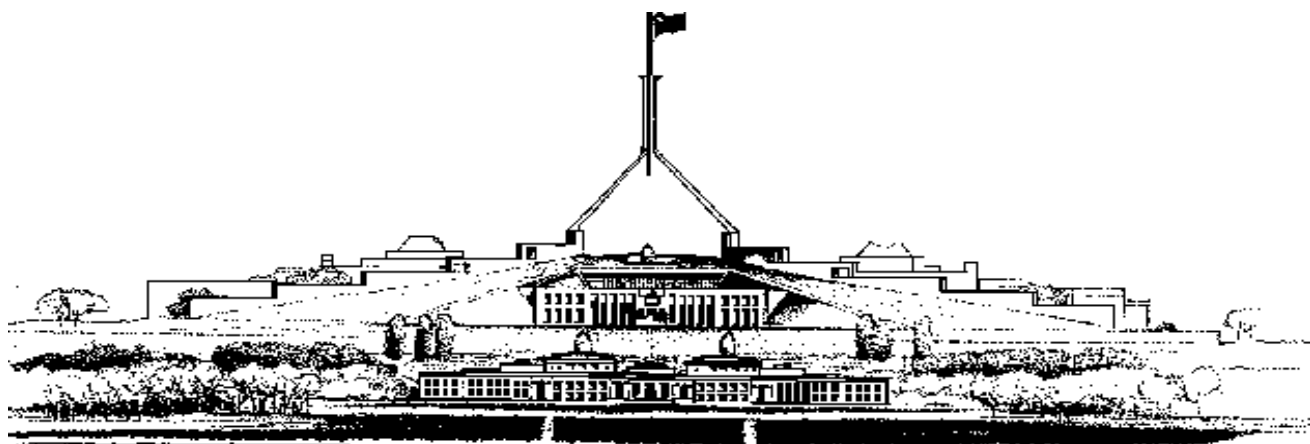




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF
REPRESENTATIVES**

Official Hansard

No. 11, 2001

THURSDAY, 9 AUGUST 2001

THIRTY-NINTH PARLIAMENT
FIRST SESSION—TENTH PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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SITTING DAYS—2001

Month	Date
February	6, 7, 8, 26, 27, 28
March	1, 5, 6, 7, 8, 26, 27, 28, 29
April	2, 3, 4, 5
May	9, 10, 22, 23, 24
June	4, 5, 6, 7, 18, 19, 20, 21, 25, 26, 27, 28
August	6, 7, 8, 9, 20, 21, 22, 23, 27, 28, 29, 30
September	17, 18, 19, 20, 24, 25, 26, 27
October	15, 16, 17, 18, 22, 23, 24, 25
November	12, 13, 14, 15, 19, 20, 21, 22
December	3, 4, 5, 6, 10, 11, 12, 13

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<i>NEWCASTLE</i>	1458 AM
<i>BRISBANE</i>	936 AM
<i>MELBOURNE</i>	1026 AM
<i>ADELAIDE</i>	972 AM
<i>PERTH</i>	585 AM
<i>HOBART</i>	729 AM
<i>DARWIN</i>	102.5 FM

Thursday, 9 August 2001

The House met at 9.30 a.m.

ABSENCE OF MR SPEAKER

The Clerk—I inform the House of the absence of the Speaker, who will be in attendance later this day. In accordance with standing order 14, the Deputy Speaker, as Acting Speaker, will take the chair.

Mr ACTING SPEAKER (Mr Nehl) thereupon took the chair, and read prayers.

ECONOMIC AND FISCAL OUTLOOK REPORT

Mr BEAZLEY (Brand—Leader of the Opposition) (9.31 a.m.)—I move:

That so much of the standing and sessional orders be suspended as would prevent the Leader of the Opposition moving forthwith that this House:

- (1) believing in open, transparent and accountable government;
- (2) wishing to provide the Australian people with a reasonable opportunity to understand the economic and fiscal outlook so as to help inform their decision at the forthcoming federal election;
- (3) wanting to provide all parties with the opportunity to responsibly detail their financial commitments prior to the calling of the election; and
- (4) noting that there is no legal impediment to the following course of conduct;

calls on the Prime Minister, the Treasurer and the Minister for Finance to provide updated information on the economic and fiscal outlook prior to the calling of the federal election by:

- (a) requiring the Secretary to the Department of the Treasury and the Secretary to the Department for Finance to publish an economic and fiscal outlook report and to prepare that report as if the report were prepared in accordance with Division 7 of the *Charter of Budget Honesty Act 1998*;
- (b) requiring all Ministers, Secretaries and Commonwealth bodies to provide such information, and to do all acts or things, as are necessary to enable that economic and fiscal outlook report to be so published.

Mr Acting Speaker, they are trying to hide behind that 10-day—

Motion (by **Mr McGauran**) put:

That the member be not further heard.

The House divided. [9.36 a.m.]

(Mr Acting Speaker—Mr G.B. Nehl)

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

AYES

Abbott, A.J.	Anderson, J.D.
Andrews, K.J.	Anthony, L.J.
Bailey, F.E.	Baird, B.G.
Barresi, P.A.	Bartlett, K.J.
Billson, B.F.	Bishop, B.K.
Bishop, J.I.	Brough, M.T.
Cadman, A.G.	Cameron, R.A.
Causley, I.R.	Charles, R.E.
Costello, P.H.	Downer, A.J.G.
Draper, P.	Elson, K.S.
Entsch, W.G.	Fahey, J.J.
Fischer, T.A.	Forrest, J.A. *
Gallus, C.A.	Gambara, T.
Gash, J.	Georgiou, P.
Haase, B.W.	Hardgrave, G.D.
Hawker, D.P.M.	Hull, K.E.
Jull, D.F.	Kelly, D.M.
Kelly, J.M.	Kemp, D.A.
Lawler, A.J.	Lieberman, L.S.
Lindsay, P.J.	Lloyd, J.E.
Macfarlane, I.E.	May, M.A.
McArthur, S. *	McGauran, P.J.
Moylan, J. E.	Nairn, G. R.
Nelson, B.J.	Neville, P.C.
Pearce, C.J.	Prosser, G.D.
Pyne, C.	Reith, P.K.
Ronaldson, M.J.C.	Ruddock, P.M.
Schultz, A.	Scott, B.C.
Secker, P.D.	Slipper, P.N.
Somlyay, A.M.	Southcott, A.J.
St Clair, S.R.	Stone, S.N.
Sullivan, K.J.M.	Thompson, C.P.
Thomson, A.P.	Truss, W.E.
Tuckey, C.W.	Vaile, M.A.J.
Vale, D.S.	Wakelin, B.H.
Washer, M.J.	Williams, D.R.
Wooldridge, M.R.L.	Worth, P.M.

NOES

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

Edwards, G.J.
Emerson, C.A.
Ferguson, L.D.T.
Gerick, J.F.
Gillard, J.E.
Hall, J.G.
Hoare, K.J.
Horne, R.
Jenkins, H.A.
Kerr, D.J.C.
Lawrence, C.M.
Livermore, K.F.
Martin, S.P.
McFarlane, J.S.
McMullan, R.F.
Morris, A.A.
Murphy, J. P.
O'Keefe, N.P.
Price, L.R.S.
Ripoll, B.F.
Rudd, K.M.
Sciaccia, C.A.
Short, L.
Smith, S.F.
Swan, W.M.
Thomson, K.J.
Zahra, C.J.

Ellis, A.L.
Evans, M.J.
Fitzgibbon, J.A.
Gibbons, S.W.
Griffin, A.P.
Hatton, M.J.
Hollis, C.
Irwin, J.
Kernot, C.
Latham, M.W.
Lee, M.J.
Macklin, J.L.
McClelland, R.B.
McLeay, L.B.
Melham, D.
Mossfield, F.W.
O'Byrne, M.A.
Plibersek, T.
Quick, H.V.
Roxon, N.L.
Sawford, R.W. *
Sercombe, R.C.G. *
Sidebottom, P.S.
Snowdon, W.E.
Tanner, L.
Wilkie, K.

Cadman, A.G.
Causley, I.R.
Costello, P.H.
Draper, P.
Entsch, W.G.
Fischer, T.A.
Gallus, C.A.
Gash, J.
Haase, B.W.
Hawker, D.P.M.
Jull, D.F.
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Lindsay, P.J.
Macfarlane, I.E.
McArthur, S. *
Moylan, J. E.
Nelson, B.J.
Pearce, C.J.
Pyne, C.
Ronaldson, M.J.C.
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Sullivan, K.J.M.
Thomson, A.P.
Tuckey, C.W.
Vale, D.S.
Washer, M.J.
Wooldridge, M.R.L.

Cameron, R.A.
Charles, R.E.
Downer, A.J.G.
Elson, K.S.
Fahey, J.J.
Forrest, J.A. *
Gambaro, T.
Georgiou, P.
Hardgrave, G.D.
Hull, K.E.
Kelly, D.M.
Kemp, D.A.
Lieberman, L.S.
Lloyd, J.E.
May, M.A.
McGauran, P.J.
Nairn, G. R.
Neville, P.C.
Prosser, G.D.
Reith, P.K.
Ruddock, P.M.
Scott, B.C.
Slipper, P.N.
Southcott, A.J.
Stone, S.N.
Thompson, C.P.
Truss, W.E.
Vaile, M.A.J.
Wakelin, B.H.
Williams, D.R.
Worth, P.M.

* denotes teller

Question so resolved in the affirmative.

Mr CREAN (Hotham) (9.41 a.m.)—Mr Acting Speaker, I second the motion. Nothing prevents the early release of the state of the books. What have you got to hide?

Mr ACTING SPEAKER—The Deputy Leader of the Opposition will resume his seat.

Motion (by **Mr McGauran**) put:

That the member be not further heard.

The House divided. [9.42 a.m.]

(Mr Acting Speaker—Mr G.B. Nehl)

Ayes.....	74
Noes.....	<u>65</u>
Majority.....	9

AYES

Abbott, A.J.	Anderson, J.D.
Andrews, K.J.	Anthony, L.J.
Bailey, F.E.	Baird, B.G.
Barresi, P.A.	Bartlett, K.J.
Billson, B.F.	Bishop, B.K.
Bishop, J.I.	Brough, M.T.

NOES

Adams, D.G.H.	Albanese, A.N.
Beazley, K.C.	Bevis, A.R.
Brereton, L.J.	Burke, A.E.
Byrne, A.M.	Corcoran, A.K.
Cox, D.A.	Crean, S.F.
Crosio, J.A.	Danby, M.
Edwards, G.J.	Ellis, A.L.
Emerson, C.A.	Evans, M.J.
Ferguson, L.D.T.	Fitzgibbon, J.A.
Gerick, J.F.	Gibbons, S.W.
Gillard, J.E.	Griffin, A.P.
Hall, J.G.	Hatton, M.J.
Hoare, K.J.	Hollis, C.
Horne, R.	Irwin, J.
Jenkins, H.A.	Kernot, C.
Kerr, D.J.C.	Latham, M.W.
Lawrence, C.M.	Lee, M.J.
Livermore, K.F.	Macklin, J.L.
Martin, S.P.	McClelland, R.B.
McFarlane, J.S.	McLeay, L.B.
McMullan, R.F.	Melham, D.
Morris, A.A.	Mossfield, F.W.
Murphy, J. P.	O'Byrne, M.A.

O'Keefe, N.P.	Plibersek, T.
Price, L.R.S.	Quick, H.V.
Ripoll, B.F.	Roxon, N.L.
Rudd, K.M.	Sawford, R.W. *
Sciacca, C.A.	Sercombe, R.C.G. *
Short, L.	Sidebottom, P.S.
Smith, S.F.	Snowdon, W.E.
Swan, W.M.	Tanner, L.
Thomson, K.J.	Wilkie, K.
Zahra, C.J.	

* denotes teller

Question so resolved in the affirmative.

Original question put:

That the motion (**Mr Beazley's**) be agreed to.

The House divided. [9.44 a.m.]

(Mr Acting Speaker—Mr G.B. Nehl)

Ayes.....	65
Noes.....	<u>74</u>
Majority.....	9

AYES

Adams, D.G.H.	Albanese, A.N.
Beazley, K.C.	Bevis, A.R.
Brereton, L.J.	Burke, A.E.
Byrne, A.M.	Corcoran, A.K.
Cox, D.A.	Crean, S.F.
Crosio, J.A.	Danby, M.
Edwards, G.J.	Ellis, A.L.
Emerson, C.A.	Evans, M.J.
Ferguson, L.D.T.	Fitzgibbon, J.A.
Gerick, J.F.	Gibbons, S.W.
Gillard, J.E.	Griffin, A.P.
Hall, J.G.	Hatton, M.J.
Hoare, K.J.	Hollis, C.
Horne, R.	Irwin, J.
Jenkins, H.A.	Kernot, C.
Kerr, D.J.C.	Latham, M.W.
Lawrence, C.M.	Lee, M.J.
Livermore, K.F.	Macklin, J.L.
Martin, S.P.	McClelland, R.B.
McFarlane, J.S.	McLeay, L.B.
McMullan, R.F.	Melham, D.
Morris, A.A.	Mossfield, F.W.
Murphy, J. P.	O'Byrne, M.A.
O'Keefe, N.P.	Plibersek, T.
Price, L.R.S.	Quick, H.V.
Ripoll, B.F.	Roxon, N.L.
Rudd, K.M.	Sawford, R.W. *
Sciacca, C.A.	Sercombe, R.C.G. *
Short, L.	Sidebottom, P.S.
Smith, S.F.	Snowdon, W.E.
Swan, W.M.	Tanner, L.

Thomson, K.J.
Zahra, C.J.

NOES

Abbott, A.J.	Anderson, J.D.
Andrews, K.J.	Anthony, L.J.
Bailey, F.E.	Baird, B.G.
Barresi, P.A.	Bartlett, K.J.
Billson, B.F.	Bishop, B.K.
Bishop, J.I.	Brough, M.T.
Cadman, A.G.	Cameron, R.A.
Causley, I.R.	Charles, R.E.
Costello, P.H.	Downer, A.J.G.
Draper, P.	Elson, K.S.
Entsch, W.G.	Fahey, J.J.
Fischer, T.A.	Forrest, J.A. *
Gallus, C.A.	Gambaro, T.
Gash, J.	Georgiou, P.
Haase, B.W.	Hardgrave, G.D.
Hawker, D.P.M.	Hull, K.E.
Jull, D.F.	Kelly, D.M.
Kelly, J.M.	Kemp, D.A.
Lawler, A.J.	Lieberman, L.S.
Lindsay, P.J.	Lloyd, J.E.
Macfarlane, I.E.	May, M.A.
McArthur, S. *	McGauran, P.J.
Moylan, J. E.	Nairn, G. R.
Nelson, B.J.	Neville, P.C.
Pearce, C.J.	Prosser, G.D.
Pyne, C.	Reith, P.K.
Ronaldson, M.J.C.	Ruddock, P.M.
Schultz, A.	Scott, B.C.
Secker, P.D.	Slipper, P.N.
Somlyay, A.M.	Southcott, A.J.
St Clair, S.R.	Stone, S.N.
Sullivan, K.J.M.	Thompson, C.P.
Thomson, A.P.	Truss, W.E.
Tuckey, C.W.	Vaile, M.A.J.
Vale, D.S.	Wakelin, B.H.
Washer, M.J.	Williams, D.R.
Wooldridge, M.R.L.	Worth, P.M.

* denotes teller

Question so resolved in the negative.

WOOL INTERNATIONAL AMENDMENT BILL 2001

First Reading

Bill presented by **Mr Truss**, and read a first time.

Second Reading

Mr TRUSS (*Wide Bay—Minister for Agriculture, Fisheries and Forestry*) (9.47 a.m.)—I move:

That the bill be now read a second time.

The Wool International Amendment Bill 2001 will expedite the final stage in the decade-long task of selling down the wool stockpile, winding up the company charged with its management and will maximise the surplus equity returned to its shareholders.

The legislation to privatise Wool International in 1999 provided for the final distribution to shareholders to follow the preparation of the final financial year audited accounts for WoolStock Australia Ltd.

The board of WoolStock Australia has advised the government that the last wool in the stockpile is likely to be sold down in the very near future, possibly in the next few days.

This amendment will enable WoolStock Australia to bring forward its winding up and final cash distribution to shareholders, without requiring the conclusion of these processes to be after 30 June 2002. The shareholders of WoolStock are essentially those wool growers that met much of the burden of the debt associated with the stockpile in the very difficult years for the wool industry between 1993-94 and 1995-96.

The effect of this amendment is that wool growers will get their final payment flowing from their shareholding considerably earlier than would be possible under the current legislation, and, because the overhead costs of maintaining the company until after 30 June 2002 can be reduced, there will be cost savings which will maximise the surplus equity to be returned to shareholders.

The timely fashion in which the stockpile has been sold down since WoolStock Australia took over its management is a very strong reflection on the success of the Wool International privatisation. It is also a reflection of the excellent job WoolStock Australia has done over the past two years.

I thank Mr Donald McGauchie and the members of the WoolStock board for their important role in selling down the stockpile. Shareholders have already received two payments, with a third distribution expected in coming months. They will reap further benefits of this excellent work when they receive their final distribution payment after the remaining wool is sold and the necessary

procedures taken to determine the surplus equity in WoolStock.

This is indeed historic legislation. It may be only a tiny bill, but it brings to an end an extraordinary chapter in Australian primary production history. It will mean that, for the first time in decades, Australian wool will be sold freely and fairly in the marketplace without having to labour under the heavy cloud of a stockpile overshadowing the market. This bill, I think, marks the beginning of a new era for the wool industry. I commend the bill to the House, and I present the explanatory memorandum.

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

WORKPLACE RELATIONS AMENDMENT (MINIMUM ENTITLEMENTS FOR VICTORIAN WORKERS) BILL 2001

First Reading

Bill presented by **Mr Abbott**, and read a first time.

Second Reading

Mr ABBOTT (Warringah—Minister for Employment, Workplace Relations and Small Business) (9.51 a.m.)—I move:

That the bill be now read a second time.

