching consequences for public policy in this country.

The government has argued—not very effectively, but Senator Alston did argue—that there has already been adequate public debate on this issue; that there has been adequate public debate on the merits of the government's proposal; and also, of course, that the government has a mandate to implement the partial privatisation of Telstra. The opposition certainly questions these assertions. John Howard in fact pulled the Telstra-environment policy out of his sleeve only four weeks before the last election. It was part of what could only be described as a bewildering array of policy commitments that the coalition deliberately kept from the electorate until the final weeks of the election campaign. You might ask, Mr Acting Deputy President, why this was their approach. Of course, it was to maximise their impact but minimise the opportunities for public scrutiny.

I agree with those who have said that we have not had adequate debate on the Telstra



sale proposal. I might also say that we have not had adequate parliamentary debate on the Telstra sale proposal. It is clear that the government does not want either adequate debate or adequate parliamentary debate on this proposal.

We all saw how this bill was gagged in the House of Representatives on the last day of the last sittings period, in order, apparently, to speed its way through parliament. I might say this does send a very clear message on the coalition government's real commitment to the sanctity of parliamentary scrutiny, on which we have heard a great deal of baseless rhetoric from the government.

Then, before the parliamentary session we had from Senator Hill an outrageous memo threatening to keep the Senate sitting through the recess unless we agree to rush this bill through the Senate—and, for that matter, the Workplace Relations Bill as well. This memo was circulated—extraordinarily enough—before either of these pieces of legislation had been introduced into either House of the Australian Parliament.

Apparently, the same level of concern does not go to the issue of the promised \$1 billion environment fund. In an absolutely extraordinary article in this morning's *Australian*, by national affairs correspondent Laura Tingle, we find that Senator Hill has said, 'We don't want to clog up our own program with bills that aren't essential.' What bill could he possibly be referring to? He was actually referring to the coalition's natural heritage trust bill—the bill that we have heard for ages had an absolutely symbiotic relationship with the partial sale of Telstra; the bill that had an absolutely unbreakable link with the partial privatisation of Telstra. Yet this morning's *Australian* quotes Senator Hill as saying:

We don't want to clog up our own program with Bills that aren't essential.

We can't allow ourselves to be manoeuvred into a situation where we spend the next three weeks debating the natural heritage Bill, which we don't have to get passed this session, and not the Telstra bill, which we do.

It is really a most extraordinary admission from Senator Hill in relation to what the real priorities of this government are.

I heard Senator Alston's couple of comments on mandate in an interesting conversation he was having across the chamber with Senator Schacht. I would have thought that the government should treat this issue as a serious matter. No doubt you will get a wrap over the knuckles, Senator Alston, when you go back to the executive wing, after that particular performance.

There are a couple of observations that I would like to make on the issue of mandate. The first is that the government is very selective and very self-serving about its interpretation of its own mandate. It is an extraordinary interpretation, really. You would probably think that, if it has a mandate to sell Telstra because it made a commitment to do so during the election campaign, it would perhaps also have a mandate to maintain funding for the higher education sector. We have heard a great deal about that over recent days.

Perhaps you have a mandate to maintain the export market development grants scheme in its present form. Perhaps you have a mandate to limit public service cuts to around the 2,500 voluntary terminations you spoke about during the election campaign. Perhaps you have a mandate to maintain the real value of labour market programs. So it goes on. This is a very selective interpretation of your mandate.

As each and every day passes, we have a new discovery—including in question time today—about how those commitments and a range of other commitments obviously fall into a very different category from the commitment made in relation to selling Telstra and the commitment that the coalition made to end 13 years of industrial harmony in this country. Perhaps all these other matters that I speak of are matters that the government considers it has a mandate for but does not choose to exercise its mandate in respect of those particular issues of public policy.

It would be very interesting to hear during this debate how the government interprets its mandate. I really will be looking forward to you enlightening not only the opposition and minor parties in the Senate but also the

Australian people about your current interpretation of your mandate.

I might also say that John Howard—now Prime Minister—when in opposition in 1987 said this about mandate. Let me quote his words exactly:

The mandate theory of politics from the point of view of proper analysis has always been absolutely phoney.

**Senator Schacht**—Who was that?

**Senator FAULKNER**—As a matter of fact, Senator Schacht, it was Mr John Howard.

**Senator Schacht**—The one who is now Prime Minister?

**Senator FAULKNER**—The one who is now Prime Minister, speaking in 1987. Whether or not John Howard has a mandate to sell Telstra, or whether or not he is just being an absolute phoney in claiming that he has, this Senate has not only a mandate but, in my view, a responsibility to ensure that the very far-reaching proposal, the very complex piece of legislation that is before us, receives appropriate parliamentary and public scrutiny. That is what the opposition will be ensuring occurs.

We believe that the best way of ensuring that this bill receives proper scrutiny is to refer it to a Senate committee for very thorough scrutiny and examination. The committee of inquiry should allow for public submissions and they should be invited by advertisement. In order to enable the many Australians with an interest in this proposal to participate in the inquiry and have their views heard, we believe that this committee should hold hearings around Australia. We do not believe that such an inquiry can be concluded before August, in less than three months. That is why we are proposing a reporting date of 22 August. Effectively, that is the first possible opportunity we will have in the first sitting week of the budget sitting of the parliament this year.

We believe that it is appropriate for the Environment, Recreation, Communications and the Arts References Committee to undertake this inquiry. That seems to be appropriate. The point will obviously be made that the

non-government parties have a majority on that committee, which does reflect the situation in the Senate itself. That will also avoid any situation where the government might wish to use its majority on a committee—

**Senator Alston**—What are legislation committees for if you don't debate legislation?

**Senator FAULKNER**—It might avoid a situation where you would like to use a majority on a legislation committee to gag debate, just like the coalition government did in the House of Representatives, where it does have a majority.

I reject the claims that were made in Senator Alston's speech—I will describe it as a speech, although it is better described as a conversational contribution—in the chamber in relation to the opposition in any way being disruptive or obstructionist in this place. That is not our approach. I did say—Senator Alston kindly quoted my words—that we would take a sensible and constructive approach in relation to the Senate dealing with these bills that would be subject to the order of continuing effect, which was strongly promoted by the coalition when it was in opposition.

A demonstration of our good faith is the fact that there have been 13 proposals to exempt bills from the cut-off motion. On all 12 previous occasions the opposition has supported the government's motion to exempt bills. That is a very clear indication of how serious and sensible we are about good process in this place. It is a very clear indication that we exercise our responsibilities in this place in a judicious manner, as we are doing in relation to this very important piece of legislation that we are dealing with at the moment. I move:

Omit all words after "That", substitute:

"the Telstra (Dilution of Public Ownership) Bill 1996 be referred to the Environment, Recreation, Communications and the Arts References Committee for inquiry and report by 22 August 1996, with particular reference to the following matters:

- (a) whether the proposed post-1997 telecommunications regulatory arrangements outlined in the Government's May 1996 discussion paper provide effective and adequate

- consumer protection safeguards;
- (b) whether the Telstra (Dilution of Ownership) Bill 1996 might need to be amended to fully accommodate the post-1997 regulation;
  - (c) whether the timing and the likely proceeds of a partial Telstra float should be affected by the proposed post-1997 rules;
  - (d) whether the Telstra (Dilution of Ownership) Bill 1996 should be split into two or more pieces of legislation;
  - (e) the impact on public sector savings of the partial sale of Telstra;
  - (f) whether the proposed accountability regime in the Telstra (Dilution of Ownership) Bill 1996 is adequate to protect the public interest;
  - (g) whether joint ventures by Telstra are "de facto" privatisation and whether they confer unfair competitive advantages on Telstra's partners;
  - (h) whether the Universal Service Obligations (USO) are adequately protected including:
    - i) Directory Assistance
    - ii) untimed local calls, and
    - iii) provision of public telephones
 and in particular the provision of USO in regional Australia;
  - (i) whether elements of equity of access, public interest and USO in terms of telecommunications services beyond simple telephony can be determined especially in regard to facsimile data and interactive transmissions;
  - (j) the extent to which Telstra and telecommunications carriers should be excluded from State and local government regulations;
  - (k) the impact of the duplication of infrastructure and the extent to which this can be reduced by sharing;
  - (l) the impact of privatisation on employment and economic activity, particularly in regional Australia;
  - (m) whether proposed foreign investment restrictions on Telstra and other telecommunications carriers are appropriate or adequate and take account of regulation and monitoring of financial transactions and currency flows; and
  - (n) the extent to which the bill and the post-1997 arrangements will foster the development of the Australian telecommunications services and equipment industry, research and development, and the development of

new services.

- (2) That the committee be authorised to have access to the records and evidence of the Economics References Committee in the previous Parliament in respect of its inquiry into the impact on industry, employment and the community of telecommunications developments up to the year 2000 and beyond.
- (3) That the committee advertise for submissions in the media and conduct public hearings in each State and Territory capital city.

I commend the amendment to honourable senators.

**Senator HILL** (South Australia—Minister for the Environment) (6.27 p.m.)—All I can say is: what a farce! The first thing that Senator Faulkner did when this parliament resumed was to move an amendment to the motion of the address-in-reply to the Governor-General's speech to the effect that the opposition would vote against the Telstra (Dilution of Public Ownership) Bill. In fact, he went on television the previous night to say that the Labor Party will vote against the Telstra bill. That is the position of the Labor Party. They said that they will vote against it.

The Australian Democrats have said all along that they will vote the bill down. They will not have a bar of it. Senator Kernot has said time and again, 'Whatever the argument that is put before us, we will vote against it. We are totally opposed to it on principle.' The Greens have said much the same as well. They said, 'We won't be bribed. We will vote against it.'

The majority in this chamber are on the record from day one as saying that they will vote against the Telstra part-privatisation bill. When we bring the bill to the chamber, what do they say? They say, 'We need a long and careful deliberation on this bill through the committee system before we then vote against it.' What a farce. That is destructive of the whole committee system.

What about the witnesses who are supposed to come along and contribute constructively to the better knowledge of the Senate? Are you telling them in advance that they might as well not bother because you are not going to listen to what they say because you ap-

proach the debate with a closed mind? You do. You are on the record time and again saying, 'Whatever is put up in relation to this bill, we will vote against it.' Why do you want to defer it from this sitting of parliament to the budget sitting? It is very mysterious, except that you do not have the intestinal fortitude to come in here and vote against it. Former Senator Evans, your deputy leader, said that that is exactly what you would do. When he was asked on television what he would do with the Telstra debate, he said, 'The coalition can bring it on and we will vote against it.' But when it comes to the Senate, the Labor Party, the Democrats and the Greens do not even have the courage to do that. What a lot of wimps!

But that is not as important as how you mislead the Australian people into believing that you are seriously interested in a committee process when you are not. That is what the farce is; that is the disgrace of what you are proposing. You are not interested in a genuine committee debate on this matter at all. You have said that from the start.

Let it be put on the record exactly what the position of the government is. The government, whether you like it or not, believes that it has a right to put this bill to a vote. It believes, having put it clearly and unambiguously before the Australian people at the last election, that it not only detailed its intentions in relation to the part-privatisation of Telstra but also detailed what it would do with the capital that would be raised from that part-privatisation. As you know, \$1 billion will go into a Natural Heritage Trust to provide a major environment program. The balance, which the government hopes will be about \$7 billion, will be used to repay public debt as a key part of the government's overall economic program in order to keep down interest rates and allow small business to expand, to grow and to employ.

The government was not only open and frank with the community about its intentions in relation to the part-privatisation of Telstra but it went one step further and detailed how it intended to appropriate the proceedings. We believe we have a right to get that to a vote. That is our objective. Let us not be in any

way ambiguous about that. I thought, although obviously I was wrong, that we were doing the courteous thing by informing the Senate early on that if there was insufficient time in these six weeks of sittings to properly deal with that particular issue we would be seeking an extension of the Senate sittings for that purpose.

**Senator Schacht**—You have never voted for an extension once in 13 years. You hypocrite!

**Senator Panizza**—Mr Acting Deputy President, I raise a point of order. I think you should get Senator Schacht to withdraw that 'hypocrite' remark.

**The ACTING DEPUTY PRESIDENT (Senator McKiernan)**—I think it would be in order if you withdrew that remark, Senator Schacht.

**Senator Schacht**—I withdraw.

**Senator Hill**—The opposition, the Democrats and the Greens want to avoid a vote on this particular bill. They have told us how they are going to vote, but they are not prepared to do so. They believe that by avoiding a vote they are in some way avoiding the consequences of refusal to pass the bill. That is the only possible explanation of what they are seeking, in the light of the history that they have said that they will vote the bill down.

They have the numbers in this place. If they determine that they will not allow votes on government legislation then they can do that. That is what they are apparently doing in this instance. In the same vein, it is interesting that we are sitting for the third week and so far the majority in this place has allowed the government to pass one bill. I know how easy it is for a combination of opposition and minority parties who wish to be obstructive to block the Senate time. We did not do that because we realised that it would make the Senate unworkable.

However, in this instance it is different. We have a conspiracy of friends on the other side of the chamber. The Labor Party has already sent the signals that it is going to be an obstructionist opposition. There is no doubt

about that at all. It has not come to grips with its election loss. It has failed to appreciate that the people of Australia threw it out because it failed them. It cannot accept the judgment of the people. It is not prepared to allow the government in this place to attempt to achieve passage of its legislation. It is not even prepared to allow the government to get it to a vote. What could be a clearer indication of a refusal to pass than the intention of the opposition, the Labor Party, to avoid a vote by passing it out to a committee with a reporting date that is not until the beginning of the next sittings of the parliament, the budget sittings? That is the Labor Party's intention and, of course, its allies, the Australian Democrats and the Greens, join with it in this particular proposal.

**Senator Kernot**—Why are you leaving Senator Harradine out?

**Senator HILL**—Because Senator Harradine hasn't come down in the debate and said, 'I'll vote the bill down.' I am glad you have joined us, Senator Kernot. You will get your chance to explain to the Senate why you have said that you are going to vote against it and why you want to refer it to a committee that is not going to report back for months. There is little genuine in the argument that has been put by the opposition in this debate. Senator Faulkner raised the issue of the Natural Heritage Trust Fund Bill 1996.

**Senator Schacht**—That is a big stumble you have made, Robert.

**Senator HILL**—Just so I have the opportunity to clarify it—because Senator Faulkner was obviously struggling with that particular issue, Senator Schacht—the natural heritage bill, when it is an act, will provide for the disbursement of the funds. It will start to operate in the second half of next year. Do you understand that, Senator Schacht? That is the reason why it is not before the Senate at the moment. Unless we get the Telstra sale bill through, we cannot provide the funding base for the money to flow into the Natural Heritage Trust.

I do not believe that Senator Faulkner is so silly that he cannot see that. That just becomes another excuse to avoid facing up to this bill through a voting process. It is regret-

table that apparently the Labor Party, the Greens and the Democrats are not going to allow this government to achieve a vote on what it regards as a most important piece of legislation. It is a critically important piece of legislation, not only in providing the \$1 billion funding base for the Natural Heritage Trust to enable it to solve some of our environment problems but, perhaps even more importantly, in repaying a very substantial amount of public debt and getting all the economic benefits that flow from that which can help build the economy again and provide jobs for some of the hundreds of thousands of Australians who are still out of work.

We support the committee system in this place and we think that it is reasonable that a committee should have an opportunity to look at this bill. We are proposing, therefore, as an amendment to Senator Faulkner's amendment—and I might have to foreshadow it—to provide for a reasonable time frame. We are suggesting that the committee should report back on 17 June and that it should be a legislation committee and not a references committee. We are dealing with a bill, and the Senate's process for dealing with a bill is to send it to a legislation committee. I will therefore move an amendment to that effect.