This bill will amend the Workplace Relations Act 1996 to enhance the legislated safety net entitlements in schedule 1A for employees in Victoria not covered by federal awards or agreements. The bill will make consequential improvements to the statutory role of inspectors under the federal act to inform, investigate and if necessary enforce rights and obligations in schedule 1A workplaces. It will also confer upon the Victorian government automatic intervention rights before the Australian Industrial Relations Commission in specific circumstances, and give contract outworkers in the textile, clothing and footwear industry in Victoria access to enforceable minimum rates of pay.

The bulk of these measures to improve the safety net entitlements for Victorian workers are those the government proposed in schedule 15 of the Workplace Relations Legislation Amendment (More Jobs, Better Pay) Bill 1999. That bill has stalled in the Senate

for almost two years, and the Australian Democrats have since called for issue-specific consideration of policy matters. Taking this sentiment into account, the government has since proceeded with a number of issue-by-issue workplace relations bills. This bill dealing with Victorian workers under schedule 1A continues that approach. It is supplemented by a number of additional measures which I announced on behalf of the federal government in March this year.

Victorian employees not covered by a federal award or federal agreement are presently covered by a legislated safety net of minimum conditions contained in part XV and schedule 1A of the Workplace Relations Act, together with general statutory provisions applying to employees under the act such as access to unfair and unlawful termination of employment remedies, equal pay for work of equal value, non-discrimination provisions, workplace bargaining provisions and rights in respect of freedom of association. In addition, employees under schedule 1A are eligible to be regulated by federal awards made by order of the Australian Industrial Relations Commission (following relevant dispute findings being made), or by certified agreements or, in many cases, Australian Workplace Agreements.

The minimum employment conditions presently legislated for in schedule 1A are largely a continuation of the safety net provisions that applied to these employees under Victorian state law immediately prior to the 1996 referral by the state of a range of industrial relations powers to the Commonwealth. That referral has been of substantial benefit to Victorian employers and employees, establishing for the first time a single framework of laws regulating industrial matters in Australia's second largest state.

Since the introduction of the federal government's More Jobs, Better Pay bill measures in 1999, the current Victorian government has argued in-principle support for a unitary regulatory system under federal laws, but claimed that the Commonwealth's schedule 1A proposals are inadequate. Discussions between the Commonwealth and Victorian governments were halted in April 2000 when the Victorian government unilat-

erally announced its intention to establish a state task force inquiry. In October 2000 it subsequently introduced into its state parliament, again without notice to or consultation with the Commonwealth, its Fair Employment Bill 2000. That bill was ultimately rejected by the Victorian upper house on 22 March 2001, although the Victorian government has threatened to reintroduce it into the parliament.

The Fair Employment Bill was flawed in both concept and content. The re-creation of a second layer of industrial regulation in the form of a state industrial system would have been regressive move, not in the interests of employers or employees, nor the public interest. A new system of state industrial laws, regulations, tribunals and bureaucracy would have come at a significant cost to Victorian workplaces and the Victorian taxpayer. In addition, the proposed Victorian system of industrial regulation would have significantly increased the cost of employment in schedule 1A workplaces, and threatened jobs in urban and regional areas of the state.

Remarkably, even the proponents of the Fair Employment Bill—primarily the Victorian government and the Trades Hall Council—estimated 1,900 job losses would follow its introduction, as well as an increase in casual employment at the expense of existing permanent employment. Research based on the full operation of the proposed new state system by consultants ACIL and Econtech for the Victorian Employers Chamber of Commerce and Industry estimated job losses of 40,000 over three years.

This Commonwealth bill is designed to achieve dual objectives, both of which overcome the flawed approach of the Victorian government. The Commonwealth bill enhances, in a sensible way, the legislated safety net of minimum conditions of schedule 1A employees (without negatively impacting on employment), and does so within the framework of a unitary system.

The policy measures contained in this bill are the amendments first proposed in schedule 15 of the government's More Jobs, Better Pay bill, supplemented by the additional measures which I announced on 14 March 2001.

In summary, the amendments would:

- clarify the operation of the schedule 1A minimum entitlements to annual leave and sick leave (sick leave being incorporated into carer's leave) by providing a basis upon which these leave entitlements are to be calculated, and setting out rules about access to, and accumulation of, such leave;
- give schedule 1A employees a statutory entitlement to be paid for work performed in excess of 38 hours a week;
- provide federal inspectors with the power to enter and inspect premises where they reasonably believe that schedule 1A work is being performed;
- provide that a breach of the minimum conditions of employment in schedule 1A can be enforced in the same way as federal awards and agreements;
- provide an employer with a statutory entitlement to stand down a schedule 1A employee where that employee cannot usefully be employed due to circumstances beyond the employer's control;
- provide the power to make regulations requiring employers to keep and maintain employee records for Victorian employees who are not employed under federal awards or agreements;
- create a legislative entitlement to carer's leave for schedule 1A employees; and
- create a legislative entitlement to bereavement leave for schedule 1A employees.

In relation to carer's leave, the bill proposes to convert the current five-day sick leave entitlement in schedule 1A into a personal leave minimum standard of eight days per annum, which would be cumulative. Of those eight days, up to five days per annum could be taken for caring purposes. In relation to bereavement leave, the bill proposes to amend schedule 1A to introduce a minimum standard of two days bereavement leave on the death of an immediate family member or household member. These amendments would provide a comparable minimum standard to carer's and bereavement leave as was proposed in the state bill.

Victorian employees with disabilities who are not employed under a federal award or agreement do not currently have direct access to the supported wage system. At present such employees can only use section 509 of the Workplace Relations Act 1996, which allows the Australian Industrial Relations Commission on a case by case basis, to issue an appropriate wages certificate for 12 months duration. It would be preferable to give these employees direct access to the supported wage system, which has been designed to meet the requirements of the Disability Discrimination Act 1992, and has the support of peak disability groups, the Australian Chamber of Commerce and Industry and the Australian Council of Trade Unions. Accordingly, the bill proposes to provide access to the supported wage system by amending part XV to give the commission power to determine that the supported wage system applies to schedule 1A employees within a work classification in a declared industry sector.

The Victorian government has claimed that as a consequence of the Kennett government's referral of powers the Victorian government does not have the ability to intervene in major industrial disputes which occur within that state. In fact, all state governments have standing to seek leave to intervene before the Australian Industrial Relations Commission in cases where they have a sufficient interest. However, in recognition of the specific circumstances of the Victorian government arising from the 1996 referral of powers, the bill would amend the Workplace Relations Act 1996 to give the Victorian government an automatic statutory right to intervene in proceedings involving an application under section 170MW of the act to suspend or terminate a bargaining period involving employees within the state of Victoria, and in applications under section 501 of the Workplace Relations Act 1996 to adjust minimum wages in industry sectors in that state.

The bill also contains amendments to the Workplace Relations Act 1996 to improve the terms and conditions of home-based outworkers working in the textile, clothing and footwear (TCF) industry in the state.

The bill would introduce a requirement that contract outworkers in the TCF industry in Victoria receive at least the minimum schedule 1A rate of pay applicable to employed TCF outworkers. The bill would also authorise federal workplace inspectors to enter premises where such work is performed and empower inspectors to enforce the minimum remuneration requirement and seek remedies in the courts on behalf of the outworker where non-payment or underpayment is identified.

This statutory measure will complement my announcement on 14 March that, following the passage of these amendments, a team of federal inspectors will commence compliance activities in the Victorian TCF industry in relation to these new outworker entitlements, using the proposed new inspectorate powers. I have also announced that a ministerial report on workplace relations compliance in the industry will be produced by the federal inspectorate three months following the commencement of these amendments. The suite of measures contained in this bill will, when enacted, significantly improve the workplace relations framework in Victoria. It will unambiguously improve minimum conditions for employees not covered by federal awards or agreements and for TCF outworkers. It will do so in a responsible manner, retaining the benefits of existing employment under schedule 1A and within the one regulatory framework. I present the explanatory memorandum.

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

TRADE PRACTICES AMENDMENT (TELECOMMUNICATIONS) BILL 2001

First Reading

Bill presented by **Mr McGauran**, and read a first time.

Second Reading

Senator McGAURAN (Victoria) (10.03 a.m.)—I move:

That the bill be now read a second time.

The **Trade Practices Amendment (Telecommunications) Bill 2001** will streamline and make more efficient the telecommunications

access regime in part XIC of the Trade Practices Act 1974. The broad objective of the bill is to facilitate the timely resolution of telecommunications access disputes. The legislative measures in the bill are therefore designed to further encourage the negotiation of commercial outcomes and to speed up the regulatory arbitration process should commercial negotiations fail.

This part of the Trade Practices Act gives telecommunications service providers a statutory right of access, on reasonable terms and conditions, to carriage and related services that have been declared by the Australian Competition and Consumer Commission, the ACCC. It is the clear preference of this legislative scheme that parties resolve access disputes through commercial negotiation. However, where commercial negotiation is not successful, parties to an access dispute can notify the ACCC that a dispute exists and seek arbitration of the matter.

The access regime delivers benefits to the economy and end users of telecommunications services by promoting competition, facilitating 'any to any' connectivity and encouraging the efficient use of, and investment in, infrastructure.

However, protracted delays in the arbitration of access disputes are impeding competition in the telecommunications sector, and delaying lower cost and higher quality services to consumers. The Minister for Communications, Information Technology and the Arts, Senator Alston, discussed possible measures to speed up access disputes and the timing of a reform package at an industry forum in May of this year. That forum reflected a broad industry consensus about the need for immediate action to streamline the telecommunications access regime in order to provide certainty for critical investment by service providers and to promote the rapid development of broadband services.

The legislative measures in this bill are about accelerating the process of resolving telecommunications access disputes and not about altering the outcomes of those disputes. The bill addresses each stage in the dispute resolution process under the access regime. In particular, the amendments proposed to the ACCC arbitration process are

consistent with the Productivity Commission's draft report on telecommunications competition regulation.

In the period before regulatory arbitration by the ACCC, the amendments in this bill will encourage parties to resolve disputes without recourse to ACCC arbitration. In particular, the ACCC will be required to publish pricing principles at the same time as, or as soon as practicable after, the declaration of services, and to publish results of arbitrations. This will increase the amount of relevant information to the market and facilitate commercial resolution of disputes, rather than lengthy arbitrations. Enabling the ACCC to 'backdate' determinations to the date when commercial negotiations commence will also encourage parties to attempt to resolve disputes commercially, rather than immediately notifying a dispute to the ACCC. In exercising its powers under the telecommunications access regime, the ACCC will be required to have regard to the objective of resolving disputes quickly, including through alternate dispute resolution (ADR) mechanisms such as mediation and conciliation.

To streamline the arbitration process itself, the ACCC will be able to conduct multilateral arbitrations (to overcome the delays caused by separate hearings for common disputes) and to hear disputes with a single commissioner. Enabling the ACCC to disclose information between common arbitrations will reduce the time taken in conducting individual arbitrations, while also encouraging commercial resolution of disputes that have already been notified to the ACCC. The ACCC will also be able to make interim determinations over the objections of an access seeker and to prevent unilateral withdrawal from arbitrations, thereby minimising the potential for delay and procedural abuse of the arbitration process.

If, following the ACCC process, an ACCC determination is reviewed, the review body, the Australian Competition Tribunal, will only be able to consider evidence available at the original hearing. A further minor amendment would prevent a party from seeking a stay of an ACT—Australian Competition Tribunal—decision, pending judicial

review, making this consistent with existing arrangements for ACCC determinations.

This bill will streamline the current arrangements under which the industry operates. However it falls to access seekers, access providers and the ACCC to maximise the benefits of a competitive telecommunications sector by properly utilising available tools, both legislative and non-legislative.

The government is encouraged by an increasing industry commitment to alternate dispute resolution and the ACCC's commitment to review its management of arbitration processes, utilising the new legislative mechanisms.

This bill does not preclude making further amendments to the telecommunications access arrangements after the release of the Productivity Commission's final report in September 2001.

The provisions to streamline the telecommunications access regime will assist in creating vigorous competition at all levels of the telecommunications industry with benefits to Australian consumers and businesses through lower prices and better quality services.

I commend the bill to the House and present the explanatory memorandum to the bill.

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

COMMONWEALTH ELECTORAL AMENDMENT BILL 2001

First Reading

Bill presented by **Mr Slipper**, and read a first time.

Second Reading

Mr SLIPPER (*Fisher—Parliamentary Secretary to the Minister for Finance and Administration*) (10.09 a.m.)—I move:

That the bill be now read a second time.

This bill contains amendments to the Commonwealth Electoral Act 1918 (the Electoral Act) to provide that, following elections, public funding for the Liberal Party is to be paid to the agent of the Liberal Party of Australia (Federal Secretariat), rather than to the state and territory divisions of the Liberal Party (that is, those state and territory divi-

sions of the Liberal Party which are constitutionally linked to the federal secretariat—NSW, Vic, Qld, SA, WA, Tas and the ACT).

However, the agent of the Federal Secretariat of the Liberal Party may lodge with the AEC, prior to polling day, a written notice that sets out the proportion of the public funding to be paid to the agents of the state and territory divisions and the proportion of the public funding to be paid to the agent of the federal secretariat. The public funding would then be paid to those agents in accordance with the proportions set out in the notice.

Currently, the Electoral Act provides that public funding be paid to the agent of the state or territory division of a party for the state or territory in which the candidate(s) stood. However, as the Federal Secretariat of the Liberal Party is responsible for federal election campaigns, it is appropriate that all or part of the public funding be paid to the agent of the federal secretariat.

It is desirable that these amendments be in place prior to the next federal election expected to be held later in the year.

I commend the bill to the House and present the explanatory memorandum.

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

STATES GRANTS (PRIMARY AND SECONDARY EDUCATION ASSISTANCE) AMENDMENT BILL 2001

Second Reading

Debate resumed from 8 August, on motion by **Dr Kemp**:

That the bill be now read a second time.
upon which **Mr Lee** moved by way of amendment.

That all words after “That” be omitted with a view to substituting the following words:

“whilst not declining to give the bill a second reading, the House condemns the Government for:

- (1) misusing the issue of literacy for political advantage;
- (2) manipulating statistics about literacy achievement; and

- (3) providing \$145 million to wealthy category one schools which could have been better used improving literacy for students in government and needy non-government schools”.

Mr SNOWDON (Northern Territory) (10.12 a.m.)—The **States Grants (Primary and Secondary Education Assistance) Amendment Bill 2001** legislates a budget announcement described as ‘improving schooling outcomes’ which, while costed at zero in the list of budget measures, claimed that \$36.9 million was being provided over the period 2001-02 and 2003-04 for literacy and numeracy funding.

I think that it is wise that we put to bed any perception that in this current financial year and the two out years financial years, until 2003-04, there are any additional monies available for literacy and numeracy funding. The shadow minister for education, Michael Lee, said yesterday:

Here we have a budget announcement claiming that \$36 million extra is being provided to help improve literacy in schools across the country, but it is only when you read the fine print that you find buried away at the back of Budget Paper No. 2, under the heading ‘Improving Schooling Outcomes’, we have how much additional expenditure in the year 2001-02? Zero dollars. How much in 2002-03? Zero dollars. How much in 2003-04? Zero dollars. How much in 2004-05? Zero dollars.

I think that illustrates markedly the kind of mean and tricky way in which this government is addressing issues to do with education, not only in the matter of school education but also for higher education. All areas of education have suffered as a result of the policies of this government.

Here we have a government wanting the community to believe that over the next four financial years, including the current one, an extra \$36 million is going to be provided to help improve literacy and numeracy, when that is clearly false. We do not have the minister, the Prime Minister or anyone else associated with the government up on their feet in this House explaining to the Australian community why the government have sought to mislead, misguide and basically act dishonestly in relation to this funding.

As a parent and as a citizen of this country, I would expect that when the government announces that literacy and numeracy standards are a high priority and that they are allocating additional funding for this program—and when I am led to believe that that funding will be ongoing—I will see in the budget papers a decent dollar figure over the current financial year and into the out years for this particular item. Yet, as has been illustrated by the shadow minister, we have nothing but an attempted act of, I think, grave dishonesty in the way in which this matter has been presented.

We all acknowledge the importance of literacy and numeracy, and it is a pity that the Minister for Employment, Workplace Relations and Small Business is not in the chamber. I do have to declare an interest. I was a schoolteacher, and my partner is a school teacher. I was Vice-President of the Northern Territory Teachers Federation, as it then was. I was an active teacher-unionist and I was proud to be involved in the education profession. But what we now have is dishonesty, with attacks on public education by the government and a failure to address the areas of greatest need and concern in the community in relation to numeracy and literacy.

I said I wanted to declare an interest, and I did so for two reasons. Firstly, I am the parent, with my partner, of four children, all of whom attend schools; secondly, I am still a member of the education union and have an ongoing interest in what happens to education in general and public education in particular. I am pleased to say that many of my colleagues share that interest, particularly as it relates to public education. We know how this government has disparaged public education by seeking to divert taxpayers' funds to the wealthiest of Australia's private schools. The figures have been repeated often in this chamber, and it is not my intention to repeat them again, other than to say that you do not have to be Einstein to work out that category 1 schools are currently getting an extra \$60 million, and there are 57 of them. On average, that is a bit over \$1 million each. But schools in the public sector can expect to receive around \$4,000 each from this process. Why is it that the govern-

ment sees the importance of literacy and numeracy on the one hand but does not provide funding in the out years, or even in the current financial year, to address a particular need. On the other hand, it is quite capable of shoving an additional amount of money in excess of \$100 million into the pockets of the wealthiest of Australia's private schools over the funding period. This does not add up.

I live in the Northern Territory and I see the importance, on a daily basis, of ensuring that there are adequate school facilities, appropriate staffing arrangements, and that curriculum design and advice are ongoing. Of course, this all requires money. In the Northern Territory we have the highest proportion of students in public education of any Australian state or territory: 77.5 per cent compared with the national average of 69.7 per cent. That means public education for the Territory is more important overall than it is for other states and territories. It is particularly important in the case of the Northern Territory because we have so many small, remote communities and because we have, as well as the highest proportion of students in the public education system, the lowest year 12 retention rates. On 1997 figures, 48.4 per cent of students in the Northern Territory completed year 12 who are male, compared with the national average of 68.4 per cent—almost 50 per cent addition in terms of that figure. Similarly, for females, the figure is 57.8 per cent in the Northern Territory and 79.5 per cent nationally. More alarmingly—and of greater concern—is the fact that in the area of indigenous education, the picture is extremely bleak, with year 12 retention rates at 9.4 per cent.