Because of the numbers the Labor Party wants the bill to go to a committee that is irrelevant. They are terrified, in fact, that the committee might bring it back at an earlier date, in accord with the government's wishes, and they cannot have that. If your real purpose is to avoid a vote on the bill—and that is clearly the real purpose of the Labor Party in this instance—then you send it to a references committee and not to the proper committee, a legislation committee.

Our suggested date of 17 June would allow almost four weeks for the committee to do its work, including two up weeks. I notice in here that Senator Faulkner, to make it as difficult as possible, has said the committee has to sit in every state and territory capital. In other words, you build up the workload of the committee so that it is impossible for it to do its work within the time frame.

**Senator Schacht**—Give the people a

chance to express their views.

**Senator HILL**—I am sure that when you are successful in this because you have the numbers, you will come back here on 22 August and use your numbers again to extend the sittings of the committee, won't you, Senator Schacht? It is pretty easy to see through your tactics. We are saying that the committee would then have almost two weeks while the Senate is sitting here to plan and set up this inquiry, to call for submissions and arrange the hearing times and places—

**Senator Schacht**—That would be impossible.

**Senator HILL**—No, Senator Schacht. Then this parliament will be up for two weeks, during which this committee could move around Australia and conduct its hearings. It could then come back on 17 June with a deliberative report with sufficient time for the Senate to complete the debate in this chamber and for us to see the colour of your money and put you to a vote. But you will not allow that reasonable time frame.

**Senator Schacht**—That is not a reasonable time frame.

**Senator HILL**—Senator Schacht says that it is unreasonable, but Senator Kernot is in the chamber and she will recall that in relation to the Native Title Bill which was a complex piece of legislation, both legally and socially, a couple of weeks was more than adequate time for a committee—in that case the legal and constitutional committee—to travel all around Australia, to take submissions and report back in an informed way. It is okay for her when it suits her purposes but today she is going to come into the chamber and say that four weeks is preposterous and that this committee could not do its work in that time.

We all know that the Senate committees can do their work in that time if, in fact, they are given that task by the Senate. If you were genuine in wanting this debate to be better informed by virtue of the committee process rather than wanting to avoid a vote on the legislation, you would accept the amendments that I am going to move to change this to a

legislative committee and to provide for a return date of 17 June.

Whatever I say will not dissuade the other side because they have made up their minds in advance in the same way as they have made up their minds on the merits of the bill. Nevertheless, I will give them the opportunity to think about whether they are going to be a genuine and constructive opposition or whether they are going to be totally obstructionist. This will be one of their first tests. I seek leave to move the two amendments, which will be to omit the Environment, Recreation, Communications and the Arts References Committee and substitute the Environment, Recreation, Communications and the Arts Legislation Committee and to omit 22 August 1996 and substitute 17 June 1996.

Leave granted.

**Senator HILL**—I move:

Omit "Environment, Recreation, Communications and the Arts References Committee", substitute "Environment, Recreation, Communications and the Arts Legislation Committee".

Omit "22 August 1996", substitute "17 June 1996".

**Senator MARGETTS** (Western Australia) (6.44 p.m.)—There has been an extraordinary array of statements made today and many of them have been totally contradictory. Senator Alston made one particular comment, which I noted down. He said that there is virtually no community concern expressed about this.

I would like to reassure Senator Alston that a couple of days after the Prime Minister (Mr Howard) suggested that people should write to the Greens and other parties to tell them what they thought about the sale of Telstra, we did get a rash of letters. When I first asked my office manager, 'How many letters have we received?', she said, 'I think 40 so far.' I said, 'What's the count for and against?' She said, 'Forty don't want you to sell and none want you to sell.' She rang back and said, 'I'm sorry, I was wrong. It is 65-nil.' Later on it changed. It was 85-1. But you are still a long way behind, I am afraid.

Basically, there is a great deal of community concern. Any party, whether government or

opposition, is showing its arrogance if it is suggesting that it knows so much about the issue that it does not need to bring the community into the process at this stage.

There is a suggestion that a couple of weeks is adequate and that this has been proven. Just out of curiosity, we looked at the time that has been taken to look at bills over the years, since 1970. In fact, the average time taken has been three months. I am happy to table this document. It goes to 1990, when we brought in the Selection of Bills Committee. That has brought about the difference between a Friday committee and a full reference committee. Those issues which are extremely important need proper scrutiny.

Let us look at what we get with a couple of weeks. You do have to advertise, assuming that you actually believe the community ought to have the chance to make submissions. If you want to cut them out of the process, just like the government wanted to cut out debate in the House of Representatives, you do not advertise; you do not allow people from various parts of the country who have experience in telecommunications and have concerns about it to have any input. That is what the government is suggesting. I believe that is wrong. For the last couple of months I have been clearly saying that to anybody who has asked.

If you advertise, you need time to receive submissions. To suggest that this could all be done by 17 June is sheer nonsense. If you are going to have public hearings, when do you cut off the time for people to put in submissions? How do you organise a committee in two non-sitting weeks? You have to advertise, receive submissions and have all of those hearings in two weeks on a bill for which there has not even been a committee stage in the House of Representatives.

Are you suggesting that it is sufficient, for a bill of this importance, to choose only peak groups to come and speak? Are you suggesting you bring in only national industry bodies, national union bodies and government departments? Is that what you are suggesting is full public consultation? That is what happens when you have a short committee. The chair

and the secretariat decide who is invited to speak. If you do not actually advertise, community consultation is very selective.

I would like to quote somebody from this chamber who said that a lot of the time that is taken up in the chamber could be used within the committee system but that the government did not ever see an opportunity for it. He stated:

I am all for that detailed process of review. I am committed to that. I think it is a critical part of our democracy and I was one of the strong proponents of setting up the committee system.

Senator Hill would recognise his words here.

**Senator Kernot**—He's gone.

**Senator MARGETTS**—Senator Hill has gone. He said:

We've never got it working well here, but I believe in it and therefore won't be doing anything to obstruct it.

If anything has to be looked at carefully, it is the kind of bill that has been presented—a bill which purports to deal with telecommunications but deals only with telephones, a bill that is so rudimentary and badly drafted that it ought to go back to the drawing board. It is only by looking through it in detail by this community process that we can save our having to come back into the Senate again and again to fix up the mistakes that are sure to occur from having to deal with a bill that is so poorly and quickly drafted.

If there is any semblance of democracy here, we should do what the Greens have been suggesting all along; that is, bring the community into the process and make sure they have the ability to make submissions, including over the seven-week non-sitting period. Frankly, that will be necessary.

Whenever there was a major issue, in just about every one of these major reports on major bills since 1970 the complaint was heard from people giving submissions that they simply did not have the time to put in the effort they wanted to put their ideas clearly to the committees. How much more would you be at fault if you said, 'We think a reasonable process is three weeks' on a bill of this importance? What a load of garbage!

The amendment moved by Senator Faulkner is a combined amendment. I would like my name and the name of Senator Chamarette to be associated with the amendment. I seek leave to table the report giving the average times taken between 1970 to 1990 to deal with bills.

Leave granted.

**Senator MARGETTS**—I thank the Senate. I foreshadow that I will not be supporting the government's amendment to the opposition's amendment simply because, quite clearly, it is not reasonable. The Senate has its job. We are doing the job we were elected to do—to scrutinise this bill carefully. The best way to do that at this juncture is to allow community debate on the bill, to pull apart the issues and put them on the public record. That is our job. That is what we were elected to do and that is what I am intending to support in this place.

**Senator KERNOT** (Queensland—Leader of the Australian Democrats) (6.52 p.m.)—The Australian Democrats wish to be associated with this amendment. We should look at the reasons the government has given why this bill is urgent. Leaving aside all of Senator Alston's diatribe and rhetoric about why the bill is important, we should look at the issue of why the bill is said to be urgent, which is what we are meant to be debating. I read from the statement of reasons tabled by the government earlier that 'passage of the legislation in the winter sittings 1996 is essential to enable the partial sale of Telstra to proceed in accordance with the government's announced schedule'.

In addressing that one reason I make the following points. I believe that the government's announced schedule is incredibly questionable in that there are very grave doubts about whether the government can organise a float with respect to the partial sale of Telstra this year or next year given that the last part of the Commonwealth Bank is still to be sold; the airports are still to be sold—there is not even a bill before the parliament to deal with that, yet that is the coalition's agenda—and Jeffrey Kennett is still busily selling off three-quarters of Victoria. There is

a limit as to how much public floats can succeed in this kind of environment. The second point about why the bill is not urgent—

**Senator Alston**—It does not prescribe a timetable.

**Senator KERNOT**—You say 'in accordance with the government's announced schedule', Senator Alston. The second point is that we should not be moving to vote for this bill when we still do not know what is in the post-1997 regulatory framework. There is no bill from Senator Alston before the parliament yet. The point we would make on that is that the final value that you are going to ask for Telstra, or that somebody is willing to pay for Telstra, is going to be very closely linked with what we find out about the regulatory framework because it will affect the attitude of some people who might consider themselves to be in the market now and who may wish to say, 'Look, if that is the kind of consumer protection I have to offer, I am not interested in buying it.'

The third point is that I do not believe we should pass this bill when the Natural Heritage Trust Fund Bill is not before the Senate either. It is not on the *Notice Paper*. It is nowhere to be seen because Senator Hill has suddenly said he does not want to clog up our program with bills that are non-essential. The government asserted from day one, 'We had to sell Telstra mainly so we can fund our super-duper, bigger and better than ever before in the history of the universe environment package.' The government has insisted on this link. We said the link was dishonest. The government has insisted the link was important and it has undermined the integrity of its own argument, in my view, by not having both bills ready at the same time. If one is essential, the other is essential. If one is non-essential, the other is non-essential.

The fourth point, without going into the details of what we think of the nexus, is that it is perfectly appropriate for the Senate to do what the House of Representatives has failed to do. I was just having a little aside with Senator Harradine. In all of those debates about guillotines in this chamber over the last



six years, I listened very intently to Senator Alston, Senator Kemp and others saying, 'Freedom of speech—we can't gag or guillotine debates,' and I believed you. I really believed you cared about freedom of speech. Now you have crossed to the government benches and what have you done? You gagged the Telstra bill in the House of Representatives to get it into the Senate. That makes it all the more important that the Senate does what the House of Representatives failed to do—scrutinise the bill.

Senator Alston and Senator Hill say that everybody who is opposed to the sale of Telstra has a closed mind on the issue. Equally, it could be said that everybody who keeps asserting that privatisation and private sector ownership automatically improves efficiency has a closed mind and an ideologically rigid view about why we should proceed with further privatisations. When I asked Senator Alston about a briefing for the Democrats on the Telstra bill, I recall that he looked at me a little incredulously and said, 'But you're not interested in the bill. You're going to vote against it.'

I recall that I said, I am interested to have the opportunity to test the assertions in the bill—assertions that were made in the second reading speech in the other place about whether the universal service obligations are adequately protected, about the impact of privatisation on employment and economic activity, about proposed foreign investment restrictions on Telstra, and about the impact on public sector savings. Just because we disagree in principle does not mean that your bill should not be tested through scrutiny.' That is what this committee provides an opportunity to do.

I think Senator Hill's amendment to change the reporting date from 24 August to 17 June is unreasonable in its time frame by the time the committee has an opportunity to advertise and to set committee hearing dates. It is a pity Senator Hill is not able to be here because it would be interesting for him to hear what he said in a previous time in September 1993. It is interesting that I should be here so long to see you swap sides and then say exactly the opposite of what you have been saying for six

years. However, this is what Senator Hill said in 1993:

The danger in making these references too short is that the work that is done perhaps is not of as high a quality as the Senate has a right to expect.

Then, in justifying his putting a matter to a reference, he said:

I put this reference to the Senate today as a constructive effort to better inform the Senate of what is an important but nevertheless difficult issue in order that the industry and communities most concerned by this . . . proposal of the government can be properly brought within the parliamentary process. This chamber needs to be fully informed so that its final determination in relation to the bill can be based on sound evidence and careful consideration, rather than what is sometimes the case—insufficient deliberation simply because of the nature of the conduct of this chamber.

All we have had are a few opportunities in question time to ask a few issues about the Telstra bill. That is why I think a committee process, which is not unduly long in my view, does afford us a better opportunity to test the assertions and exercise the scrutiny which is appropriate to this chamber.

Of course, Senator Alston could not help himself. He had to say a few things about mandate, so I have to say a few things in response. Senator Faulkner beat me to it by referring to what John Howard had to say on mandate, but I think the fact that the Prime Minister had that to say in 1987 is very interesting: the fact that he says that the mandate theory of politics has always been absolutely phoney. But I like what Peter Reith had to say in 1985, when he said:

When the founding fathers established the terms of both Houses they did so on the basis of a mandate at different points in time for both chambers. That system was established as a means of buttressing the essential characteristic of the Senate as a House of review . . .

**Senator Faulkner**—Is that the Peter Reith who is the Leader of the House of Representatives?

**Senator KERNOT**—He is the Leader of the House of Representatives.

**Senator Faulkner**—Is that the same Peter Reith?

**Senator KERNOT**—That is the same Peter

Reith, Senator Faulkner, but he is sitting on the opposite side now. There are a lot of assertions that are being made about mandate, and there are a lot of assertions that are being made about exit polls taken on election night and the Liberal Party having the key to knowing how everybody voted and why they voted for a change of government. They failed to acknowledge that we had something like 50 detailed policies released in 35 days but were confident that when everyone went to the ballot box they cast their vote in the light of perfect information of all the detail of all of these policies.

We all know in commonsense terms that is not how it happens, and we know that we do not have sophisticated exit polls, as they do in America. Therefore, with respect to what you assert about why people voted as they did, I can say something quite the opposite in good faith, because I believe the opposite to be true. I would rather rely on Hugh Mackay, who wrote an article in the *Australian* on the Monday after the election campaign. I think Hugh Mackay is regarded as a reasonable observer and commentator. He says:

It is true that there is a mandate for any move that will improve the financial position of families or encourage new employment initiatives by small business, since both were such persistent themes in the Coalition's campaign. And while nobody will be surprised when the Government prepares legislation for the part-privatisation of Telstra, the Government, in its turn, had better not act surprised when the move is blocked in the Senate and when there turns out to be strong community opposition to it.

He goes on:

To suggest it has a mandate to sell part of Telstra to finance its environment policy would be sheer nonsense. That nexus was the most heavily criticised aspect of Coalition policy and it would be outrageously insensitive to the mood of the people to pretend that this was not abundantly clear to all concerned before the new Government took office.

I think we are entitled to rely upon somebody who has proven himself to be so independent and such an astute observer. He has a full-time job observing the way we behave, what we think and why we do what we do.

**Senator Faulkner**—An awful job, really.

**Senator KERNOT**—It would be terrible if

he had to do it of this chamber all the time, Senator Faulkner, wouldn't it?

So let's not get bogged down in the issue of, 'We are doing this because we have a clear-cut mandate to do it.' Let's focus on the issues that are in the proposal to partially privatise Telstra. Let's test the assertions that the government makes about it. They have gleefully asserted that it adds to national savings, even though there are so many people who say that that is not true. They have gone on to assert that the universal service obligations and the consumer safeguards are the best they have ever been and provide the kind of appropriate protection well into the next century. I say let's test the assertions with a short committee, and I am happy that it seems the majority of the non-government senators in the Senate support this view.

**Senator SCHACHT** (South Australia) (7.06 p.m.)—I rise to support the motion in relation to the Telstra bill moved by my colleague the Leader of the Opposition in the Senate, Senator Faulkner, and supported by the Greens and by the Australian Democrats. I do so because they have all put very well the case about this very important piece of legislation which is partly privatising the biggest company in Australia, and we all know that the partial privatisation will ultimately lead to full privatisation.