I am not sure how this minister seeks to improve the outcomes in indigenous education without ensuring that the public education system is properly and appropriately funded. We hear often in this place about mutual obligation—that Australians must accept responsibility themselves in exchange for any commitment from government. It is pretty hard to take that approach when the educational attainment levels of many students in the Northern Territory are not adequate for them to gain entry into the labour

market or into training programs that will get them into the labour market. That is a responsibility of government, yet we do not get even the slightest impression that the government takes seriously the concern of the Australian community about the outrageous diversion of additional public moneys to the wealthiest private schools. Despite that concern, this government has done nothing that has had any great impact on outcomes in areas of numeracy and literacy, or on overall education attainment levels, for students who live in the electorate of the Northern Territory.

I must say that it is not just the federal government's responsibility. It is with some concern that I note the report entitled *Learning lessons: an independent review of indigenous education in the Northern Territory*, by our former Senate colleague Bob Collins, which has received some publicity in this place and in others. He makes it clear in this report that the Northern Territory government levies the Commonwealth funding for the Indigenous Education Strategic Initiatives Program, which is used for salaries, at a rate of 46.1 per cent for on-costs. That is an absolute scandal. In other states and jurisdictions the on-cost levy varies from four per cent to 18.6 per cent, so it is impossible to justify the approach adopted by the Northern Territory government. This is a massive cost-shifting exercise. The Northern Territory government is creaming Commonwealth resources, which are for targeted programs, to supplement its own budgetary framework.

Over recent days there has been a great deal of debate in the Northern Territory about education, primarily because there is currently a dispute between the Northern Territory Education Union and its employer. That dispute is derived from the union's concern about teachers' working conditions and the state of education in the Northern Territory. There have been meetings of teachers already around the Northern Territory. I am told there will be a further meeting tomorrow to address concerns about professional development, resources such as special needs teaching and reasonable limits on class sizes.

I declared an interest earlier. I have an interest as a parent, but I also have an interest

as a citizen of the Northern Territory that no child should be disadvantaged because of the short-sightedness and stupidity of the Northern Territory government about education. It has been in government since 1978, yet the educational attainment outcomes are appalling in the Northern Territory compared with the rest of Australia. The government has no reasonable answers as to why that is the case and why it has not done a great deal more about improving the lot of Territory students by providing them with the opportunity that they deserve to compete favourably with other students around Australia. The longer we go on, the bigger the gap. That is the problem. Despite the fact that teachers, who are professional people, have expressed their concern, the Northern Territory Chief Minister—who, of course, is in the midst of an election campaign—has accused the Labor Party in today's *Northern Territory News* of conspiring with teachers to disrupt education in the Northern Territory in the lead-up to an election. You have to ask what planet he is on. Mr Burke alleges in this article:

Members of the teachers and nurses unions were pawns who were being used by the union leadership to heighten industrial action during an election campaign.

That is an absolute insult. If the Chief Minister were at all serious about improving the educational outcomes for all Territorians, he would take seriously the concerns being expressed by the teaching profession. They are no more pawns of the Labor Party than he was of the Liberal Party when he was the officer commanding a cavalry regiment. How can he allege, as he has done, that teachers in the Northern Territory have conspired with the Labor Party to disrupt education services in the Northern Territory in the lead-up to an election? There is absolutely no evidence of that at all; yet he says it.

He should be ashamed of himself and of his government. If he needs any reminding at all of why he should be ashamed of himself and his government—not because of what they have said about the teachers in this instance, but because of their appalling record in the provision of educational services to all Territorians—all he need read is *Learning lessons*. Then he should read his own gov-

ernment's internal review from 1999 of IESIP funding, which says that there has been a history of IESIP funding as substitute funding for the Northern Territory Department of Education core business—game, set and match!

The fact is that the Chief Minister of the Northern Territory needs to accept responsibility for the appalling state of educational outcomes in the Northern Territory, particularly as they affect indigenous Territorians. I say to the Minister for Education, Training and Youth Affairs: instead of coming in here trying to con the Australian community, own up to your responsibility, just as the Chief Minister of the Northern Territory needs to own up to his. Instead of blackguarding teachers and teacher unions, you should support them in their desire to achieve better educational outcomes for all Australians.

Mr BILLSON (Dunkley) (10.32 a.m.)—I am pleased to rise today to support the [States Grants \(Primary and Secondary Education Assistance\) Amendment Bill 2001](#). As other speakers have highlighted, the bill is basically about providing an additional \$33.3 million over the next three years towards improving literacy and numeracy outcomes—which naturally feed into educational and learning outcomes—for educationally disadvantaged students. The funding is in the form of strategic assistance to both government and non-government education authorities to support research programs and the implementation of projects to enhance what we understand about and how we address literacy and numeracy deficiencies.

This funding gives effect to one of the resolutions from the meeting between Commonwealth, state and territory ministers for education, who agreed to establish as a national goal 'that all students should have attained the skills of numeracy and English literacy such that every student should be numerate, able to read, write, spell and communicate at an appropriate level.' That has been agreed as a national goal. Commonwealth, state and territory ministers with responsibility for education have agreed that we as a nation should come together, work through the barriers that the federation often represents to sound public policy and move

forward together. There is a reason for that, and I note that reason has not been discussed a great deal by the Labor Party members who have spoken on this bill.

After 13 years of a Labor government, almost 30 per cent of kids in years 3 and 5 could not read or write to an acceptable standard. This is not some Third World country; this is Australia. This is a country with one of the highest standards of living in the world and, as the OECD has confirmed, one of the most rapidly and robust growing economies in the world. So, surely, we could have our kids be able to read and write. Surely that is not too much to ask. But apparently, after 13 years of a Labor government, almost one-third of our kids in years 3 and 5 could not do that. That was a national disgrace and a national tragedy.

Since this government was elected in 1996, it has set about focusing on that clear area of deficiency, recognising that, without those core skills, without those basic capacities, trying to achieve higher educational outcomes is extraordinarily difficult. It is hard to get into an advanced discussion about physics or about career pathways that may involve budgeting or something like that, if someone is not particularly numerate. It is difficult for someone with poor literacy skills to access the educational resources that are available, whether it be online, in books, in technical references or in material that is circulated in the classroom. So there is a very clear connection between strengthening the performance of all students in these base areas of competency and those students being able to move into more complicated areas of education and skill development. That is the link.

The bill before the House is not all that complicated; it simply corrects an error in the maths—and I hope that is not a reflection of a numeracy problem. It is actually an issue about forecasting the funds that are needed to support these programs. This bill sets out to correct that error. That is really what the bill is about. But I think the backdrop to the bill is of even more interest to the community I represent at Dunkley by the bay down on the Mornington Peninsula.

This debate has been around for some time, and it often gets entangled in the areas of school funding and whether government and non-government schools are better or worse. These are the areas that you see played out in the media as being the big points of discussion about education policy. Even the previous speaker, the member for the Northern Territory, spoke at length about his involvement in the education sector and about some argy-bargy that it is going on in the Northern Territory. That may interest some in this House, but isn't this about the kids? Isn't it about developing their skills so that we can achieve a situation in our country—because of the strength in our economy, our social fabric and our standard of living—where the opportunities and the pathways for our young people into adulthood are as good, as rewarding and as rich and delicious as they can be? Isn't that really what this is about? And today we are discussing another measure that the government has put in place to make sure our kids have the necessary tools.

The OECD is reported today as recognising our country as the fastest growing in the developed world. That is a great credit. Don't we want our young people to be part of that? One of their passports to satisfying lifestyles and opportunities for fulfilment is to have the tools to contribute to that economy and to participate in our community. That is what numeracy and literacy are about. It gets a little tiresome when we hear people arguing about other issues—for instance, I refer to the atmospherics in the theatre of politics in the Northern Territory when the government was elected. Thirteen years of Labor gave us 30 per cent of young kids in years 3 and 5 being unable to read and write at an acceptable level. That is outrageous in a country like ours.

Dr Kemp has done a remarkable job in implementing a sound set of policies. History will look on his time as education minister as one of the most progressive and forward-looking eras of education policy in this country. Labor looked after only those who went on to university. As a former Labor minister said, Labor was not interested in people who did not go to university. That

reflected an attitude on the part of the Labor Party that education is only about going to university. It is not. Seventy per cent of young Australians do not go on to university, and it is 80 per cent in the community that I represent. Surely we have a responsibility to develop their capacity to be productive, engaged, satisfied citizens. I emphasise that numeracy and literacy competency must be the building blocks of that. Shortly after Dr Kemp was appointed education minister, he came across the statistics that the previous education minister, Kim Beazley, now Leader of the Opposition, had hidden. Research had been going on for some time into the literacy skills of many young Australians, and the Labor Party had that data but would not release it. It told nobody about the disgraceful circumstance that the Labor government presided over: that one-third of our kids in years 3 and 5 could not read and write properly. Dr Kemp flagged that literacy and numeracy would be the number one priority of the Howard government.

To develop those skills we opened new doors and new pathways for young people. Numeracy and literacy have remained central to the coalition's education policies because they are important, for the reasons that I have explained. It is important to secure educational opportunities and skill development prospects and to access programs that are available in that area. It is very much about people's ability to participate fully in our modern society, to be productive citizens and to be engaged in our community. That is why the government's goal is that every student will achieve adequate literacy and numeracy skills by the end of primary school. Part of that commitment was the National Literacy and Numeracy Plan, which has been agreed to by all states as an endorsement of the goals that the federal government has articulated and of the leadership that it has provided. A lot of state governments must have been asleep at the wheel at that time to have allowed 30 per cent of young people in years 3 and 5 to move through the school system without being properly skilled in numeracy and literacy. In April 2000, as I have mentioned, through Minister Kemp's advocacy and the federal government's leadership, there is finally an agreement of ap-

proved literacy and numeracy benchmarks for years 3, 5, and 7. We now have some goals and targets. The agreed national measures are a way of evaluating whether the billions of dollars we invest in education are bringing about improvements in those skill areas.

The 1999 year 3 benchmark results, which were the first results under the national benchmarks system, showed that on average 86.9 per cent of year 7 students achieved the reading benchmark. What is most important about that figure is not the percentage who passed but the percentage who did not pass. We are reducing the proportion of students who are not achieving that level of performance. That has been standardised across the nation and it shows education authorities, ministers and jurisdictions what needs to be done in targeting resources where there is underperformance in numeracy and literacy. A good example of that was the result among indigenous kids. Whereas the general population average is 86.9 per cent, indigenous kids scored significantly lower— 66.1 per cent. That reinforces the point that the member for the Northern Territory made. That evidence shows that there is a need for more work to be done. The whole point of the framework is to target assistance and to identify areas where skills are not being developed to enable our citizens to be fully involved in our community. As a result of the benchmarks, some action has followed. Indigenous literacy is funded under the Indigenous Education (Targeted Assistance) Act 2000. More money is directed into early days and into early intervention, because from the benchmark we know that work needs to be done on that.

You would think that the advantage of the benchmarking system would be pretty darned obvious. You would think that if you had that information you could identify where to put your education resources. All states and territories have agreed that that is helpful, and you would think that they have done that because it is patently obvious why it is helpful. However, Victoria is the only state where, rather than testing all students, we have a sample. For reasons that no-one can quite understand, Minister Mary Dela-

hunty does not want to test all Victorian schoolkids' literacy and numeracy standards. Why not test all the kids? Why not give the parents information about how the kids and their schools are going? Why doesn't the minister want that information herself so that the Victorian education department can identify school communities where numeracy and literacy are not the priority that they need to be and then take action to fix that? Surely that is helpful. What does Minister Mary Delahunty have to hide? Why will she not have all Victorian school children in years 3, 5 and 7 tested against the national literacy and numeracy benchmarks? Why not? What is wrong with telling parents that this is the performance in our schools? Why is Victoria the only jurisdiction where that is happening? She refuses to test all year 7 students and opts for a sampling test as an alternative. Frankly, why do parents need to miss out on that information? Parents deserve and want to know whether their child can read and write at the national standards. A cult of secrecy seems to be important to the Minister for Education in Victoria. It bedevils state education policy. It is like saying, 'Don't tell anybody.' It is like saying, 'Don't speak about the war.'

Sometimes you have to talk about things to move on. In this case, you should talk about the performance tests against these national standards so that parents, school communities and the students can understand how they are going. Surely that is not too much to ask. However, apparently in Victoria, it is too much to ask. Perhaps she is following Kim Beazley's lead when he was education minister. He had those scandalous figures showing that almost one-third of Australian schoolchildren were unable to read and write at an acceptable level. He had those figures when he was education minister and he kept them hidden.

Is Minister Mary Delahunty in Victoria following Kim Beazley's lead? I am not quite sure about that, but it does open up another interesting story. We have heard from the Labor Party about their education policy. One of the hallmarks of that policy is to rip money off some school communities and redirect it to others. One of the areas Kim

Beazley is talking about putting extra money into school facilities. When he talks about it, he doubles the amount. What you do not hear, but what is in the fine print, is that Kim Beazley's pledge to increase funding for school facilities in government schools relies upon state and territory governments matching whatever federal money Kim Beazley finds on his bankcard.

That matching requirement is an interesting point. There was a near revolt right across Victorian school communities because, at a time when the Bracks government had inherited a huge budget surplus, a treasure chest of resources to invest in public works and community services in Victoria, the Bracks government came up with the most pitiful, pathetic effort for school funding. It came up with a microscopic increase in funding. It was a funding increase which, when compared to what the Commonwealth had done, was an embarrassment to the Victorian Labor government. So again a call was made to Minister Mary Delahunty by school communities across Australia: 'Why are school communities missing out on extra resources when there is this huge budget surplus left behind by the Kennett government?' Mary Delahunty said, 'Well, there's no more money for education in Victoria.'

The interesting test now is that Kim Beazley's education policy relies upon a Victorian state government matching this extra capital funding that Kim Beazley will whip off his bankcard. The test will be in Victoria. It will be interesting to see if Minister Mary Delahunty, who has told parents, students and school communities right across our great state that there is no extra money for education, and that there is no extra money for our kids in Victoria, finds extra money for Kim—for the Labor Party. Won't that tell us something? It will tell us that Kim Beazley's education policy relies on the states matching additional funding for capital works in government schools. It relies on a state Labor government in Victoria matching whatever extra dollars Kim Beazley can whip off a bankcard.

There is no money for the kids, but will there be money for Kim? That is the question about education in Victoria and the Labor

Party's policy. It will tell us something: was Mary Delahunty telling the truth that, for whatever reason despite there being surpluses of biblical proportions that they inherited off the Kennett government, there was no extra money or crumbs for the education portfolio in Victoria, or will there be money for Kim? Won't that be an interesting test? Is she more interested in looking after the Labor Party and playing party politics—and Australians are tired of party politics—cash for Kim, but no cash for the kids in our schools in Victoria? That will be an interesting test. Whatever the outcome is, either Mary Delahunty was telling the truth and Kim Beazley's education policy is already a fraud, or she was misleading the families and school communities in Victoria and she will find the money to match Kim's election commitment—no cash for kids, cash for Kim. That will be an interesting test and we will get to see it shortly.

This matters to me because I am a school council president at Monterey Secondary College in Frankston North. I work alongside the parents, the school community, the teaching professionals and the leadership group at the school. They are a fantastic bunch of people who are working very hard to make the resources available to deliver the best educational opportunities for our kids in Dunkley by the bay in Frankston North. It will be an interesting test to see whether Kim Beazley's education policy will stand up after Mary Delahunty stood up to the students, parents and school communities in Victoria.

That highlights another great irony in the Labor Party's education policy. The Labor Party has moved an amendment to the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2001, arguing that the government is somehow using literacy data for political advantage. That is code for, 'Gee, the Labor Party has been found out.' We have released the data which Kim Beazley sought to hide about one-third of our kids at years 3 and 5 not being able to read and write properly. We are fessing up to the Australian community, and the Labor Party can only describe that as political advantage. So is highlighting their incompetence political advantage? It may be, but that is not the

point of this. This is just to make sure that we get the job fixed.

The other interesting point is that they are talking about ripping money off non-government schools, on the gross assumption that only wealthy people go to non-government schools. Down my way, a lot of families have two jobs. One job pays for the education of their kids. That is a choice. The families have decided that that is the sort of commitment they want to make. They want to make that commitment to their kids and they are putting in a lot of work and earning an extra income just to be able to achieve that. However, you would not know that if you listened to the Labor Party.

In relation to the money that a future Labor government—heaven forbid if one was ever elected—plan to rip off these non-government schools, they have already said on their web site that they are going to send that money off to capital investments in public schools—and I have already highlighted how that is a bogus claim in Victoria—and provide some teaching scholarships and do some extra training for teachers. They do not mention anything at all on their web site about this funding rip-off from non-government schools going to literacy. However, in the amendment—guess what?—they have decided that they are going to spend the money on that as well. This is about phoney figures and dodgy maths. All of a sudden, this money is going to have a literacy focus. They had better go back and update their web site.

The great irony about this debate is that it highlights the hypocrisy and internal inconsistencies in the Labor Party's education policy. They talk about resources being made available on the basis of need, yet when the government introduces a needs based policy for funding non-government schools, the Labor Party oppose it. The old state aid debate is still resonating in the back corridors of the Labor Party faction machine. We thought we had passed that years ago. When the Labor Party talk out of the other side of their mouth they are saying that education is a public good and we should get behind it, but somehow what comes through is this hatred of non-government schools when

there are decent Australians just trying to make sure that their kids have the best possible start in life. I support this bill and I overwhelmingly endorse Minister Kemp's efforts in the education portfolio. (*Time expired*)

Mr MOSSFIELD (Greenway) (10.52 a.m.)—I rise to speak on the *States Grants (Primary and Secondary Education Assistance) Amendment Bill 2001* and to support the amendment moved by the member for Dobell. In considering this bill, I believe it is necessary to consider the broad education issues that we face today.