Telstra is a company that employs 70,000 people and provides about 90 per cent of the telecommunications system in Australia to the Australian people. We all accept now that access to telecommunications is a necessity and that people are diminished if they do not have access to the telecommunications system. We have all heard before phrases such as, if you do not have access to the full system, you are information poor; if you do have access to it, you are information rich. Others have expounded on that at great length.

The government has come in here and complained that the cut-off rules are unfair. When they were in opposition they thought they were a wonderful idea. When they put them up they believed they were in perpetual

opposition so it was good fun to put those limitations on the then government. Now they come in here whingeing and whining that it is all very unfair—'Look, we won an election, we should be treated differently from the way we treated the Labor Party when they were the government.'

There is a difference between the committee the government is referring this matter to and the committee proposed by the opposition with the support of the minor parties. As Senator Margetts rightly pointed out, your process is mickey mouse. It is nothing more than an opportunity to round up a few of the usual suspects—the major industry organisations, the ACTU, the union—bring them to Canberra for a couple of quick Friday afternoon hearings, and that's it.

The general community—particularly rural and regional areas where the biggest issue is the cross-subsidy operation—will not get an opportunity to voice their opinions. Mr and Mrs Average Australian Farmer will not have the opportunity to take part in the process Senator Hill has put up as the reasonable way to deal with this matter.

From 1983 to 1995—the period of the previous government—258 pieces of legislation, big and small, went off to general reference committees, while 32 went to select committees and 38 to joint committees. So you cannot say it is unusual to allow three months in which to examine a major piece of legislation that will fundamentally change our telecommunications structure and operation and, as we know it will, lead to full privatisation. That is not unreasonable, but it is unreasonable for Senator Hill to say, 'We will do it all in four weeks. We will have a couple of quick hearings and it will all be over.' It is unreasonable for him to say, 'The people know the legislation because we campaigned on this issue.' Certainly, you did, but there was no bill before the people, there was no detail.

In this bill there are very important issues to be dealt with. For example, Senator Alston talks at great length about the universal service obligation, saying he has taken a provision straight from the existing Telecom-

munications Act and put it in this bill so that there is absolute protection. The present law says that all people in Australia, wherever they reside or carry on business, will continue to have reasonable access on an equitable basis to standard telephone services and pay phones. It says this requirement should be fulfilled as efficiently and economically as practicable. A lot of people would like to test whether that still holds.

It was okay when the minister had the power to direct the corporation but Senator Alston has not pointed out that power has been removed. The minister, after this privatisation, could no longer direct. We understand why that is so. If you want \$7 billion for a third of Telstra you do not want to tell the private sector that there is a minister in Canberra who can second guess any decision and direct the corporation. That provision had to be removed but that leaves it completely up to the board—a board with minority foreign ownership and other domestic private interests—to determine the universal service obligation.

Although you have called for more information to be provided to you, minister, when you get it you cannot do anything with it except to say, 'Go back and try again.' You cannot direct the whole of Telstra because you cannot overrule the minority interests. You have not exempted this new organisation from the Corporations Law which provides that minority shareholders have to be equally represented by all directors.

These are issues I would like the community to be able to debate. I may not have the details perfectly correct but I bet a lot of other people do not either. These are the sorts of issues that have to be debated in the community, with the community having the opportunity to make sure—

**Senator Alston**—What an appalling admission! You have not read the bill.

**Senator SCHACHT**—I have read the bill. All I can say is that you have repealed the minister's most important power in the national interest—the power of the minister to direct in the general running of the telecommunications system.

The major weakness in your terms of reference is that there is nothing in them, as there is in ours, about what you are going to do in light of the post-July 1997 regulatory regime. You have said that you want to re-do the former minister's exposure draft of last year. You held a public hearing last week. However, we all know, and you should know, that no-one will put any money into a privatised Telstra until they know exactly what the parliament will do about the post-July 1997 regulatory regime. One clause in that bill could change the value and investment pattern of Telstra. You know that as well as I do. All the scoping studies you are doing mean nothing until people know what the rules and regulations will be after July next year and in what environment the privatised Telstra will be operating.

These are just some of the issues the community—including the Senate—need the opportunity to debate properly. I urge the Senate to support the amendment moved by Senator Faulkner with the support of all the minority parties. It will provide a proper opportunity for all Australians over the next three months to have their say.

**Senator HARRADINE** (Tasmania) (7.15 p.m.)—I support the proposal that is before us. It is perfectly clear to me that a number of matters relating to this issue need considerable elaboration and demand public input. Members of the public need to have the opportunity to express themselves through submissions to an inquiry of the nature that is being proposed by the opposition and supported by the Australian Democrats, the WA Greens and me.

A number of things need to be considered, not least of which is the philosophical approach that is being taken by the government and which was put to the people. From a philosophical point of view, I think that there are better ways of financing and charging for a public network infrastructure than through corporatised or privatised monopolies. I do not want to advance that particular argument too far along the line.

A lot has been said on the question of a mandate. That certainly needs to be placed on

the scales, but so do a whole lot of other issues, such as regional employment. I noted the response of the Minister for Communications and the Arts (Senator Alston) to a question I asked him two weeks ago about regional employment and the fact that centrally made decisions very often impact far more upon regional centres than they do upon capital cities, particularly those cities in which the decisions are made.

Telstra is a substantial regional employer. Some commentators are predicting that there will be substantial cuts. Cuts are already taking place in the lead-up to the sale of one-third of Telstra. I would like some guarantee that regional employment—particularly in my state—will be protected if the sale goes ahead.

**Senator Murphy**—And the cost of services.

**Senator HARRADINE**—I am coming to that. The legislation covers the universal service obligation, but what precisely does that mean? There are the standard telephone services and the pay telephone services. But what about the data lines that may be needed for regional services? Will industries in regional areas be disadvantaged? There is the question of charging on user funded assets. That is a very important point. At a later stage I will explain what I mean by that.

A committee needs to examine the impact of the post-1997 telecommunications regime. I was a bit doubtful about the Senate sending this matter to a reference committee. But the problem with sending it to a legislation committee—that would have been my preference—was that we may not have been able to cover the impact of the proposed sale on the post-1997 telecommunications system.

Debate interrupted.

#### ADJOURNMENT

**The ACTING DEPUTY PRESIDENT (Senator Ferguson)**—Order! It being 7.20 p.m., I propose the question:

That the Senate do now adjourn.

#### Condolences: Mr Joe Farley

**Senator O'CHEE** (Queensland) (7.20 p.m.)—I rise tonight on a matter of some

seriousness and also of great sadness. I note the presence in the chamber of the former Minister for Primary Industries and Energy, Senator Bob Collins. He would probably be as saddened as I was to hear of the passing of Mr Joe Farley, who was the Executive Director of the Australian Cane Farmers Association.

Mr Farley passed away quite recently, and his funeral was on Friday. I thought it would be appropriate to take the opportunity in this place to put on record Mr Farley's achievements, both as a tireless worker for the sugar industry in Queensland and also as a very fine lobbyist, a very great humorist at times, and somebody whose advice I came to rely on quite closely.

Mr Farley, surprisingly, was an American by birth and was a former colonel in the United States Air Force. Some of the funny stories that Joe sometimes told related to his tours of duty in Vietnam, which ranged from helping to organise the so-called Puff the Magic Dragon aircraft to his last tour of duty which involved working in psychological warfare. He tells the story of how they used to fly around in Hercules and the back tail would drop down and there would be huge loud speakers playing funeral music. Broadcast over the top of this funeral music were messages in Vietnamese telling the combatants below of the dreadful consequences that would come to pass if they lost the battle and how they were unlikely to ever again see their wives, girlfriends and children. Joe remarked that it was probably the most dangerous of any of the things he did in Vietnam because you tended to draw fire from both sides of the battlefield. They were all equally unwilling to hear this particular message.