The bill amends the States Grants (Primary and Secondary Education Assistance) Act 2000 to provide funding for literacy and numeracy programs for the years 2001-02 and 2002-03. If this were extra funding, it would be clearly welcomed. However, it is not extra funding; it is funding that is basically being rebadged. In addition, in delivering literacy and numeracy programs, we need to have a high standard of facilities in our schools, and that is an issue that I will address in my speech this morning. I would also like to refer to a part of the speech that the member for Dobell made yesterday in this particular debate where he highlighted that this is not extra funding but actually rebadged money. He said:

The problem is that it is minimal extra funding; it is simply rebadging the old Disadvantaged Schools Program and rebadging the English as a Second Language Program—even wrapping up into it some of the special education program money—and claiming that that is going to do something about literacy. If the government wants to really do something about improving literacy in Australian schools we need to make sure that we are targeting the extra funding into the schools that need the most help. That is why the Labor Party is proposing to establish education priority zones to put extra Commonwealth funding into schools that need the most help.

Members would be aware that the Australian Primary Principals Association recently commissioned a report entitled *Our future*, in which Max Angus and Harriet Olney of the Edith Cowan University surveyed 2,452 primary school principals and deputy principals across the country to canvass their views on school resources and the future of public education. In an introductory letter sent to all

federal members, Tony Misich, the President of the Australian Primary Principals Association, states:

Primary school principals have long been worried about the increasing demands on schools, without receiving additional resources. Anecdotally and individually, we have been worried that the primary school dollar can stretch no further.

He goes on to point out four main areas of concern. The first is resources. He states:

Principals feared a number of negative consequences resulting from insufficient resources in government primary schools. They expressed a clear need for an increase in a) funding, b) facilities, c) teaching and specialist staff.

I suggest that, when he talks about the need for teaching and specialist staff, he is clearly referring to teachers who would be able to deliver these literacy and numeracy programs that are so vital in our schools. He also names administrative support and proper leadership structures as other areas of resource concern.

The second point he makes is that 80 per cent of principals believe that their schools are underfunded in terms of what they are expected to achieve. The principals are often forced to take resources from one area of need in order to fund another area of need. The third point that Tony Misich makes is under the subheading 'Policies and Ethos'. He states:

The majority of principals attributed importance to academic performance, the development of a strong work ethic, conservation of the natural environment and respect for adults. Principals believe schools should reflect the values of the wider community, not just those found in local communities.

The most telling point in that letter is the fourth point under the subheading of 'The Future'. The report unfortunately shows that 'government primary school principals are generally pessimistic about the context in which schools will operate in the future', although he does point out that there is a degree of confidence in their capacity to maintain standards regardless and a determination to do so, and that almost half believe that government schools will continue to perform well.

The *Our future* report runs to some 46 pages, which makes for some very interesting reading. I will quote it later, but first I would like to say a few basic things about education in general. It is my belief that a strong and vibrant education system forms the foundation stone of a free and democratic society, and any attack on public education is an attack on democracy itself. Historically, the call for, and the establishment of, public education went hand in hand with the development of a modern democratic state. Mass public education helped to end feudalism as a system of government. Nations that have no publicly provided education system do not prosper. Children are the future of our country and their education is fundamental to that future. This is a cliché, of course, but it is a cliché simply because it is true and obvious and it should go without saying. Unfortunately, we have to say it because some people do not seem to believe it. Some people do not seem to believe in public education; some see education as a privilege, not a right. They are wrong; they are very wrong.

There are already too many barriers in our society for many children. Wealth, geography, the economic environment and technology are just a few. We should not and we cannot allow the lack of access to education to be one of these barriers. Public education is fundamental to the future of our nation; it is fundamental. As representatives of the people, we have a very important role to play. We are the keepers of the purse strings, and it is time to loosen these purse strings and provide an education system that will take us into the future.

There is no point bickering over whose responsibility it is—state or federal—to provide for the education of our children. That time has passed. That is an old way of thinking; that is last century's way of thinking. I would have thought that the end of the millennium and a century of federation would have focused our minds and our ideas on the future. Unfortunately, this government have been so wrapped up in the never, ever of tax changes and in implementing a 1960s French socialist tax that they have taken their eyes off the future and the fundamentals. We have been mired in a bog of everyday petty

politics as a result. The report, *Our future*, gives us a chance to refocus, to examine the problems that exist in the system today and to work towards the type of change that is needed to bring public education into the 21st century. There are problems; they have been identified and we should not be standing around simply passing the buck: 'It is not our responsibility, it is the state governments' responsibility.' Wrong again. It is everybody's responsibility. Parents, teachers, students, community leaders, state governments and federal governments—we all have a part to play.

The recent launch of the Knowledge Nation task force report shows that Labor have a plan for the future, a far-reaching and visionary plan, yet this government dismisses it out of hand. If they did not think of it first, then it is not worthy of thought. Wrong again. The government's reaction to the launch of Knowledge Nation amply demonstrates the lack of vision this government have when it comes to education and educational issues. They may have wound back the despicable enrolment benchmark adjustment, but that cannot make up for all the money that has already been ripped out of the public education system of this country.

When we look at the history of our nation, we can point to a number of what have been called nation building projects, such as the Snowy Mountains scheme. I would like future generations to be able to look back, at the turn of this century, and point to education as a great nation building project. What better form of nation building can there be than to build up our education system to where it is the best in the world? One hundred per cent of our future citizens will attend primary schools, 70 per cent will attend government schools. Nation building is not easy. It requires a huge commitment of both money and resources. It requires a vision from our leaders and it requires hard work from the rest of us. Governing is about priorities, and education needs to be placed at the top of the list. It is time to stop buck-passing. It is time to roll up our sleeves and get stuck into it. If we want to face the challenges that are before us today with any degree of confidence and skill, then we must

invest in the education of our children. There is no short-term financial return, no quick stock market dollar, to be made from this. The payout will come many years down the track when our children have grown and taken their place in the new society that they will be building. That is why governments must be involved. This is not something for the private sector preoccupied with a quick return on their investment. This is in the realm of the public domain; it is the government's responsibility. That is why governments exist—to provide services to the people, to provide for the education of our young.

I said I would return in more detail to the *Our future* report. I will start with some comments from the executive summary of that report:

Literacy resources were a high priority for additional funding. These included a wide range of needs such as guided reading materials, storage space, literacy expertise and increased staffing levels to allow for small and one to one instructions. The need for larger, more functional classrooms were also linked to concerns about literacy standards.

This is an area we have to get right. It is an area that requires constant revision and constant adaptation. Without literacy there is no education. The [States Grants \(Primary and Secondary Education Assistance\) Bill 2000](#) would go part of the way to addressing that concern if, in fact, there were new money in the bill. We on this side of the House say that there is no new money. The report went on to say:

The introduction of information communication technology into schools was identified as having significantly increased the recurrent cost of prime schools. The costs of establishing networks and maintaining and upgrading computer systems were cited as a common problem in schools. Technology was also seen as requiring additional expertise and increased staff time. It is a resource that has great value as a learning tool, however.

Budgets have simply not kept pace with the technological advances that have occurred in recent years. Inadequate resources in this area have led to a rapid increase in what is now known as the digital divide, and it represents one of those barriers I talked about earlier. The report also said:

Pressure to provide curriculum breadth was linked to parental expectations and the introduction of the eight key learning areas. Many principals expressed concern that their schools were unable to provide music and physical education. They said that schools need suitable areas, staff with specialist skills and higher staffing levels in order to provide such programs.

It is not enough to simply provide for reading, writing and arithmetic. Education is more than that, and we need to provide for more than just that. Limited resources require prioritisation and, when you prioritise, naturally some miss out. As the report pointed out, some principals believed that the most needy students were receiving the help they require. That is certainly a good, positive point coming from the principals. However, the problem occurs when trying to resource programs for those students in the next level up of relative needs. This, of course, is most unsatisfactory. It basically means there are insufficient funds in total and that the funds have to be directed to where the principals feel there is most need; but the report has suggested that the needs of the most needy are being met. Three-quarters of the principals were against policies based on competition theories and did not accept that schools should be penalised when parents withdraw children, which happened under the enrolment benchmark adjustment. Education cannot be based on competition, because competition, by its very nature, produces winners and losers, and usually more losers than winners. Education must be universal.

While the majority of principals indicated that their facilities were adequate, some 26 per cent—more than a quarter—indicated that schools were badly in need of facility upgrades. This would again indicate a vast gap in the facilities of schools. Some obviously are fairly well equipped, and many are not. Some principals raised concerns about not being able to protect students from the sun, wind, rain and, in some locations, even snow during physical education classes and school assemblies and when moving between buildings. I know from personal experience of visiting schools in my own electorate that this is a problem—not necessarily with snow but certainly with the other elements.

I am also aware that many school communities themselves—parents and citizens—are raising the money for these facilities. This issue was raised in an article in the *Sydney Morning Herald* on 30 July when a survey conducted by the *Sydney Morning Herald* of P&C associations at 90 schools showed that parents are even paying for such basic items as gas and electricity, which in fact are not fully funded by the state government funding program. Funds raised by individual P&Cs, according to this article, ranged from \$500 to more than \$100,000, with one school in my own electorate, Kings Langley, raising some \$60,000. In the *Our Future* report, reliance on outside sources for funding was seen as a problem by 91 per cent of the respondents.

While speaking about my electorate of Greenway in an adjournment debate in the Main Committee on 29 March, I tabled a list of urgent maintenance items that schools in my electorate required. I said in tabling the list that schools were not asking for the world; they were simply asking for basic items such as toilet and bubbler upgrades, first aid/sick bay facilities, decent security systems and airconditioning. I pointed out that, even if some of these schools received airconditioning, they would have trouble turning it on because, without an upgrade, the power system would blow.

Last week I visited another very good school in my electorate, Blacktown South Public School, which has just under 700 students. The buildings are 40 years old and so is the wiring, and airconditioning, though desperately needed, would be virtually useless because of the age of the power system. It needs at least \$35,000 to upgrade the wiring before it can even think about something like airconditioning. In summer, the temperatures soar and the children and teachers suffer, and they will continue to suffer until something is done to fix the problem. The school's classrooms have not been painted in 24 years and the students' artworks can only go so far to cover up the paintwork. Blacktown South is a typical school with dedicated staff achieving great results under severe restrictions, and I think it is time that we as

governments, both state and federal, helped these types of schools.

This bill will give \$33 million to literacy and numeracy programs over the next two years. If this is real funding, it is still only a drop in the ocean. In its submission to the New South Wales government for this year's budget, the New South Wales Primary Principals Association identified the need for at least an extra \$333 million to redress the erosion of funding in real terms and enable the essential programs that I have been referring to in this speech to continue—\$333 million in New South Wales alone is what is needed to bring the system up to par. Add the other states into the mix and the figure is obviously much higher.

I welcome of course whatever money is in this budget for education. Any money put towards educational programs is welcome. However, let us be serious. Compared to what is needed in the primary sector alone—let alone the secondary sector—this is nothing and we need to be talking about bigger issues than just what is represented here in this legislation. This bill represents no more than one step in a marathon race. There are still another 42 kilometres to go, and the pack is moving away in the distance and we are in danger of falling back amongst the stragglers, limping home after dark.

Finally, just returning to the *Our Future* report for a moment, it is important to know that, while it was commissioned by and focused wholly on the government or public sector, it was also supported by the private school principals as well. The Australian Primary Principals Association is made up of both public and private schools, and that association strongly supports the report calling for more resources for public schools. It is time to stop the bickering and buck passing. It is time to put the federal-state divide behind us and look at education as a national priority; it is a chance for some truly monumental nation building. Only then will the money come, and then the resources. Only then will we start to make progress towards the knowledge nation that we all can be and that we need to be.

Mr ACTING SPEAKER—The chair might say that it is very pleased that the

member for Greenway's scaffolding did not collapse during the course of his speech.

Mr NEVILLE (Hinkler) (11.12 a.m.)—The purpose of the *States Grants (Primary and Secondary Education Assistance) Amendment Bill 2001* is to provide additional funding for literacy and numeracy programs for the years 2001-02 and 2002-03. I am proud to stand here today as a member of the National Party, having been able to make a real difference in government to the lives of children at schools in my electorate. I say that quite sincerely. We are making ground on numeracy and literacy, but the work is not finished, and unfortunately there are negative and cynical forces trying to keep children and schools from Bundaberg to Gladstone in my electorate in the dark ages and their parents in the dark.

I visit a lot of schools in my work, and lately I have made visits to South Kolan Primary School, Faith Baptist School, Mount Morgan State High School, Mount Larcom secondary departments and St Stephen's College. At the secondary schools, I presented the Centenary of Federation book on Edmund Barton. I just hope that the state Labor education minister, the Queensland Teachers Union and the federal ALP give those primary school students whom I visited a fighting chance to be able to read that book and that the secondary school children in the schools I visited will receive the remedial assistance with their reading if they require it. The Labor state education minister, Anna Bligh, is, quite frankly, hiding the truth about literacy standards from the parents of schoolchildren in Bundaberg, Burnett, Isis, the Coral Coast, Miriam Vale, Discovery Coast and Central Queensland.

The report on literacy and numeracy standards issued by the Queensland School Curriculum Council last week reveals that almost 22 per cent of year 5 students in Queensland did not meet the national benchmark standards last year. That means that one in five students or, if you like, six in every average class have fallen behind. Why aren't the QTU up in arms about that? I would have thought that that would have been a fundamental social issue in this debate on education. Minister Anna Bligh will

not even tell the parents in the Hinkler electorate whether their children can read or write to the national standard levels for their age groups. Instead, she voted with the other state Labor education ministers to reject the Commonwealth's proposal that the states should tell each parent how their child's reading, writing, spelling and numeracy achievement compares with national literacy and numeracy benchmark standards. She will not tell them because the figures are not good and people might start questioning the fact that, despite \$5 billion in a GST windfall going to the Beattie government in this year's budget, that government did not even match the federal government's education funding increase to state schools.

A half-completed footbridge across the Brisbane River in Brisbane and a football stadium that few seem to want are amongst \$700 million worth of unnecessary expenditure being used to build monuments in Brisbane. These works seems to be more important to the Labor Party in Queensland than the school children in Bundaberg and Gladstone being able to read or write. It is very quick to criticise the federal government if we do not do something in the electorate, but it is very slow to order its priorities when it can build stadiums and footbridges at the expense of children receiving basic education. Anna Bligh, along with other state education ministers, then tried to put up a smokescreen by attacking the National Literacy and Numeracy Plan. I think that is just a taste of what parents in my electorate could expect if Labor were to be successful in the coming federal election. Talk about roll-back, Labor wants to roll back the national benchmark tests because the teachers' unions oppose them—simply for that reason. The Queensland Teachers Union is running a purely political campaign on behalf of the ALP, knowing that the ALP will dismantle the literacy and numeracy initiatives if elected.

This government will never compromise on the education of Australian students by backing away from its literacy and numeracy strategy, and I fully support the efforts of Minister Kemp, who has visited my electorate on two occasions where this has been a

seminal issue. By contrast, Minister Anna Bligh's refusal to tell parents whether their children can read or write at national standards shows that she thinks very little of the parents, the P&Cs and the schoolchildren themselves. She obviously believes that literacy and numeracy testing results are too politically dangerous in the hands of parents, who quite rightly demand that their children are properly schooled and skilled in the basics. In refusing to be accountable to parents, Minister Anna Bligh is following the lead of the Leader of the Opposition who, as education minister, hid from parents the fact that one-third of Australia's school children were unable to read or write to acceptable standards.

A knowledge nation will not work if 30 per cent of the children of that nation cannot read or write. If you cannot get the fundamentals right, you are going nowhere with the other programs. This hypocrisy seems to know no bounds. Yesterday morning, when I saw the *Courier-Mail* editorial that my colleagues have already alluded to in this debate, I had a feeling that for the first time justice is finally being done. At last, a section of the Queensland media have recognised the paucity of Labor's claims and, to quote from the *Courier-Mail* itself, how 'dishonest' was the campaign of the QTU. I just hope that the rest of the media, particularly the media in my electorate, are able to see through the QTU's patently dishonest marginal seats campaign. When it comes to hypocrisy on this issue, the media does not have too far to look.

In Bundaberg, my Labor opponent's campaign manager is also, believe it or not, the local QTU spokesman, Greg Purches. I believe that this creates a situation where voters can clearly see that the union are nothing more than a cheerleader for the local Labor Party. Their arguments are transparent, misleading—dare I say, sleazy—and, if taken to their ultimate ends, dangerous for kids. I would welcome the chance to debate with them on this issue in front of parents, teachers and P&Cs, but I doubt that they will have the guts, because I believe their campaign would be far too easily exposed. It is an echo of the AMWU's campaign in Hinkler in

which they claim that the government has done nothing for manufacturing in the electorate. Anyone who knows the industrial towns of Australia will know that Gladstone is the powerhouse of good industry—yet they persist with this. It is part of this parallel campaign of the union running alongside the Labor Party, trying to create this marginal seats imagery where they say, 'Oh, these things are not being looked after in this particular marginal seat.' But, in talking about the AMWU—and I am not going to dwell on this—nothing could be further from the truth, and local people know it.

As of yesterday, I can identify \$219 million that has been allocated by the federal government to industry seed funding or facilitation, or for trade promotion to assist local industries. I note that the minister at the table, the Minister for Trade, was in my electorate last week as part of that facilitation. He had a lot to do with the \$100 million announced last night for AMC; he was actually at AMC with me as recently as last Thursday. He has also been responsible for \$9 million worth of EMDG grants to export industries in my electorate. So the AMWU's campaign has no substance.