Joe eventually came to Australia and became the Executive Director of the Australian Cane Farmers Association. Senator Collins, I am sure, would be one of the first to put on record the very strong lobbying to which he was subjected by Mr Farley on behalf of the ACFA when, in 1993, it came time for the sugar industry in Queensland to have a restructure package. It was, in part, Mr Farley's sterling efforts that made it possible to get that restructuring package for the

Queensland sugar industry.

The sad thing about Joe Farley's passing is that very few of us knew that Joe was ill. I suppose that is the sort of man he was. He did not seem to bother other people much with his problems. He was always working to solve other people's problems. I also know that he was very proud of his family, his children and their achievements. Every time I spoke to Joe, we seemed to talk as much about his family as we did about the problems or the joys of the sugar industry at any given point in time.

For me it was very saddening that I could not attend the funeral on Friday because I had prior commitments in Cairns. I think it is very appropriate to say that there is not a canegrower in Queensland who is not better off for Mr Farley's efforts, whether they are a member of the Australian Cane Farmers Association or not. Joe Farley's sterling work really has benefited the entire sugar industry and the entire state of Queensland. I feel very saddened by his loss. I have lost a good friend, the sugar industry has lost a great champion and I know that his children have lost a great and proud father.

Finally, I want to put on record my sincere sympathies to his family at this time. I hope that they can, as much as possible, overcome their grief and celebrate all the great things that their father stood for. He was a really great champion of primary industry, a great Queenslander—I think he would be proud to hear that said—and a great Australian.

#### Deaths at Port Arthur

**Senator COONEY** (Victoria) (7.25 p.m.)—The Senate last sat on Thursday, 9 May 1996. In the *Financial Review* of Friday, 10 May 1996, Mr Richard Ackland, a journalist working for that paper, came close to belittling the endeavours of Mr Damien Bugg QC to ensure a fair trial for Mr Martin Bryant, the person accused of the terrible massacres at Port Arthur. Mr Bugg QC is the Director of Public Prosecutions in Tasmania.

That the fearful slaughter on the Tasman Peninsula was an outrage which has shocked not only Australians but people around the

globe is beyond dispute. That decent citizens throughout the nation and throughout the world want the speedy end to the potential for such shootings is manifest. That society waits to see the person who carried out the deadly actions properly dealt with is palpable. That the horror of Port Arthur has brought emotions within the community to understandably high levels is obvious.

All this makes the lot of a Director of Public Prosecutions most difficult. His or her job is to keep any element of lynch law out of the legal process by which a person is tried for a crime. Mr Bugg, for example, must ensure that the passion, the bias, the rage engendered by the events in Tasmania are not fed by such publicity as would put at risk the fair trial of a person accused of the ghastly killings.

In my youth I was a reader of westerns. The one that has stayed in my memory is *The Ox-Bow Incident* by Walter Van Tilburg Clark—a novel which dealt with the tragic lynching of three people. The following is a passage from it:

And he—

a main character in the story—

went on to prove how the greater "we" as he called it—

the local community—

could absorb a few unpunished criminals, but not unpunished extra-legal justice. He took examples out of history. He proved that it was equally true if the disregard was by a ruler or by a people. "It spreads like a disease" he said "And it is infinitely more deadly when the law is disregarded by men pretending to act for justice than when it's simply inefficient, or even than when its elected administrators are crooked."

The media hold that people have a right to know, but do the media have a right to exploit high emotions to bolster the fame of its journalists or the fortunes of its owners when in so doing it puts at risk the integrity of the law? Ours, we hope, is a fair society. All of us ought to put in the effort and exercise the restraint necessary to keep it that way.

One of Australia's most prestigious papers has thought it proper to discount with the

suggestion of a sneer the endeavours of Mr Bugg to see as far as he can that justice is done with respect to the shootings at Port Arthur. That is unfortunate journalism. I know he will not wilt under the attack and will do his duty most honourably.

I am discussing the need to have the law operate fairly and efficiently. In that context it is appropriate to mark the work done by Mr John Johnson and his force in respect of the slaughter on the Tasman Peninsula. Mr Johnson is Commissioner of Police in Tasmania. He acted with due regard for law throughout the crisis. He showed grace under pressure. He is a man of great capacity and of great distinction. He surely earned the admiration and gratitude of all Australians during that cruel episode in their history.

### Environment

**Senator WOODLEY** (Queensland) (7.29 p.m.)—I rise this evening to voice a number of concerns that I have about ongoing and pending environmental problems in my home state of Queensland. Indeed I am so concerned about these issues that I am prepared to miss the State of Origin broadcast, or at least the beginning of it, to ensure that these concerns are put on the record.

We have heard a lot from the new federal government about their commitment to the environment and the need to provide funds to ensure that a range of environmental needs are met. Yet there seems to be little commitment to ensure that the decisions of government now being made are not contributing to a worsening of these environmental problems.

It is false to suggest that all our environmental problems are due to a lack of money. That is the slogan that seems to be the only response we are getting from government at the moment. Just take today's question time as evidence. The suggestion that the problems are all due to a lack of money hides the fact that the majority of environmental problems stem from decisions and actions of government or from acts of omission by government.

Last week we saw many examples of the Queensland coalition parties' lack of commit-

ment to the protection of our environment. It is not going too far to say that Wednesday of last week was a day of shame for the Queensland government in respect of the environment. The day started with the news that there would be a further delay to the start of the new Environment Protection Act. Following this, the Premier, Mr Borbidge, reaffirmed his opposition to the Cape York agreement reached between local Aboriginal groups, pastoralists and conservationists—indeed, a historic document and agreement but one which the Premier is prepared to discount. It is a great shame that the Premier is unable to see or acknowledge the marvellous potential of this agreement and the real breakthrough which it represents.

In state parliament on Wednesday morning, energy minister, Mr Tom Gilmore, reaffirmed his determination to proceed with the disastrous Tully-Millstream plan. I must say that I believe many in the government are not as committed as he is, at least on this plan. However, he restated his absolute pursuit of a hydro-electric scheme on the site of the Tully-Millstream. The federal government is being conspicuously silent on this major threat to a world heritage area. Then came news that there were calls for a new wood-chip export licence in Queensland.

The next environmental threat is a prime example of what happens when governments refuse to act to protect the environment—that is, land clearing. It is well known that Queensland has the highest rate of land clearing in the country, far more than the other states combined. This is a scandal yet the state government is still not acting to address this. I agree, there were problems with some of the attempts of the previous government to address land clearing but it is inexcusable to remove those controls without ensuring some other mechanisms are put in their place.

To top off this day, Mr Gilmore again spoke to the state parliament reaffirming his commitment to connect the main electricity grid to areas north of the Daintree river through the world heritage area into Cow Bay—a place which I have visited and which

certainly is the most marvellous environmental area that I have been to for many days—despite the potential environmental impact on this very fragile area and the fact that the draft wet tropics management plan has not been finalised. These are just a few of the threats to the environment being posed by this new coalition government in Queensland. All of this happened on the one day.

I have raised concerns in the Senate in recent weeks about the wrong-headed approach of the Queensland government to power supply and electricity generation issues and the environmental and economic dangers of that approach, but let me give them a tick for cancelling the Eastlink project. I have also spoken of the environmental threat of the proposed super piggery near Warwick.

I would like to see what the federal government and its Minister for the Environment, Senator Hill, are prepared to do about the ongoing and expanding environmental damage being wreaked in Queensland by the actions of the state government. Does their alleged concern for the environment extend beyond arguing about funding? I want to see them take actual concrete action to protect the environment right now.