Let me return to the QTU, which have been following a similar tactic with the ALP. They have been in my electorate with mobile billboards on the backs of trucks. Again, this is part of a blatantly misleading advertising campaign. The QTU's so-called facts are a gross misrepresentation of the truth and reveal only a small piece of the total picture of education in Australia. The real facts are these. Government schools in Australia enrol about 2.2 million students, about 69 per cent of the total enrolments. Students in government schools receive 78 per cent of the public Commonwealth and state funding for schooling—not 30 per cent, as the QTU claim. Government schools in Australia receive around \$13.5 billion each year from the taxpayer. Non-government schools get about \$3.5 billion of public funding for the one million students that they look after. There are around 430,000 students in government schools in Queensland and 307,000 in non-government schools. Commonwealth and state spending on government school

students in Queensland is around \$3.7 billion a year. Direct Commonwealth funding alone for Queensland government schools in 2002 will be \$440 million, an increase of 52 per cent over Labor's last year in office. That is an extraordinary figure. That is way ahead of everything that inflation can account for.

The Queensland government has not matched the Commonwealth's rate of increase in funding for government schools. Queensland increased its state expenditure on government schools in its last budget by 4.1 per cent, compared with the Commonwealth's increase to Queensland government schools of 5 per cent. Most of this state's increase was taken up with a pay rise of 4½ per cent to teachers, at a cost in 2001-02 of \$215 million. I do not quibble for a minute with teachers receiving adequate and proper remuneration. However, it is one thing to say that the schools are not being properly funded but another thing not to tell the public that most of the increase that went to the state school system in the current year actually went substantially to teachers' pay. That is fair enough, but parents are entitled to know where the money goes.

Items in the latest Queensland budget, such as the \$3.7 million for the Quality Teacher Program, are paid in full by the Commonwealth. The QTU fails to mention that. By 2002 the Commonwealth government will spend \$669 million more in government schools than in 1996, an increase of 43 per cent. By contrast, the number of students in government schools has risen by only one per cent. A 43 per cent increase in funding; increase in students one per cent.

The QTU's 'facts' on non-government schools are equally misleading. Under the Commonwealth's new funding model, in 2004 schools serving the most needy communities will receive funding of \$4,368 for each primary student and \$5,721 for each secondary student. This compares with \$8,172 in total funding for students in government schools. Non-government schools serving the most needy communities are funded to a level of 70 per cent of what it costs to educate a student in a government school. By comparison, the schools serving the wealthiest communities will in 2004 re-

ceive only \$855 for each primary student and \$1,120 for each secondary student. This is just 13.7 per cent of what it costs to educate a student in a government school. This 13.7 per cent is hardly an indulgent amount of money being spent in private schools. These arrangements will inject \$38 million extra into Queensland non-government schools in 2004 when the new funding model is fully implemented. This will go substantially to Catholic, Anglican, Adventist and Christian schools and also to community schools.

Labor and the QTU are acting as if the way government and non-government schools are funded is something new. In fact, this system where the state provides the majority of government school funding and the federal government takes responsibility for providing a much lower funding level for non-government schools has been in vogue since 1973, and elements of it since even earlier than that. It is interesting to note that the government that laid the foundations in 1973 for this type of break-up of government and non-government funding was in fact the Whitlam Labor government. It is funny to see the teachers union railing against it at present in its refined form. Despite this historical basis for the funding regime, we have the teachers unions having a fundamental commitment to remove all public funding from every non-government school, including Catholic parish and indigenous community schools.

Unlike the National Party, the QTU and the Labor Party are opposed to parents having a choice in education. We in the National Party believe that parents have the right to choose the best schools for their child, whether it is in the government or non-government sector, and that the public good is served in providing public funding for the education of every Australian student. By choosing a non-government school, parents accept that their costs will not be fully covered, but they also do a public service by removing some of the burden from the public system, reducing pressure on the public purse and keeping class sizes down. So that I am not misquoted on this, let me make it perfectly clear where I am coming from on this issue. I have no particular favour for

government or non-government schools, but I have a passionate belief in choice. Some of my children have gone to both systems, so I am in a position to judge: what suits one child in one system may not suit another child in another system. So I make no pejorative statements about either system, nor do I totally endorse both systems. What I am saying is that parents should have the fundamental choice.

Let us look at what the teachers union have to say about this. When appearing before the Senate inquiry into the states grants bill in July 2000 the AEU said it had long opposed any funding to private schools and would continue to do so. Nothing could be clearer than that. When asked on ABC Radio on 15 March 2001:

... do you want the government to stop funding private schools in all shapes and forms?

Sue Simpson, of the NSW Teachers Federation said:

Well, that's certainly the ideal position of the Teachers Federation.

Nothing could be clearer as to what their attitude is. We all know that sooner or later union policy becomes ALP policy, so what parents have to look forward to is certainly not the best.

There is another crime of education hypocrisy being carried out by the Labor Party in my electorate, and that concerns a small Gladstone non-government school. The education of students at St Stephen's College has been put at risk because the Labor Party will not pass the bill to establish its grants in the Senate. This small Anglican school of 122 students will be denied the October instalment of \$15,250 from its establishment grant if the Labor Party does not do a backflip and vote in favour of establishment grants for new schools, including this one. St Stephen's is a fine example of a can-do school. It serves its community well and it has strong leadership from its principal, Peter Fowler. He tells me it is not a rich school, nor are the parents of the students who attend it rich. Mr Fowler told me that parents of students at the school work their hearts out on the factory floors of industries in Gladstone so that they can have a choice of education for their children. They deserve something better.

The Leader of the Opposition was in Gladstone recently but, surprisingly, he did not find time to go to one of these schools. He was more interested in running around with corflute signs, signing his signature alongside that of his Labor candidate, trying to convince the public that he had a new-found love of the public ownership of government facilities. Of course, he did not mention anything about the Commonwealth Bank or Qantas.

Mr LATHAM (Werriwa) (11.32 a.m.)—I think it is a great shame that the previous speaker, the member for Hinkler, was so negative in his remarks. In his 20-minute speech he spent more time talking about the Labor Party than the reading and writing skills of young people in his electorate. He was so short of ideas for improving literacy and numeracy performance that he spent a good part of his speech talking about the Australian Manufacturing Workers Union. I think it is regrettable indeed.

Unfortunately, much of this debate has been about the literacy and numeracy programs of the Keating government. Surely this issue is too important for an exercise in political point scoring; surely when it comes to something as vital as the literacy and numeracy of young Australians the future counts for much more than the past. While ever this government bangs on about the things that happened or did not happen six years ago it will continue to overlook the education reforms that need to happen now.

My focus in this debate is to be as positive as possible and to suggest to the minister and others the need for further reform in Australia's literacy and numeracy program. We need to build on the fledgling success of the basic skills testing and national benchmarking in our schools. We need to do more in six key areas of education reform.

The first area is to improve our performance in early childhood education. Early childhood education in Australia has been undervalued and underresourced for too long. Every report on knowledge highlights the importance of early learning. We now know that the infant years are more important to literacy and numeracy than had been previously thought. An infant's grasp of lan-

guage formed through speaking and listening in the early years is fundamental to the development of good literacy skills at school. For every dollar of early education spending, it is possible to save seven dollars of public money in subsequent outlays on remedial services.

Unfortunately, however, Australia has been slow to act on this compelling research. As a nation, we have underestimated the importance of early childhood and underresourced its learning opportunities. Only 25 per cent of three-year-olds and 70 per cent of four-year-olds in this country attend preschool. This has left Australia near the bottom of the OECD league table. Whereas on average infants in this country spend just eight months in pre-primary education, in France, Sweden, Germany and Japan they spend at least 30 months. You can see the comparison and the way in which we lag behind.

Australia needs to match this level of participation. Provision needs to be made for all four-year-olds to access a preschool place, along with a significantly higher proportion of three-year-olds. This requires improved federal-state cooperation and the implementation of a national preschool plan. Under the current system, participation rates and teaching standards vary widely across the states and territories. In addition, the educational component in Australia's child-care centres needs to be upgraded, particularly with regard to the professional qualifications and training of staff. At the moment, only one in every two long day child centres in this country employs qualified preschool teachers. That is not good enough.

A preschool education should also be made universal in terms of the assessment of learning needs. All four-year-olds should be tested for learning disabilities, especially in speech and hearing. Up to 15 per cent of Australian children have speech and language disorders, many at a severe level. That is a very distressing statistic. The whole lesson in the research, and I think in common-sense, would say that you need to get those problems early and to invest early in remedial action to deal with those disabilities. Often the difficulties are not identified and

not corrected until well into the school years. Remedial programs need to be brought forward to preschool. Every child should arrive at school with a clear assessment of their learning capabilities and disabilities. Quality literacy and numeracy programs at school need to build on the success of the pre-primary years. Australia desperately needs a national preschool plan of action.

The second reform that needs to be undertaken is to do more in our secondary schools with respect to literacy and numeracy performance. We have a big problem in our high school system. A number of university studies have revealed huge difficulties in the level of reading, writing and speaking skills in grades 7, 8 and 9. For most students in the early secondary years, reading progress slows down and then levels out. Even worse, one in four pupils actually goes backwards in their basic skills. This is a national crisis: one in four Australian students goes backwards in the early high school years in their basic reading, writing and numeracy skills. I take as my source the research conducted at Melbourne University by Peter Hill and Jean Russell. One of their reports states:

The mapping of pupil learning progress across the compulsory years of schooling revealed that there was virtually no growth during the middle years in reading, writing, speaking and listening. ... reading progress plateaus in grades 5 to 8 for most pupils, while for the lowest 25 per cent there was an actual decline in achievement, particularly in the first year of secondary school (grade 7). It was also evident that underachievement persists longer and is greater among boys than girls.

The crisis is worse for boys than for girls. This is a very distressing statistic. At a time when most parents—and indeed, all the community—would be expecting their children to be learning more and getting ready for the challenges of adulthood, one in four students is worse off compared with when they left grade 5 in primary school. These middle school years can be a black hole for the reading, writing and numeracy skills of a large number of Australian students. The Minister for Education, Training and Youth Affairs, Dr Kemp, is aware of these research findings but, unfortunately, he has done nothing about them. For 5½ years as educa-

tion minister he has failed to introduce basic literacy and numeracy testing in grades 7 and 9. He has not spent one extra dollar on the remedial programs and specialist teachers needed to tackle this problem.

This is a big community concern. I say to every parent and to every citizen in this country who is worried about the behaviour of young adolescents that the crisis that needs to be addressed is in middle schooling. The problems with boys, the problems on our streets, the problems with law and order, with drug abuse—so many of these have their origins in the difficulties in the middle school years. We have a national crisis on our hands, but we do not have a national response from this government. If secondary students cannot read and write properly, they have next to no chance of finding jobs upon leaving school. Education failure is a one-way ticket to a lifetime of trouble. The research has identified the problem; we need a government willing to act and resolve this national crisis.

We need a vigorous program of middle school reform—and this is my third area of advocacy. We need to rethink the strategies for years 5 to 10, these vital middle years of school education. We need to introduce a system of home rooms and home teachers so that students can be familiar with their mentors and teachers. This is the best way of helping students through what can be a difficult transition from primary to secondary school.

We also need to introduce a larger component of project based learning in our schools to make every classroom and every exercise a rich task in learning. Young people need the challenge that comes from project based learning, in environmental projects and civic projects and other community based initiatives. This engages them and teaches them the habit of learning by doing, plus the practical benefits and teamwork that come from this particular approach.

We also need to open up more diverse learning options in the middle school years. I envisage the middle school as a hub to which a range of learning settings can be connected. Not every student will learn through the traditional academic curriculum; students

learn in a variety of ways. The early adolescent years are a period of rapid change and challenge for many young people. So, too, their learning interests change and are challenged. We need to excite the diverse learning interests of Australia's young population by opening up diverse learning options and curricula in each of our schools. I envisage the middle school as a hub, connected to options in multimedia, the use of museums and libraries, the use of the performing arts and of manual practical skills in the education system. We need to build the learning environment around the unique needs of every student, instead of making the assumption that one size might fit all in school education.

There is an excellent example of this approach in my electorate, at Macquarie Fields. A program called the MacThing has had outstanding success in reconnecting young people to the benefits of literacy and numeracy education. But, for all its success, it still lacks adequate funding from the federal and state government departments. It also lacks the flexibility and support to make sure that they do not have red tape and bureaucracy standing in the way of further success. The MacThing is a more informal environment of learning where the students do not feel that they are in a regimented classroom—the thing that they have rebelled against. It builds pastoral care and support for the students, trust between teacher and student, thereby re-engaging these troubled young people with the benefits of education. The New South Wales Department of Education has said that the MacThing is not acceptable for 13- and 14-year-olds to be part of its work; 13- and 14-year olds in the eyes of the education department need to be in the formal school environment. But these students have turned their backs on the formal classroom. Why can't the MacThing be regarded as an annex, as part of the local government high school and be part of the funding support and flexibility available from the New South Wales Department of Education? We have much work to do in the vital area of middle school reform.

A fourth area of reform is with regard to disadvantaged schooling. We all know the

importance of literacy and numeracy right across the country. Literacy and numeracy are all-important for all schools but are absolutely vital for disadvantaged areas. Some people say that we need to go soft on standards and testing, that rigorous testing can be too hard on students. I say that this attitude of softness is not doing anyone any favours, and it particularly hurts students in disadvantaged schools. Australia's national program of basic skills testing is not being implemented rigorously enough. Evidence has come to light that these tests have been 'dumbed down' to make it easier for schools to reach the minimum benchmark.

Of even greater concern is the fact that the performance of disadvantaged schools in literacy and numeracy remains poor. It is estimated that up to one-third of eight-year-olds in disadvantaged areas cannot read and write to an acceptable standard. Those who want to go soft betray the interests of those students. Unless those students have the rigorous testing, benchmarking, teacher support and resourcing to get results, they will never get a fair start in life. Increased resources and more effective intervention strategies are needed to overcome this problem.

We also need greater flexibility in the running of reading recovery programs in disadvantaged schools. Recently I had the pleasure of speaking to the principal of Claymore Public School in my electorate, and he was talking about the New South Wales government's reading recovery program. He said the reality for his school was that, if he took on the recommended number of reading recovery teachers, they would have to take the whole class; they would basically have to take the whole school. In disadvantaged areas the problem with literacy and numeracy can be so acute that the targeted reading recovery program is not adequate in the way in which it is organised. The principal at Claymore has recommended a return to phonics, whole class teaching, extra teachers in the classroom, and also an emphasis on rote learning. Sometimes this is discouraged, but let us not confuse reality with theory. The reality is that a lot of students get self-esteem and confidence out of rote learning—the confidence that comes from getting a lot of

answers right. They need that confidence and self-esteem to move onto harder and richer tasks. We need to be practical in this. We need to identify the things that work in particular circumstances and back those programs as vigorously as possible. One size does not fit all when it comes to disadvantaged schooling.

I also say that we have had too much tolerance for failing schools. The greatest crime against a child, particularly a child from a poor background, is to give them a poor education; to deny them educational opportunities through good schooling and a good learning environment at home. I want all state and territory governments to rigorously publish results and to make comparisons between good and failing schools. I want failing schools to be identified. Schools that are failing to add value to the education and future of their students need to be identified, and we need to do something about it. We should have zero tolerance of underperforming schools in this country. We should close them down and bring in the experts, the resources and the innovations to get results. The only thing that matters in education is results. We should identify these failing schools and bring in the people who can get results for the students who are desperately in need.

The fifth area of reform concerns class sizes. Australia needs a national program to bring down the size of our junior primary classes. This would allow teachers to improve the quality of classroom instruction, which is the key to stronger literacy and numeracy in the first three years of school. A number of studies have demonstrated that students in smaller classes achieve significantly higher scores. Follow-up research has shown the durability of these gains. Smaller class sizes in the junior primary years increase the level of student progress for the remainder of the school years. These are gains that stick on for the remainder of school education.

By international standards, Australia is lagging behind. It is estimated that 80 per cent of our early primary classes have more than 20 students; two in five have more than 25 students. Other nations are doing much

better. Governments in Europe and North America are acknowledging what every teacher has long known: smaller class sizes improve the quality of learning. There is no doubt about it—in the early primary years smaller class sizes improve the quality of learning. In the United States, for instance, the government is funding a national program to reduce primary class sizes to an average of 18. Australia needs to match this effort and give our young people the same head start in life. Our children may be 20 per cent of the population, but we are guaranteed that they are 100 per cent of our future.

The sixth and final area of reform I would advocate concerns the vital role of parents as educators. I regard school education as only one-half of the equation. It is only 50 per cent of the learning experience. Learning does not begin and end at the school gate. It is a whole of life process and it requires a quality learning environment at home. Recently I had the pleasure of reading a book by Mem Fox. It is a best-selling book in this country, and it is called *Reading Magic*. She presents research demonstrating that, if we read to our infant children at least three storybooks a day, no Australian child will be illiterate. It is a vital investment for parents to spend at least 30 minutes a day reading at least three storybooks to their children. If all parents in this country do that, according to the research and according to commonsense, we would not have a literacy problem in this nation. I can proudly report to the parliament that Oliver Dennis Latham enjoys having read to him at least three books a day. My favourite books have become his favourites; he has no say in it as yet, but when it comes to Dr Seuss's *Fox in Sox*, *Green Eggs and Ham*, and *How the Grinch Stole Christmas*, I love reading to him and I know the benefits that apply to my little boy. I want those benefits to apply across the country.

All parents must read to their children. Never think you have not got enough time. Never think you have not got the potential. Everyone can read to their children. For those who have not got the skills right now, we should be providing courses. We should have adult and community education courses through which parents can become more ef-

fective educators in the home. If they do not feel that they have the literacy skills to be reading and assisting with homework, then the role of government is to identify those parents and provide the courses to bring their skills up to standard. If some parents are not willing to engage in such programs, we should apply mutual responsibility programs. This is a basic responsibility of parenthood—to assist the education of children. I think that, in the vast majority of cases, Australian parents want to be good educators in the home, and most are. But for those who have not got the skills, we should provide the courses. For those who still say no, we should apply policies of mutual obligation. I note in the United States, for instance, that some of the state governments have a policy whereby, if people live in public housing areas, they must agree to engage in adult education courses. It provides more effective skills for themselves and more effective education for their children at home. We should do the same in this country.

If parents still lack the capacity to act as educators in the home, we should bring in mentors. We should harness the vast skills of retired teachers and retired professional people—the vast and growing army of retired Australians who can provide mentoring and assistance in the home as educators. Finally, I will quote an excellent letter to the *Daily Telegraph* yesterday from Bernadette Sweeney, a resident of Kiama. She wrote:

Perhaps local schools or community centres need to advertise for “grandparent” figures to volunteer to assist in programs that could be implemented in mentoring children in need.

I’m sure the self-funded retirees who John Howard is so keen to compensate would dearly love to give some time in this way, in return for what the community is prepared to give them. It would definitely be more fulfilling than worrying about which trip to take or which financial adviser to choose.

It is true that in this parliament we often encourage financial interests to move to the front of the public policy agenda. There is a vast community interest here, and that is to provide mentors and assistance for children in need, particularly when it comes to literacy and numeracy.

I commend these six proposals to the House and urgently suggest to the government that it take them on board to deal with the problems in literacy and numeracy performance in this country.

Mr BAIRD (Cook) (11.52 a.m.)—It is my pleasure to support the *States Grants (Primary and Secondary Education Assistance) Amendment Bill 2001* today. I commend the member for Werriwa on his speech and his ideas and thoughts on education. We know that the Labor Party are not interested in his ideas on education because they moved him off the frontbench and rejected his ideas at the last election. A lot of interesting ideas were put forward, but innovative ideas are never encouraged amongst the ALP.

This bill is of great encouragement to those who live in my electorate and to the Australian people, because the government has shown in clear terms its support for both government and non-government schools in this country. Firstly, the bill provides legislative authority to the recent budgetary measure of \$33.3 million over the coming two financial years to continue strategic assistance in schools and to support literacy and numeracy research. It is important that we recognise the ongoing strategic assistance. Secondly, the bill ensures that commitments to non-government schools are met. It amends the State Grants (Primary and Secondary Education Assistance) Act 2000, which is the principal vehicle authorising funding for the 2001-04 funding period to include this additional funding and to ensure that the government’s commitment to non-government schools continues. It is important to note that the bill makes no changes to policy; it simply appropriates the extra amount because the number of enrolments in new schools was higher than expected.

In a press release earlier today, the Minister for Education, Training and Youth Affairs noted that last year Labor said that it favoured extra funding for needy non-government schools. On 5 October last year, the member for Dobell said:

It’s at the low-fee Christian schools where the real need is.

On the following day, he said:

Labor's not against extra money for private schools, especially needy private schools.

Yet in June the ALP voted against establishment funds for needy non-government schools. It continues to endanger the funding of more than 50 new schools. All members would be aware of the hypocrisy of the ALP. An example is the stunt by the Leader of the Opposition this morning, who came in with his own charter of budget honesty when, for 13 years, Labor totally ignored all aspects of it in its administration of the Treasury bench.

It is the same with the shadow minister for education, the member for Dobell, who goes around the country saying, 'Yes, you're exactly the type of school that should receive funding—small private schools should receive it; the Christian schools out in the Western suburbs should receive it.' If that is what Labor believe in, let them support it with votes on the floor of this House. But, of course, they will not do that in here; it becomes an entirely different situation because they get their ruling directions from the Teachers Federation. I have certainly had representatives from the Teachers Federation come to see me. They attack me because their view is that the government is not providing enough funding to government schools. Record funding has been provided to schools around Australia by this government.

Eighty-five per cent of funding to government schools must come from state education authorities, but the Teachers Federation never want to know about that. They want to take the 15 per cent that the federal government is responsible for and beat us up without looking at the record of some of the state governments. In New South Wales, funding has gone backwards. They do not want to talk about the funding under this government, which has continued to escalate. They simply say, 'Yes, but a lot of it is going into private schools.'

I have asked them, 'Don't you believe in choice?' The people who live in my electorate, who pay their taxes, are very happy for there to be government schools and private schools, but they should have the capacity to make the choice as to where their children should go. If they are paying their taxes, they

would expect that that part of their taxation money would come back into educating their children—educating them according to the interests and the ideals that they as parents have for their children. The answer I got from one of the representatives of the Teachers Federation was, 'No, I do not believe in choice. There is a government system. We should do all we can to encourage the government system, and that is the end of it.' So I said, 'You are really talking about the Stalinist view of no choice.' We all saw how that ended up in the Soviet Union. They provide government monopolies—government run factories, a government run distribution system and retail outlets. The result was that the economy of the Soviet Union has collapsed.

People need choice. It provides a competitive environment, with private schools competing against government schools, and vice versa. In New South Wales, we have seen some outstanding HSC results from government schools. In my electorate, Caringbah High, St George Girls High, James Ruse High, North Sydney High and Sydney High all have an outstanding record as government schools, but many of the private schools in Sydney have also performed outstandingly in the HSC. Sydney Grammar and Knox are amongst those. Across the board, we have seen significant achievement. People having a choice is at the nub of the government's philosophy.

The fact is that more than 50 per cent of members opposite come from trade union backgrounds and they have a strong belief in the trade union system and the role that trade unions play in society. We do not object to the role that trade unions play, but we do object when they overstep that role and dictate to the Australian community, saying, 'You shall have no choice. We want only government schools to be funded. We don't believe any funding should be provided to some of the non-government schools.' That is hypocritical for two reasons. I know that, on the opposition frontbench, the shadow minister for education, the member for Dobell, did not go to a government school—and that is fine. He went to a very good private school in my electorate. I would like to hear

him say, 'Let's provide some equity in terms of the private sector. Let's provide assistance to independent schools and those schools that are funded by the churches, so that people can have a choice.' It was his parents' choice to send him to a private school, and other parents across Australia should have that same right. What I hear time and time again from people in my electorate is that they want to be able to exercise that right to choose. In fact, in my electorate I often hear the criticism that there are not enough private schools for them to go to.

This bill provides more assistance to not only government schools but also non-government schools. I am proud to say that I went to a government school which provided a very significant level of education. Many members on the frontbench went to government schools. The Prime Minister, for example, went to Canterbury Boys High. I went to Port Hacking High. These were excellent schools. But this is about choice. If people were not allowed a choice, we would be running a small dictatorship in terms of how people should live their lives. The bill also makes some minor technical changes. The bill includes a small change to correct an error resulting from the change of the basis of funding from the previous quadrennial legislation.

This bill highlights how much this government has been giving to education in this country. This budget was the sixth budget in a row where schools funding has increased. This means that schools funding has hit a new record high. We are constantly criticised by the opposition in terms of funding for schools across Australia; yet we have hit this all-time high. Eighty-seven per cent of the funding for specific schools initiatives contained in this year's budget will go to government schools—\$238 million will go directly to government schools—and \$34.1 million will be spent over five years to support online curriculum development to ensure that students are kept abreast of developments in information technology. That is absolutely appropriate in this new IT era. The budget also provided \$46.7 million to continue the successful Jobs Pathway program. This program enables the smooth tran-

sition from school to the work force. It is a very significant program aimed at young people between 15 and 19. It is anticipated that this extra funding will assist some 70,000 young Australians, which is what we want to see.

The \$33.3 million program specifically dealt with by this legislation has been put in place to fund projects that will improve the educational opportunities for those students who are recognised as being disadvantaged, particularly those with disabilities. This shows the compassion with which this area of the budget is administered. It is intended that the funding will be directed especially to the areas of literacy and numeracy. The opposition has expressed some concern that the funding has been announced only for the first two years of the funding quadrennium. However, the forward estimates have made room for further funding of almost \$100 million over the 2003-04 and 2004-05 financial years.

This government has an unsurpassed record in the areas of the literacy and numeracy—the building blocks of any person's education. In 1997, a National Literacy and Numeracy Plan was agreed to by all state and territory ministers. Among other things, the plan provided for all students in Australia to be tested on their literacy and numeracy needs in the earliest years of their education; for all students in years 3, 5 and 7 to be assessed against national standards; and for consistent assessment of national levels of achievement with respect to these standards. This is the first ever nationally coordinated approach to literacy and numeracy in Australian history. Reporting back to the community on student results against the national standards is already occurring. The plan has already seen a 13 per cent improvement in the reading abilities of year 3 students around Australia. Four years ago, the national school English survey showed that almost 30 per cent of year 3 students had failed to meet minimum standards of literacy. Data from March last year shows that that proportion has been halved.

I would also like to make some comments about the emotive and misleading language that has been used in this debate. I have been

listening to the debate and, while the member for Werriwa has been outlining his own alternative proposal in relation to education instead of the standard one we get from the ALP, there has been a lot of misleading information—and we hear it all the time. The misleading leaflets that were handed out to the students in my electorate have in large letters on the front: ‘The Howard government is a threat to the great work in our public schools’. The leaflet also claims that, since the early 1980s, there has been a run-down of spending on public education. These are lies—pure lies. The leaflet neglects the fact that we have reached an all-time high in funding for government and non-government schools. The government can be justly proud of its record on education. The 2000-01 budget made \$22.3 billion available for school funding for the next quadrennium. That is a 32.6 per cent increase over the 1997-2000 quadrennium and \$402 million per year more than the ALP ever gave. These increases come at a time when enrolments in government schools have increased by less than three per cent. That is the government’s record.

It would be different if the Teachers Federation worked on a factual basis when it runs around my electorate, your electorate, Mr Deputy Speaker Causley, and most other electorates in this country. The reality is that the government have increased funding by record amounts. There has been a 32.6 per cent increase in funding. That is \$402 million more than the ALP gave in its best year. That is not in terms of nominal dollars of the day; it is indexed dollars—real dollars of the day. There has been an extra \$402 million per year from this government. Just in the past year, there has been a 32.6 per cent increase, yet the Teachers Federation in New South Wales and in other states goes around peddling lies to students. Concerned parents come to me and say, ‘I read that you are cutting back significantly on funding to government schools.’ They outline the problems of their schools and say that this and that are needed, and I say, ‘Look at this government’s record compared with that of the previous government, and look at the state governments and what they are not doing in terms of their responsibility for 85 per cent of

funding of government schools around Australia.’

The GST will provide a substantial increase in revenue to the states and it will fund the salary of every teacher in every school in every state in Australia. It is a growth tax. If the Teachers Federation wants to complain about funding, let it talk to state education ministers and ask them to explain where the GST is going. This government is showing where the money is going: the 32.6 per cent increase—the \$402 million extra per year being put into school funding across Australia. It was particularly interesting to see that in its editorial the *Courier-Mail* took the Queensland Teachers Union to task and pointed out that state education is the responsibility of the state government. If education funding in Queensland has fallen short of what the Queensland Teachers Union thinks is appropriate, the protest should be aimed at the bottom end of George Street, not at Canberra. The same applies in New South Wales: the protest should be addressed to Macquarie Street in Sydney, not to Canberra. It is very clear that this government’s record has been outstanding.

Notwithstanding the difference in responsibility, federal government funding for government school students still remains thousands of dollars higher per student than funding for students in any non-government school. Sixty-one per cent of federal funding for schools goes to government schools. Some is allocated, but most is given to the states to maintain their responsibilities. The government’s priority is clearly to offer a choice. We make no secret of that. We believe that it is the right of every parent around Australia to decide which schools their child will go to and to review the services that are offered.

In conclusion, the debate has been full of rhetoric. The facts of the matter have been lacking on the opposition benches. The opposition have not highlighted the minister’s real commitment to education and education standards. The strong emphasis on literacy and numeracy standards is the key to any significant education program. There has been a significant lift in literacy and numeracy testing and standards across Australia.

lia. There is assistance and planning for those who are in a transitional phase from school to work. Under this government, we have seen record funding being spent on developing literacy and numeracy standards, and outstanding assistance for smaller Christian schools and independent schools across Australia. Talk to the parents of children who attend the many small independent schools across Australia and you will see the value of providing choice. Some very exciting things are happening in small independent schools across Australia. If parents are not wealthy, the fees are often low. The government are putting education on the map and empowering students, who are developing to their fullest potential, and lifting numeracy and literacy standards. I for one am very proud of the government's record in providing choice, increasing government funding and lifting literacy and numeracy across this country. I commend the bill to the House.

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

**WORKPLACE RELATIONS
AMENDMENT (TERMINATION OF
EMPLOYMENT) BILL 2000**

Consideration of Senate Message

Consideration resumed from 8 August.

Senate's amendments—

- (1) Schedule 1, item 6, page 4 (lines 7 to 31), omit the item.
- (2) Schedule 1, item 8, page 5 (lines 2 to 5), omit the item.
- (3) Schedule 1, item 9, page 5 (line 11), after "remuneration", insert "or duties".
- (4) Schedule 1, page 5 (after line 13), after item 9, insert:

9A Subsection 170CE(1)

Omit "subsection (5)", substitute "subsections (5) and (5A)".

- (5) Schedule 1, item 10, page 5 (lines 14 to 20), omit the item.
- (6) Schedule 1, page 5 (after line 20), after item 10, insert:

10A After subsection 170CE(5)

Insert:

- (5A) An application under subsection (1) must not be made on the ground referred to in paragraph (1)(a), or on

grounds that include that ground, unless the employee concerned had completed the qualifying period of employment with the employer at the earlier of the following times:

- (a) the time when the employer gave the employee the notice of termination;
 - (b) the time when the employer terminated the employee's employment.
- (5B) For the purposes of subsection (5A), the *qualifying period of employment* is:
- (a) 3 months; or
 - (b) a shorter period, or no period, determined by written agreement between the employee and employer before the commencement of the employment; or
 - (c) a longer period determined by written agreement between the employee and employer before the commencement of the employment, being a reasonable period having regard to the nature and circumstances of the employment.

- (7) Schedule 1, item 11, page 5 (line 21) to page 6 (line 10), omit the item, substitute:

11 At the end of subsection 170CE(7)

Add " , or within such period as the Commission allows on an application made during or after those 21 days."

**11A At the end of subsection
170CE(7A)**

Add " , or within such period as the Commission allows on an application made during or after those 21 days."

Note: In *Brodie-Hanns v MTV Publishing Ltd* (1995) 67 IR 298 the Industrial Relations Court of Australia set down principles relating to the exercise of its discretion under a similarly worded provision of the *Industrial Relations Act 1988*.

11B Subsection 107CE(8)

Repeal the subsection.

- (8) Schedule 1, item 13, page 6 (line 32) to page 7 (line 9), omit the item, substitute:

13 At the end of subsection 170CF(2)

Add:

- ; and (d) if the Commission considers, having regard to all the materials before the

Commission, that the application has no reasonable prospect of success, it must advise the parties accordingly.

- (9) Schedule 1, item 14, page 7 (lines 15 to 17), omit paragraph (3)(b), substitute:

- (b) the Commission has indicated that the applicant's claim in respect of the ground so referred has no reasonable prospect of success;

- (10) Schedule 1, item 14, page 7 (lines 27 and 28), omit "a substantial prospect of being unsuccessful", substitute "no reasonable prospect of success".

- (11) Schedule 1, item 15, page 7 (line 35) to page 8 (line 12), omit the item, substitute:

15 At the end of subsection 170CFA(1)

Add:

Note: If a certificate under subsection 170CF(2) identifies both the ground in paragraph 170CE(1)(a) and a ground or grounds of an alleged contravention of Subdivision C, and the Commission has issued a certificate under subsection 170CF(4) in relation to the ground in paragraph 170CE(1)(a), an applicant must make an election as if the certificate under subsection 170CF(2) identified only the ground or grounds in Subdivision C.

- (12) Schedule 1, items 16 to 20, page 8 (line 13) to page 10 (line 24), omit the items.
- (13) Schedule 1, item 21, page 10 (line 25) to page 11 (line 8), omit the item.
- (14) Schedule 1, item 22, page 11 (lines 9 to 11), omit the item.
- (15) Schedule 1, items 23 and 24, page 11 (lines 12 to 15), omit the items.
- (16) Schedule 1, item 25, page 11 (lines 16 to 18), omit the item.
- (17) Schedule 1, item 26, page 11 (after line 23), at the end of the item, add:

- (db) the degree to which the absence of dedicated human resource management specialists or expertise in the undertaking, establishment or service would be likely to impact on the procedures followed in effecting the termination; and

- (18) Schedule 1, item 27, page 11 (lines 24 to 30), omit the item.
- (19) Schedule 1, items 28 and 29, page 11 (line 31) to page 12 (line 9), omit the items.
- (20) Schedule 1, item 30, page 13 (line 27), omit "a reasonable opportunity", substitute "reasonable notice and a reasonable opportunity".
- (21) Schedule 1, item 31, page 13 (line 29) to page 14 (line 36), omit the item, substitute:

31 Subsections 170CJ(1), (2), (3), (4) and (5)

Repeal the subsections, substitute:

- (1) If the Commission is satisfied:
- (a) that a person (*first party*):
- (i) made an application under section 170CE; or
- (ii) began proceedings relating to an application; and
- (b) the first party did so in circumstances where it should have been reasonably apparent to the first party that he or she had no reasonable prospect of success in relation to the application or proceeding;
- the Commission may, on application under this section by the other party to the application or proceeding, make an order for costs against the first party.
- (2) If the Commission is satisfied that a party (*first party*) to a proceeding relating to an application under section 170CE has acted unreasonably in failing:
- (a) to discontinue the proceeding; or
- (b) to agree to terms of settlement that could lead to the discontinuance of the application;
- the Commission may, on an application under this section by the other party to the proceeding, make an order for costs against the first party.
- (3) If the Commission is satisfied:
- (a) that a party (*first party*) to a proceeding relating to an application made under section 170CE caused costs to be incurred by the other party to the proceeding; and
- (b) that the first party caused the costs to be incurred because of the first

party's unreasonable act or omission in connection with the conduct of the proceeding;

the Commission may, on an application by the other party under this section, make an order for costs against the first party.