#### **Industrial Relations Law**

**Senator MICHAEL BAUME** (New South Wales) (7.34 p.m.)—Members of the Senate will recall that in the run-up to the last federal election the Chief Justice of the Australian Industrial Relations Court, Mr Murray Wilcox, clearly intervened in a very political environment to claim that there was no need for the industrial relations law relating to unfair dismissal to be changed in the way the then opposition was saying it should be changed. The coalition's policy of correcting the unreasonable and unfair aspects of the wrongful dismissal legislation resulted in this unprecedented intervention by the chief judge of a court in a political environment. It was, in many people's view, not only extraordinary but also, in a sense, totally improper.

The basis on which Mr Murray Wilcox made this intervention was that in his view the wrongful dismissal legislation was working well, it was protecting the rights of

workers and so on. I presume he was not simply looking to protect his own position and that of the court in this matter but was presenting a view which was aimed at influencing a political outcome.

An extraordinary thing happened last week. The very same Mr Murray Wilcox handed down a judgment in which he ruled he could not find in favour of three workers who had been 'harshly, unjustly and unreasonably dismissed' because of a loophole in the industrial law. This is the law that Mr Wilcox went on record before the election saying should not be changed, yet here we have a clear indication of that law being so imperfect that it disadvantaged three workers who had been—and I repeat—'harshly, unjustly and unreasonably dismissed'.

The *Financial Review* of last Friday, and I commend page 7 of the review to members of the Senate, deals with this matter without in fact mentioning Mr Wilcox's previous involvement in political discussions of this sort of legislation. I will read a little of this article of the *Financial Review* into the record. It states:

A legal loophole in the unfair dismissal laws has allowed company director, Mr Achilles Constantinidis—

a name that might ring a bell with some members of this place—

a former business partner of ex-Prime Minister, Mr Paul Keating, to unfairly dismiss three workers employed by a piggery previously owned with Mr Keating.

The Chief Justice of the Industrial Relations Court, Mr Murray Wilcox, found yesterday Mr Constantinidis had harshly, unjustly and unreasonably terminated the workers employment "rather than take the trouble to sort out problems largely of his own making".

But the Chief Justice was "regretfully" unable to order reinstatement or compensation because the men had been retrenched by one company directed by Mr Constantinidis and offered casual employment with another company he effectively controlled.

Casual employees are excluded from access to the federal unfair dismissal laws.

The employees slipped through the legal loophole after a complex transfer of ownership between companies directed by Mr Constantinidis.

The article then goes on to deal with who owned the companies, and I will cover this briefly. The piggery was owned by Brown and Hatton Group Pty Ltd and operated by its subsidiary, Brown and Hatton Rural Pty Ltd, but was sold to Parkville Pig Stud Pty Ltd on 11 May 1994, with Rural continuing to operate the piggery until 30 June.

The *Australian Financial Review* article goes on to say:

Chief Justice Wilcox found that the workers had been made redundant by Rural on June 28—

That was because this piggery was ceasing to operate and another Constantinidis company was going to begin operating it on 1 July. It goes on:

The men were offered casual employment by Parkville on the same day. Two days later, they were given documents to sign which were incomplete and still showed their employment as Rural—that is, Brown and Hatton Rural. It continues: When they refused to sign the documents, Mr Constantinidis sacked the men—a course the Chief Justice found was harsh, unjust and unreasonable.

I remind the Senate that Mr Constantinidis is Mr Keating's former partner—

**Senator O'Chee**—His front man.

**Senator MICHAEL BAUME**—His front man: I acknowledge the interjection. Mr Keating was so close to him that at one stage he gave Mr Constantinidis his power of attorney. And, to my knowledge, that authorisation still resides in the official documentation at the Titles Office in Sydney. The article continues:

The Chief Justice said Brown & Hatton Rural had a valid reason for terminating employment of the workers on June 28 because it was going to cease operating the piggery.

But then the *Financial Review* goes on to say this:

One fundamental point the judgement did not address is whether beneficial ownership actually changed.

That, of course, is the essence of this business. What this judgment shows is that if you want to get around these laws and deprive the workers of Australia of the rights that Mr Justice Murray Wilcox said were so central,



all you do is create another company that you own, that you are a director of and that you run, and say that you are going to take over the activities of company A with this new company B.

Because company A is finishing up its running of the operation, you give the people notice and then you offer to take them on as casuals—without proper acceptance in this case, by the way; no documents were signed. In fact, the men refused to sign the document when they eventually saw that it was bereft of information, except for the wrong information that the employer was going to be Brown and Hatton Rural. So you create a situation where the employees cease being permanent employees, and they suddenly become temporary employees and are given no protection whatsoever under this act.

It strikes me as incredible, first of all, that Mr Wilcox could find that way without going behind the corporate veil. What prompted him to that judgment I simply do not know because it certainly does not appear to be rational. But what concerns me is that every time Mr Keating's piggery partner is shown up to have done something disgraceful or improper—and in this case it is acknowledged that what he did was 'harsh, unjust and unreasonable'—there is a device in the law enabling him to escape the consequences of his impropriety.

We saw that environmental laws were broken by one of his companies. But he got around that by failing to register the transfer of that business into another name. I might say that, once again, in this case it was not transferred. There are many matters I believe should be raised—and I hope to do so at some later stage—relating to the detail of this kind of judgment that Mr Wilcox has brought down. It is, in my view, an incredible judgment. But what concerns me even more is the calibre of the man that Mr Keating chose as his close partner and holder of his power of attorney.

Let me remind the Senate that this unfair, unjust, harsh, unreasonable dismissal of these three men followed their complaint that they had been paid less than the award wage while

Mr Keating was the half owner of this piggery for several years. It was after they complained and got paid their back pay for under award payments that they were summarily got rid of, using this quite deceptive and dishonourable device. I must say it is not only Mr Wilcox who regrets he has found that way. I must say I find that I regret that Mr Wilcox felt compelled to conclude that Mr Purdue and Mr Jackson had no remedy in relation to their termination of employment. (*Time expired*)

### Violence in the Community

**Senator CHAMARETTE** (Western Australia) (7.44 p.m.)—Earlier today, there was unanimous support voiced for the decision by the government on gun control. I wish to look more broadly at that issue. I believe that the work so far of the Prime Minister (Mr Howard) and the parties in this chamber provides an opportunity for the community to address the culture of violence which has emerged in our society. This measure on gun control is not the solution to all our social ills. The debate needs to go much further and look at the deeper causes of violence and alienation in our community.

The culture of violence, which has been referred to many times, is one that we all contribute to in small ways and large. One example of violence being promoted as a solution to problems is the Premier in my state suggesting that capital punishment needs to be reintroduced. In a subtle way that sends a message that the only solution to some problems is more violence.

We need to look at the denigration of women and the way in which our televisions and videos model violence as a prime solution to distress or problems that are faced within the community. The lack of funding for true preventive health measures contributes to a problem which we are seeing, with regret—that is an increasing degree of violence.

I, as do the Western Australian Greens, support the proposition of a buyback compensation measure for gun owners. The suggestion of financing that by means of an increase in the Medicare levy seems reasonable, as this issue is one which involves the entire com-

munity. Hopefully, the proposal will contribute to a safer and more peaceful society. One would hope that the fact that the compensation is proposed to be derived from the Medicare levy means that it is more than just an economic and efficient technique for revenue raising. I would hope that it would be seen in the light of a broadening of the concept of health within our community to include safety and non-violence. On that basis, I think it is to be commended.

The political will which has mobilised around this issue has been remarkable. While totally supporting the proposal, I have felt ambivalent at times in that we could not generate the same political will to improve health care provisions that are so desperately needed. The mental health needs in our community are notorious. The way in which we neglect people within our community who require assistance and those who care for them is appalling. It is not simply the needs of the mentally ill which are the object of preventive health care. It is counselling facilities and resources within our community that meet the needs of people who are in crisis and people who are distressed.

We have an increasing problem amongst our youth. They feel alienated and are struggling to find their place. They have difficulties in gaining employment and difficulties in simply adjusting to this rapidly changing world. It is those measures which I believe have to be looked at as well. I would like to see an equal degree of political will mobilised towards those issues rather than the regrettable cost cutting measures, which lead to an eking away of medical and health resources within our community.