- (4) In making a decision under this section, the Commission may have regard to any certificate issued or advice given under section 170CF and whether a party pursued a course of action contrary to any such certificate or advice.
- (5) An application for an order for costs under this section must be made within 14 days after the determination, discontinuance, settlement or dismissal of the application under section 170CE or proceeding relating to an application under section 170CE (as the case may be).
- (5A) A schedule of costs may be prescribed in relation to items of expenditure likely to be incurred in respect of:
 - (a) an application to the Commission under section 170CE; and
 - (b) a proceeding in respect of an application under section 170CE.
- (22) Schedule 1, item 33, page 15 (lines 9 and 10), omit paragraph (a).
- (23) Schedule 1, item 33, page 15 (line 20), omit "This list is not an exhaustive list."
- (24) Schedule 1, item 34, page 15 (line 21) to page 16 (line 6), omit the item.
- (25) Schedule 1, item 36, page 16 (lines 14 to 35), omit the item, substitute:

36 At the end of subsection 170CP(6)

Add " , or within such period as a court allows on an application made during or after those 14 days."

Note: In *Brodie-Hanns v MTV Publishing Ltd* (1995) 67 IR 298, the Industrial Relations Court of Australia set down principles relating to the exercise of its discretion under a similarly worded provision of the *Industrial Relations Act 1988*.

36A Subsection 170CP(7)

Repeal the subsection.

- (26) Schedule 1, items 37 and 38, page 17 (lines 1 to 10), omit the items.

- (27) Schedule 1, item 39, page 17 (line 18), at the end of section 170HBA, add "unless the second application corrects an error in the previous application, or the Commission considers that it would be fair to accept the second application."

- (28) Schedule 1, item 40, page 17 (line 26), after "applicant", insert "or a respondent".

- (29) Schedule 1, item 40, page 18 (line 2), after "applicant", insert "or a respondent".

- (30) Schedule 1, item 40, page 18 (after line 18), at the end of section 170HE, add:

- (2) An adviser must not encourage an employer to continue to oppose an unfair termination application if, on the facts that have been disclosed or that ought reasonably to have been apparent to the adviser, the adviser should have been, or should have become, aware that there was no reasonable prospect of the respondent defending the action.

- (31) Schedule 1, item 40, page 18 (line 26), at the end of subsection (2), add:

- ; or (d) the Registrar; or
- (e) an organisation of employees or employers that represented a party in proceedings at first instance in respect of the unfair termination application.

- (32) Schedule 1, item 40, page 19 (lines 1 to 7), omit section 170HG.

- (33) Schedule 1, item 40, page 19 (line 12), after "application", insert "or no reasonable prospect of the respondent defending the action".

- (34) Schedule 1, page 20 (after line 10), after item 42, insert:

42A Application of items 9A and 10A

The amendments of the *Workplace Relations Act 1996* made by items 9A and 10A apply only in relation to applications under section 170CE of that Act where the employment to which the application relates commenced on or after the date on which those items commence.

- (35) Schedule 1, item 46, page 20 (line 31) to page 21 (line 4), omit the item.

Mr ABBOTT (Warringah—Minister for Employment, Workplace Relations and Small Business) (12.13 p.m.)—I move:

That the amendments be agreed to.

I am very happy to support the Senate's amendments to the *Workplace Relations*

Amendment (Termination of Employment) Bill 2000, because the bill now significantly improves the regime governing unfair dismissals. The problem with the old unfair dismissal regime is that it has cost jobs and depressed employment in this country. The unfair dismissal regime, as it stood first under the former government's legislation, and even under the legislation that this government put in place in 1996, put at its most simple, is this: if it is expensive to let people go, it is hard to take people on. This government is about maximising opportunities for employment in this country. The Senate's changes are reasonable and fair. They should give confidence to employers, particularly small business employers, who are in the business of giving people jobs.

I want briefly to run through the major changes that the Senate has put in place. Under the bill as amended by the Senate, the Industrial Relations Commission will be able to impose penalties on lawyers and other advisers who encourage people to bring forward speculative and unmeritorious claims. Under the changes in the bill as amended, lawyers and advisers will be required to declare up front that they are operating on a no win, no fee basis. The commission will be able to exclude unmeritorious applications after an initial conciliation hearing. In considering these matters, the commission will be required to take into account the special circumstances that affect many small businesses that are required to appear in unfair dismissal matters. The commission will be able to order costs in cases of unreasonable and completely unmeritorious unfair dismissal applications. In addition, the bill as amended streamlines and simplifies the procedures governing the conduct of these sorts of matters in the commission.

Most especially, the bill establishes a general three-month probationary period for new employees during which the provisions of the unfair dismissal legislation will not apply. This three-month probationary period will apply generally to all businesses. I should point out to the House that this particular government amendment was based on the legislation in Queensland, and I understand that this part of the legislation in

Queensland was introduced by the Beattie Labor government.

In commending the bill as amended to the House, I want to acknowledge the work of small business representatives in presenting the case for change. I particularly acknowledge the indefatigable work of Rob Bastian and the Council of Small Business Organisations of Australia. I also acknowledge the work of the Australian Chamber of Commerce and Industry which represents very large numbers of small businesses in Australia. Obviously, my distinguished friend and colleague the Minister for Small Business has repeatedly lobbied on behalf of his portfolio constituency with me and with cabinet.

Finally, I would like to congratulate the Senate on the work it has done with this bill. All senators adopted a constructive and intelligent approach. I particularly commend the work of Senator Andrew Murray and the Australian Democrats. Obviously, I do not always agree with Senator Murray and I do not always agree with the Democrats, but I think that Senator Murray is a man of great goodwill and sincerity. He has the best interests of Australian business at heart and he wants to do the right thing by workers. He wants to try to ensure that the rights of workers and the rights of employers are balanced so that both workers and employers can go forward in the sort of partnership that will be best for our economy and our society.

I do not believe that this bill, even as amended, represents the last word in improving the unfair dismissal regime. Certainly, the government would prefer to see the sort of legislation that we have brought forward previously in this place and in another place to be passed, but I accept that, in the parliament as currently constituted, that is most unlikely. It is important that we should celebrate the progress that has been made rather than dwell on the things that might yet remain to be done. This Workplace Relations Amendment (Termination of Employment) Bill 2000 is a sign of this government's determination to do everything it reasonably can to boost employment. It is a sign of our determination to help small business to create jobs. (*Time expired*)

Mr BEVIS (Brisbane) (12.18 p.m.)—We will not be supporting the amendments to the Workplace Relations Amendment (Termination of Employment) Bill 2000 which have been agreed to in the Senate and to which the minister has just referred. I want to comment on the background to all of this, as I have done on other occasions when this bill, and bills of its kind, have been before parliament dealing with unfair dismissal laws.

The laws the parliament is proposing to amend are the laws that this government put in place. They are the third generation of unfair dismissal laws in the federal jurisdiction. Unfair dismissal law is a longstanding and common practice in state jurisdictions around Australian industrial relations. It has a much shorter history in the federal jurisdiction. The laws in the federal jurisdiction were first introduced by the former Labor government and, prior to the 1996 election, Labor recognised that the laws we put in place were not functioning as we had intended. We made a number of quite significant changes to those laws that addressed many of the concerns that had been raised with us, particularly by some in business and, indeed, some in government.

This government was elected in 1996 and made sweeping changes to those laws. That was the first wave of legislation introduced by the then minister, Peter Reith. Amongst those sweeping changes were significant changes to the way in which unfair dismissal laws operate under federal jurisdiction. I want to remind parliament of what the minister of the day, Peter Reith, said when referring to exactly these unfair dismissal laws we are now talking about. In 1996, he told parliament:

We have delivered a workable system for dealing with unfair dismissal on the basis of a fair go all round.

‘A fair go all round’ is how he described this government’s laws that they now want to change. At the time, we took the view that the government’s laws went too far, but the government argued that they were a fair go all round. They now propose to change the system that they said was a fair go all round, to tilt the playing field more heavily in favour of employers, and to provide fewer

protections to employees. Remember that the starting point for the adjustment is a system this government introduced which they said was ‘a fair go all round’.

We should understand that these amendments are about changing that ‘fair go all round’—and those are not my words; they are Minister Reith’s words—so that workers have less of a fair go all round. We do not support that. In saying that, I want to place on the record our view that there are changes that are warranted in the operation of unfair dismissal laws. There is a problem, particularly about time delays in the processing of unfair dismissal laws, which is a burden both for the company and for the worker seeking to have a case heard. On many occasions it can be a problem for a worker engaged to replace the one who has been dismissed. It is in everybody’s interest that these matters are dealt with quickly. Unfortunately, the current system does not facilitate that. We have seen unfair dismissal cases run for more than two years and that is a very unsatisfactory situation. Justice delayed is justice denied and that has been the case too often in unfair dismissal applications. So we need to do something about that.

We recognise also that there is a problem with the ambulance chasers that are so often referred to. We need to understand that this is not a problem peculiar to unfair dismissal law, nor is it peculiar to industrial relations law. Anyone who is involved in commercial or legal negotiations will tell you that. If one side think they have the leverage to extract something from the other, they will give it a go. It is not just in industrial law; it is not just in unfair dismissal law. People will be presented with the dilemma: ‘Do I defend this case, which I do not think is meritorious? If I defend it, it is going to cost me more money than if I simply settled out of court.’ That is the problem of the ambulance chasers in unfair dismissal law. I understand that and I do not like it.

Let us not kid ourselves. It is not created by unions or workers; it is not created by unfair dismissal laws; it is created by an attitude amongst the legal profession. I happily stand here and say that I am not a lawyer—and I have upset lawyers on both sides of the

House with that comment! (*Extension of time granted*) But it happens to be the case that, in a whole range of areas of the operations of the law, that sort of behaviour is commonplace. If you can press the advantage and get a claim settled out of court, you do it. Of course that happens, and that is a concern to us. We have been looking at remedies to that and, indeed, discussing them with various stakeholders. I made the comment to them that I make in this parliament now: the remedies that are proposed to deal with that create problems that are just as bad as the problem they seek to overcome.

On that point, I think it is worth having a look at the comments that the Democrats made on this in their report on the second wave legislation. This bill, of course, has its genesis in the second wave legislation. It is an extract from that second wave bill. In relation to these specific provisions that were in the second wave bill that have now been separated out, the Democrats said:

... It is in the interests of all parties concerned with unfair dismissals, if the Commission's processes are made as quick and inexpensive as is consistent with the needs of justice, and if the process of law does not become manipulative.

I agree with that. My concern is that they have the balance wrong with these amendments. They have not ensured that both efficiency and effectiveness, as well as justice, are being applied here.

The bill before us is markedly different from that which the government proposed. The Senate, thankfully, had the wisdom to extract a range of matters out of this bill which did not have the support of the other parties in the Senate. They include provisions that would have excluded contractors from the legislation, that would have restricted access to extend time to lodge applications as they currently exist and that would have prohibited compensation for shock, distress or humiliation. The workers in Australia are entitled to ask, 'Why does the government actually want to reduce the rights that we presently have? Why does the government want to prevent us being paid even when the court feels we should?' Remember, this is where a court hears the facts and decides that the worker has suffered shock,

distress or humiliation and as a result of that is entitled to some payment, but the government actually wants to write that out of the law.

Thankfully, the Senate took those provisions and a number of others that the government was seeking out of the bill. But we have heard here today from the minister his desire to see further changes in the law. I assume by that he means to see those things that were in the government's bill pursued in the future. So we now know the agenda for the next election from this government. It is to strip those things from workers in relation to the entitlements they currently have under the law relating to unfair dismissal. I assure the minister that we will make certain that the workers of Australia are aware of those additional changes the government wishes to make to further strip entitlements from employees.

I want to talk specifically now about the amendments made in the Senate with the support of the Democrats. We did in fact vote for a number of these amendments in the Senate with the Democrats. We took the view that, if there was going to be a bill passed through this parliament, it was better that it be a bill improved on the government's version, even if we did not like the final product. We supported a number of these amendments and subsequently sought to defeat the bill as a whole. As it turns out, it is just as well we did, otherwise the workers of Australia would not even have had these small mercies to be thankful for.

The Democrats in the Senate proposed, and had accepted, the following changes. Firstly, where at the conciliation stage it has been indicated by the commission that the applicant has no reasonable prospect of success at arbitration, the application must be dismissed. I can understand why the Democrats proposed that. It goes to some of the questions of meritorious claims and the ambulance chasers and the like. That will produce a requirement that the full case will be run up front. There will no longer be a two-stage process under this arrangement. We will now have the full case dealt with up front, and that is not going to expedite matters. Those cases that could easily have been

sorted out in the first tier of this process, quite simply, are now going to be prolonged because no-one will be able to take the gamble that you might have an adverse finding at that stage. You will have to run the full case up front. This will slow the process down. It will have the opposite effect to that which the Democrats and the government seek. (*Extension of time granted*)

The second Democrats amendment I want to refer to is that, in considering whether a termination was unfair, the commission considers the degree to which the size of the employer's business would be likely to impact on the procedures followed. There is a fundamental problem with this. What we are saying as a parliament, what the government is saying and what the Democrats have said, is that you have two sets of rights as a worker. You can be in one company and the facts of the case are absolutely identical, except that company A employs five or 10 people and company B employs 50 or 60—that is the only distinguishing feature—but your rights are different in those two places because of the operation of this new provision. That is a fundamental undermining of basic judicial principles. It is wrong. We should not be saying that workers will be treated differently, solely because of how many people happen to work at their workplace, when their cases are heard.

I also alert the government to the problem that I think is going to occur as companies reconstruct themselves. We already have many examples of companies that operate in the one location but actually use an umbrella of organisations that may all be owned by the same people. It happens. In fact, Joy Manufacturing, where there was a major industrial dispute, had a number of companies operating on the one site. The workers all wore the same uniform, they all thought they were working for the same company, but in fact they were working for a range of different companies. There is nothing to stop an organisation establishing that structure and employing five people in every one of them. Instead of having one company with 50 people, there are 10 different companies and they all employ just five, who all wear the same uniform. They all trade under the same

name, the customers all come to the same place; but, technically, the workers are employed by different organisations. The moment you introduce that distinction into these laws you invite that activity—and you do not have to invite it too much because it already occurs for tax purposes and for other reasons. The government is going to confront that situation. But, sadly, the people who will pay the cost will be the workers.

The third amendment I will refer to is the change that lawyers and other representatives must disclose whether or not they have a costs arrangement or contingency fee agreement—that is, no win, no pay. Why are we doing this? If the law is supposed to determine matters before it on the facts of the case, why should the financial arrangement between the client and the lawyer be a ground for determining whether or not the case should succeed? This is an absurd principle that we do not apply anywhere else in the legal system. But when it comes to workers' rights for reinstatement, we introduce it—only here do we introduce it—to strip away one of the arguments that workers have available to them.

The inference, of course, is that if a worker—who, by the way, has just lost their job, so the chances are they do not have a lot of money and certainly have no income stream for the future—gets offered the opportunity to have their case taken by a lawyer on a no win, no pay situation, that is less meritorious than if they had a big bank account and could afford to pay the lawyer up front in a trust fund. What an absurd, class based, elitist attitude that is. But that is what the parliament is being asked to support by this government. A factor determining the merits is now whether you are rich enough to pay the lawyer and put the money into their trust fund up front. This really is chequebook judicial behaviour. This is disgraceful. Of all the amendments the government proposes to make and that the Democrats have supported, this one is the most offensive. I am actually surprised that the Democrats have given it their support.

I want to mention two other amendments quickly—I hope not to prolong the debate much further. One is the prohibition on ad-

visers encouraging applicants to make or pursue a claim where they were, or should have been, aware that it had no reasonable prospect of success, for which the government now intend to impose a fine of \$10,000 on the body corporate or \$2,000 on the individual. Again, this is a mechanism that, as far as I am aware, is unknown in the rest of the legal system. (*Extension of time granted*) We do not actually fine advisers in any other jurisdiction I am aware of because they happen to have lost the case. They may have to pay costs in some jurisdictions, but that is not what we are talking about here. We are actually talking about fining them because they lost the case. Someone is going to decide: you should have known you were going to lose the case, so you should not have fronted up in the first place. This is a stacked deck. This government have loaded the dice so that when a worker takes a case for unfair dismissal the odds are well and truly stacked against them. And not only are the odds stacked against them because we have changed the rules on how it is going to be decided; if you happen to lose, not only are you not going to get your job back, not only are you not going to get any money, not only may you face costs, but your advisers may be fined as well.

Follow through the implications of this. People are going to be required to give up their assets to pay costs. For a lot of workers in this situation, their assets are the house and car and a bit of furniture—that is it. So what are we going to take from them? Are we going to take the car from them? Well, that will be helpful for them in finding another job—they will not have transport. That is good. Or are we going to take the furniture out of the house or sell up the house? Or are we going to put them in jail? We will put them in jail because they had the audacity to go before the courts and argue they had been unfairly sacked. That is the application of the combination of these things.

We acknowledge, as I said at the outset, that there is a problem with ambulance chasers and there is a problem with time delays. The time delay issue is not addressed in this bill at all. But to the extent that the Democrats have sought to fix the problem associ-

ated with ambulance chasers, they have not fixed it; what they have done is create another set of problems that is greater than the one they set out to solve. We will not be a party to doing that. We opposed this in the Senate and we will oppose the bill here in the House of Representatives. I look forward, early next year in government, to bringing forward to the parliament a bill to put some decency back into these arrangements and to address the issue the government have failed to look at—the problem of time delays—and, in consultation with the stakeholders, to deal more fairly with the issue of ambulance chasers.

I again remind the House: let us not kid ourselves about the practice of ambulance chasers. It is not unique to unfair dismissals; it is not unique to industrial law. And I suspect that, when the legal profession find a nice set of rules or practices to overcome that problem generically, at that point, and not before, we will overcome the problem in industrial relations. But we should not be trying to address that in an isolated fashion, particularly when to do it in the way this government proposes to do it denies ordinary workers the limited rights they currently have. Those limited rights, made available by Peter Reith's first wave of IR laws, were in themselves not overly generous. Today, the parliament proposes to take away some of those limited rights. We will divide on the bill when the debate reaches that point and we will oppose it.