The desire to provide compensation for gun owners is appropriate and right. Oh, that we could have had the same kind of political will to provide just and proper compensation for indigenous people in Australia, for whom the restoration of their land, or just compensation for it, is long overdue—more than 100 years.

A letter I received from a parish church gave a great illustration of the depth of concern that has been aroused in the community after the tragedy at Port Arthur and the steps that have been taken by this govern-

ment in response to it. The letter points out that we could have gone further. A similar concern was also mentioned on page 11 of the report of the Australasian Police Ministers Council. It read:

There has been much public disquiet in recent years regarding the large number of firearms kept in homes, particularly in residential areas.

The comments in area No. 8 of the report say that the government is not considering restricting the location of those firearms, that it is not imposing those kinds of restrictions. We should be aware that there are further steps that could have been taken.

I think we should also be aware, as is pointed out in this letter, that concerns are being expressed within the gun lobby for more consultation and more discussion. I want to raise the issue that a public and open inquiry into firearm ownership and use and deaths in Australia may be appropriate at some stage. I certainly do not believe that it should pre-empt the worthwhile consensus that has emerged here. However, it may allow research and community sentiments to be expressed.

I close by quoting from this letter that I received, as did the Leader of the Opposition (Mr Beazley) and the Leader of the Australian Democrats (Senator Kernot). The Reverend Dr Wes Campbell wrote:

On Sunday the North Melbourne/Parkville congregation will offer prayers for the victims of the Port Arthur shootings, for those grieving, and for those of you with responsibility for public policy. While it is not possible to eradicate violence entirely, we may expect that such random acts of mass violence by firearms can in fact be curtailed by careful political decisions. Please do not step back from your grief and outrage; let that be the impetus to real leadership and change.

I thank that congregation and the Reverend Dr Wes Campbell for providing an example of the widespread concern in our community, which gives support to the measures that are being proposed at this time.

### Taxation

**Senator WATSON** (Tasmania) (7.52 p.m.)—I wish to take a few moments of the Senate's time tonight to address some taxation

issues in the Administrative Appeals Tribunal. I remind the Senate that in the late 1970s there was growing dissatisfaction with the current appeal processes involving the review of taxation issues. For example, references awaiting hearing as at 30 June 1974 were 448, while the number of references heard per annum was only 230. In addition, the number of references allowed by the department prior to listing was 56 and the number of settled pre-listing was 52, making 108. There was an apparent backlog of almost two years work. At the time it was contended that the commissioner was either inefficiently exercising his power of review at the rejection stage, or his inability to have matters heard by the board was forcing him to settle matters at something less than his full entitlement.

The issue was essentially that it was taking too long to get questions determined by the boards of review. At the time it was suggested to either increase the number of boards while preserving the present composition, or restructure the boards, or conduct an administrative appeal type review. However, I am advised that increasingly of late, having gone for the latter option, boards of administrative appeal have reverted to the practices of the former boards of review of actually sitting three tribunal members. Perhaps this is not surprising, given the complexity of taxation legislation today.

However, the point that I wish to make tonight is that there have been cases where the view of the dissenting presiding member has prevailed against the view of the majority, even when, on the face of it, the majority actually comprised a taxation specialist. Honourable senators would realise that tax specialists are not necessarily always correct.

There is a question that I believe needs answering. I ask the parliamentary secretary on duty, the Parliamentary Secretary to the Minister for Transport and Regional Development (Senator Tambling), to take this to the relevant minister, Senator Short. Given the restraint on expenditure, what is the justification for sitting three members in a tax jurisdiction? I also wish to pass on my concerns about specialists, even when a tax specialist

is overridden in a majority position. I thank the Senate.

### Mr Malcolm McGregor

**Senator CRICHTON-BROWNE** (Western Australia) (7.55 p.m.)—I rise briefly to respond to an article published in the *Australian Financial Review* by a bit-part journalist by the name of Malcolm McGregor. It was written some months ago and it has only been brought to my attention. Mr McGregor referred to me as a Tammany-Hall thug. It seems to me that these days political journalists seem to think that they have a licence to write how they like without regard for truth, honesty or decency. By and large, I have shrugged off and ignored these ill-informed prejudiced bigots who have written much about me in the past 12 months, but this man deserves some special response.

Mr McGregor is a well-known political carpetbagger and political prostitute who sells his dirty tricks, his political smears and his grubby practices to whoever is silly enough to cross his palm with corrupted silver. No doubt, the Labor Party has had its own experiences with Mr McGregor; however, having worked for them, he was employed by the federal secretariat of the Liberal Party. The Liberal Party got what you would expect when you deal with such people; they got a liar and a thief.

No doubt, the Senate will recall that on 18 May 1994 Dr John Hewson, then the leader of the Liberal Party, was interviewed by Kerry O'Brien on the ABC program *Lateline*. What was significant about that interview was that Dr Hewson was ambushed by O'Brien with secret Liberal Party research which was greatly damaging to Dr Hewson and to the Liberal Party, to which he had previously not been privy.

At first the Liberal Party secretariat talked darkly about break-ins at the secretariat and such sinister goings-on. However, the morning following the interview, one Mr Malcolm McGregor went to Mr Andrew Robb, the federal director of the Liberal Party, to say that obviously he would be under suspicion.

However, he wanted to give his personal promise and undertaking to Mr Robb that he had not stolen or leaked the material. Of course, Mr McGregor was able to access the material because at that time he was employed in the federal secretariat.

What did subsequent events demonstrate? They demonstrated that Mr Malcolm McGregor stole the material and passed it on to the media either directly or indirectly for the purpose and intention of damaging the Liberal Party, the party which was paying him for its services. There was subsequent nonsense talk about the research being received behind the back of a menu in a restaurant and some other such nonsense. However, the truth is that Mr McGregor stole material from his employer. That is the man who has the audacity and the cheek to talk about me as a Tammany-Hall thug.

I conclude by saying that Mr McGregor has never met me, he has never spoken to me and he has never had cause to report one single fact of truth about me. However, those of us who move in these circles know that truth is not one of Mr McGregor's stocks-in-trade.

**Senate adjourned at 7.59 p.m.**

## DOCUMENTS

### Tabling

The following documents were tabled by the Clerk:

Christmas Island Act—Casino Control Ordinance—

Appointment of Casino Controller, dated 3 May 1996.

Appointment of Deputy Casino Controllers, dated 3 May 1996.

Civil Aviation Act—Civil Aviation Regulations—Civil Aviation Orders—Exemptions—132/FRS/144/1996, 133/FRS/145/1996, 134/FRS/146/1996, 135/FRS/147/1996, 136/FRS/148/1996, 137/FRS/149/1996, 138/FRS/150/1996 and 139/FRS/151/1996.

Defence Act—Determinations under section 58B—1996/13-1996/18.

Endangered Species Protection Act—Declarations under section 18 amending Schedule

1—96/ESP 2-96/ESP 4.

Fisheries Management Act—

Northern Prawn Fishery Management Plan 1995—Directions Nos NPDF 09 and NPDF 10.

Southern Bluefin Tuna Fishery Management Plan  
1995—

Amendment No. 1 of 1995—SBT 02.

Determination of the provisional national catch  
allocation for 1995-96—96SBTA1.

Lands Acquisition Act—Statement describing  
property acquired by agreement under section  
125 of the Act for specified public purposes.

Meat and Live-stock Industry Act—Order under  
section 68—Order No. L16/96.

Ozone Protection Act—Grant of exemption under  
section 40 [7], dated 18 December 1995.

Public Service Act—Determinations—1996/21,  
1996/22, 1996/26-1996/30, 1996/65 and  
1996/105.

Safety, Rehabilitation and Compensation  
Act—Notice of Declaration—Notice No. CA1 of  
1996.

Superannuation Guarantee Determination SGD  
96/1.

Taxation Determinations TD 96/12 and TD  
96/18-TD 96/21.

Taxation Ruling TR 96/14.