Mrs CROSIO (Prospect) (12.38 p.m.)—I too would like to rise and consider the amendments in the House today. In fact, when I relooked at when the **Workplace Relations Amendment (Termination of Employment) Bill 2000** first came into the House, I found that it was something I spoke about in September last year, so here we are nearly 12 months later discovering that we are still trying to rectify some of the anomalies existing in this bill. Having this minister now in control of industrial relations is like having Dracula in charge of the blood bank. We cannot expect any sympathy, we cannot expect any thoroughness and, more importantly, we cannot expect any sympathetic consideration of what workers are on about

out there in the real world. This is really a no-frills version of the 'more jobs, better pay' bill that was put up by the previous minister. When you look at that bill, and then consider the debate that took place in the Senate on the amendments that we are now debating, you understand and appreciate where we are really coming from. The government are really about driving a stake into the heart of industrial relations. They seem to have an absolute obsession with dismantling the Australian Industrial Relations Commission, which is really the only fair and independent umpire. If this government had their way, believe me, we would still have eight- and nine-year-olds down in the coalmines or working in the cotton mills.

I say to the Minister for Employment, Workplace Relations and Small Business, who is at the table: Minister, you have got to wake up. We are now in the 21st century. This minister seems to be an absolute clone of the Prime Minister. The Prime Minister in 1992, when he was Liberal spokesman for industrial relations, said—and I say it again; he has never denied it: it is there in the record—'We in the Liberal coalition would like to stab the commission in the stomach.' And that is what we seem to be doing eight or nine years later. The government are trying to have another crack at it; they are making another attempt to walk over the workers to stab the commission in the stomach. If they believe that unfair dismissal is really going to be an issue out there with workers and employers, I say again what I said last September: they have got to do their homework, and they have to do it well.

Yesterday I criticised the minister at the table in the matter of public importance before this House over his claim that protecting the entitlements of workers by a 0.1 per cent charge will cost 50,000 jobs. This seems to be a mythical figure that the coalition government repeatedly brings up. I did some more research and found that when Minister Reith was in charge of industrial relations he said that if we did not get rid of unfair dismissals we would lose 50,000 jobs, and that if we did not do something about unfair dismissals we would not allow small business to create 50,000 jobs. This mythical 50,000

seems to pop up every time this government wants to colour the figures or colour the debate—I call it hypocrisy.

I tried to find at least an honest survey to see where anyone could get these figures as to how many people will be disadvantaged. I could not find any. The only paper I could find that had surveyed small businesses employing workers out there in some of the areas I was concerned about was a University of Newcastle paper in 1999 which says that less than half of their respondents found unfair dismissal laws influenced them in any way whatsoever when hiring their people. I then found another survey done in May 2000—the Telstra Yellow Pages Small Business Index—where it asked the question of more than 1,200 small business owners, and, from the replies, 44 per cent of small businesses believed there were no barriers whatsoever and, of the 56 per cent who believed there were barriers to taking on new employees, 39 per cent believed the major barrier was that there was not enough work, 19 per cent mentioned the cost of employing them, 12 per cent said that finding skilled labour and staff was a barrier, eight per cent said the lack of cash flow, and eight per cent said the introduction of the GST. There was no mention, in the only two surveys I have been able to find in that respect, that if we can get rid of unfair dismissals it will create lots of jobs in industry at large. I am saying to the government through the minister: if we are going to have figures floated around to be used as a basis for amendments or for this particular bill to become law, then let us have some factual figures and let us not be so hypocritical in presenting this mythical figure of 50,000 every time someone wants to prove a point.

I would also like to agree with the honourable member for Brisbane, our shadow minister on industrial relations, on the points he made regarding the amendments that were moved in the Senate. When I first saw that Senator Murray was trying to move the word 'reasonable', I thought that I would like anyone to define 'reasonable' when we are talking about what is going on in the amendments to the particular bill we are now debating here in the House. (*Extension of time*)

granted) As has been stated before by the honourable member for Brisbane and to my knowledge—and I am no lawyer, either; I can only do research—there is no instance in the courts of Australia where a person who has lost a case will not only then be asked to pay costs but will also be fined. Yet we are saying to individuals, ‘If we believe that you have no right of winning that case, you will be fined \$2,000 before you even have the right to present it’—with a fine of \$10,000 for a company. This is quite unfair. I really believe there has to be a lot more fairness in action in some sections of the bill, particularly in the amendments. I reiterate that the Democrat amendments, looking at the conciliation stage, ask the commission to indicate when an applicant has no reasonable prospect of success. I say to you, Mr Deputy Speaker, and to the minister: who decides that? The case is before the commission. The Democrat amendment says that at the conciliation stage it has to be indicated by the commission if the applicant has no reasonable prospect of success. It is almost Caesar judging Caesar. The applicant is going before the commission to plead a case, and now the commission has to say, ‘At the conciliation stage, if I feel you are not going to win the case I am not going to allow you to proceed with the case.’ I think we have to examine that a little bit further.

As I mentioned before, with fines of \$2,000 for an individual in the case of breaching, how can you tell them they should have been aware they had no reasonable prospect of success? When people you represent—especially people in an electorate like mine—have been unfairly dismissed, how can you say to them, ‘You have to be sure in your own mind that you are going to pursue this claim, because you are going to be fined if you have no reasonable prospect of success.’ In other words, we would be saying to them, ‘Whatever you do, just take it. Don’t try. Don’t appeal.’ We may have a lawful process but, because of this government’s industrial relations bills and because of what they are trying to do in the industrial relations field, we will have to say to those people who feel they have a right to make a claim, ‘Don’t do it. It’ll be too hard for you. We’re not going to give you the encourage-

ment that you should have.’ More importantly, we are denying workers their rights. Who are we to say whether or not they have that right? Only the Industrial Relations Commission has that right.

I am concerned that if this bill goes through with these amendments in their present form we will have taken a backward step. We thought we were going into the 21st century with social changes, that is, consideration of the rights of workers. This government, no matter what we see or hear from them, and no matter that they have changed ministers, will not change the level at which they contemplate where they are going with these bills. It is an enormous degree of hypocrisy on the part of the government. Let us, for once, have some consideration of what the amendments signify and, more importantly, some consideration of what this legislation signifies for the workers of Australia into the future. If we as legislators fail them in this House, we fail as Australians.

Mr ANDREN (Calare) (12.47 p.m.)—In the last five years I have been pretty consistent about the workplace relations legislation of this government. I rejected the workplace legislation in its original form when it came into this House back in 1996, but in that debate I said that the unfair dismissal law was a disincentive to employment. As far as small employers throughout my electorate are concerned I have found that to be a continuing situation. In this debate—and in it there have been extremes from both ends of the spectrum—we have to start talking about mutual trust in the employment market, particularly in regard to small business. We know the impact of the GST on small business and we know the impact of other regulatory changes on small business. I certainly know of the impact on small business of the GST and I know, too, of the negative impact that the unfair dismissal regime has on employers and indeed employees in my electorate.

If we are to overcome the partisan and adversarial approach to industrial relations we must get away from this Left-Right nexus—the ideological positions that both sides take—and look at the actual job situation. For instance, I had a case in my electorate a couple of years ago of a recently hired per-

son who was looking after the phones in a particular company. The circumstance was that that person ran into a huge personality conflict with the manager. That person then proceeded to, if you like, undermine the credibility of the employer and, indeed, her work colleagues. That situation was untenable. I believe that within an organisation with 15 or fewer employees we should not have a situation where the employee is able to march into that workplace in almost an adversarial role; nor should the employer be armed with the means of taking that person through a legal process or dismissing them on the spot. Where 15 or fewer employees are working in a small manufacturing plant or in commercial premises, unless there is that mutual trust it is not going to be a very productive workplace anyway. That is the message I am getting from employers in my seat of Calare.

I said back in March this year that in 1996 I had no problems with a bill that exempts from the unfair dismissal provisions businesses employing no more than 15 workers. I feel the same way now. Such workers are always to be protected by the unlawful dismissal provisions which include dismissal for discriminatory reasons such as sexual preference, age, union membership and family responsibilities. I said then, and I see no reason to change my view after talking to small business operators, that unfair dismissal legislation is a disincentive to the expansion of employment opportunities. I am also aware that this government—and no doubt future ones—will use employment and unemployment figures to their political advantage. It is a nonsense to speak only of unemployment figures as a sign of economic health. One needs to work only an hour a week to not appear on those stats.

Many employees in rural and regional areas, and no doubt in city areas, are cobbling together a portfolio of part-time and casual jobs to make ends meet. We must protect their work conditions; we must protect them in all ways—through representative union membership, if that is their choice. Indeed, in recent days we have seen the effectiveness of arguing that position on behalf of employees. But I honestly believe that, unless we have

mutual trust in those small, micro businesses and employment situations, with employers armed with lawyers and employees with no resources to access lawyers, this three months is reasonable. I accept the amendments to the [Workplace Relations Amendment \(Termination of Employment\) Bill 2000](#) that have been passed by the Senate. (*Time expired*)

Mr HORNE (Paterson) (12.52 p.m.)—Before I came into the House today, I noticed on my computer that the job figures have just been released. They indicate that there is no growth in unemployment in Australia. Unemployment stays constant at 6.9 per cent. However, what they show is that the agenda of this government is well and truly on track, and that the number of full-time permanent jobs has decreased and the casualisation of Australian workers has increased. That is the agenda of this government: this government knows that the problem we are talking about today does not relate to casual workers and that is why this government encourages the casualisation of Australia's work force. That is the tragedy that is befalling many Australian workers. That is the uncertainty that is being built into the life pattern of many young Australian families in particular: they cannot make a commitment to the future of this country, they cannot make a commitment to the future of their families, because they are not guaranteed a job next week, next month, next year.

The other point I would like to make is about Job Network. The Minister for Employment, Workplace Relations and Small Business, who is at the table, often gets up and reminds us that as far as this government is concerned 15 hours of paid work is a job. Fifteen hours of paid work is what this government will fund a Job Network provider for, as long as they can get a person 15 hours. It is not a question of whether they can find them a job on which they can earn their living, on which they can survive, and nor are the statistics that give us the 6.9 per cent unemployment based on such criteria. Surely anyone in the work force that has a job has a right to expect that they can survive on that job, that they can be independent and that it will upkeep them and give them a

standard of living. Of course, that is not what the government claims at all. This government says, 'Fifteen hours of work is a job, and we will pay a Job Network provider as long as they can get that amount of work for someone that has been unemployed.'

The Steel Tank and Pipe Company in Newcastle is one of those companies that went belly-up last year. The 200 workers had to fight for their entitlements. Of course they missed out on them. I always find it interesting that it is the workers that have to fight for their entitlements and it is this government that forces the workers to fight for their entitlements. It should be the reverse, because in my opinion what happened to those workers was quite criminal. They were transferred in employment from their original employing company to a number of shelf companies that were only shells—they had no cash and no material. When the day came when the workers were told, 'Sorry, there is no more work,' there was absolutely no substance to the company that was employing them. The plant, the equipment, the land—all the property—was held by another company, not the employing company. Do we hear anything from this government in defence of the workers in that situation? No, not one jot. Yet what happened to those workers Steel Tank and Pipe Company in my opinion, as I said, is quite criminal, quite abhorrent to every Australian except this minister, who had absolutely nothing to say on it.

Workplace relations is the most important foundation on which to build any nation. We want families out there to have confidence in the future of this country, to have the confidence to go out and build a house whether they get \$14,000 or not. They can only do so if they know with some security that they have a job, that they have a place in Australia's work force. It is the responsibility of government to ensure that that security is there. All we see from this government is that security being reduced at every occasion. That is why we should oppose it. (*Time expired*)

Mr McCLELLAND (Barton) (12.57 p.m.)—The first point of real concern is what the **Workplace Relations Amendment (Termination of Employment) Bill 2000** means

to the employment security of average workers, in particular workers in a number of industries that are facing significant structural, economic change—in particular, the manufacturing industry. We note, for instance, that the Democrat amendments took out an amendment to section 170CG, by removing the words which had prevented unfair dismissal actions in circumstances which involved the operational requirements of the employer's undertaking, establishment or service. But in the amendments that have come in, it is proposed to add an additional term in section 170CG(d) to prevent unfair dismissal actions relating to the operational requirements of the employer's undertaking, establishment or service, unless the circumstances are exceptional.

What are going to be the exceptional circumstances? That is so vague as to be all but useless. Already, as a result of the government's inclusion in section 89A of the Workplace Relations Act that issues relating to redundancy cannot be included in awards—that is, there can be no requirement placed in industrial awards compelling employers to negotiate with workers or their unions prior to dismissal in circumstances of redundancy—workers are left with the situation where it is only in an enterprise agreement or perhaps an Australian workplace agreement that they could prescribe a procedure in respect of dismissal as a result of technological change or economic decline. However, there are authorities that the Federal Court cannot grant injunctive relief—or, in other words, specific performance—of those sorts of provisions.

Effectively, when this bill goes through, workers who are sacked because of the operational requirements of the business—that is, because of restructuring, technological change or economic decline—are without remedy. This government is dramatically hypocritical, and that stands out starkly. Australian workers have had a bomb explode at their feet today courtesy of this minister. I do not think, with respect to the minister and his department, that he has thought that through. This is a matter of real concern to the job security of ordinary Australian workers.

In the time available to me I will not have the opportunity to traverse the matters raised by the shadow minister. I think he did very well, with respect to him. There is no need for these double standards that apply to the representation of workers who have lost their jobs. We have heard in debate during parliament this week that if you are in or above your mid-40s and without tertiary education you are in real trouble in terms of getting other employment. To require the disclosure of contingency fee arrangements in circumstances where lawyers in Australia are not entitled to claim a percentage of any verdict obtained—they can only charge their scale fee according to court rules—is totally unnecessary. To cast a reverse onus on lawyers to prove that their ongoing conduct of the litigation was justified turns completely on its head any concept of professional privilege that has developed, because a lawyer needing to discharge that reverse onus would have to breach solicitor-client privilege. That is something that the legal profession generally should be concerned about. There is no other area of the law where that could even possibly be contemplated. But to do it with respect to workers, to scapegoat workers who have lost their jobs, is quite simply an outrage. (*Time expired*)

Mr ABBOTT (Warringah—Minister for Employment, Workplace Relations and Small Business) (1.02 p.m.)—I do not wish to prolong debate on the *Workplace Relations Amendment (Termination of Employment) Bill 2000* but I do wish to respond briefly to some of the comments that have been made by speakers in the debate. While I do not agree with most of what was put by opposition members, I do respect their passion and their commitment and I thank them for their contributions.

The member for Brisbane made a number of points. The first point he made was that the Senate's amendments are amendments to the government's 1996 legislation, which was declared at the time to institute a fair go all round in the unfair dismissals regime. I certainly take the member's point. These are amendments to our legislation. We thought at the time that our legislation was, indeed, a fair go all round. The sad truth is that, in op-

eration, our legislation did not work as well as we thought it should. That is why it needed some change and that is why we think the bill as amended by the Senate is a good one.

Secondly, the member for Brisbane said that the changes would mean that people would have to run a full case up front because of the ability of the commission to exclude proceedings after a conciliation hearing. I think that is a reasonable point for the member for Brisbane to make, but the reality is that the regime as it stands has meant that, after a conciliation hearing, the vast majority of employers have been in the situation of having to pay as they contemplate the cost of continuing. Hence the inelegant expression 'piss-off money', which so many businesses deeply complain about having to pay.

The third point that the member for Brisbane made was that, as a result of changes in this bill, workers would be employed by different entities. The provisions of this bill requiring the commission to take into account the different circumstances of small business do not go to the substantive law. We are not talking here about a different law applying to small business when it comes to unfair dismissals; we are simply talking about the consideration that the commission should give to small business in the conduct of these hearings.

The fourth point that the member for Brisbane made was that the no win, no fee disclosure was oppressive. I should point out in response that there is no requirement under the bill for the commission to take any judicial notice of this. It is simply the government's view that it is relevant and it should be on the public record.

The final point that the member for Brisbane made was that the commission's ability to impose fines for unmeritorious cases is an unjust imposition on people in trouble. Let me just reassure the member for Brisbane on that point by stressing that these fines can be imposed on lawyers and their advisers, not on applicants in this case.

As I said, I do not wish to prolong the debate. I certainly do not wish to impugn the motives or the commitment of members op-

posite who made the points they did in the debate. I think, if I may say so, that their concerns are misplaced, because I have considerable confidence in the ability of the commission to handle this new regime fairly. I think the commission comprises decent Australians who are determined to do the right thing by all Australians, but particularly by working Australians. I do not believe that this regime will be interpreted in ways which are harmful to the workers of Australia. So I commend the bill, as amended, to the House.

Question put:

That the Senate's amendments be agreed to.

The House divided. [1.11 p.m.]

(Mr Deputy Speaker—Mr F.W. Mossfield)

Ayes.....	78
Noes.....	<u>62</u>
Majority.....	16

AYES

Abbott, A.J.	Anderson, J.D.
Andren, P.J.	Andrews, K.J.
Anthony, L.J.	Bailey, F.E.
Baird, B.G.	Barresi, P.A.
Bartlett, K.J.	Billson, B.F.
Bishop, B.K.	Bishop, J.I.
Brough, M.T.	Cadman, A.G.
Cameron, R.A.	Causley, I.R.
Charles, R.E.	Costello, P.H.
Downer, A.J.G.	Draper, P.
Elson, K.S.	Entsch, W.G.
Fahey, J.J.	Fischer, T.A.
Forrest, J.A. *	Gallus, C.A.
Gambaro, T.	Gash, J.
Georgiou, P.	Haase, B.W.
Hardgrave, G.D.	Hawker, D.P.M.
Hockey, J.B.	Hull, K.E.
Jull, D.F.	Katter, R.C.
Kelly, D.M.	Kelly, J.M.
Kemp, D.A.	Lawler, A.J.
Lieberman, L.S.	Lindsay, P.J.
Lloyd, J.E.	Macfarlane, I.E.
May, M.A.	McArthur, S. *
McGauran, P.J.	Moylan, J. E.
Nairn, G. R.	Nehl, G. B.
Nelson, B.J.	Neville, P.C.
Pearce, C.J.	Prosser, G.D.
Pyne, C.	Reith, P.K.
Ronaldson, M.J.C.	Ruddock, P.M.
Schultz, A.	Scott, B.C.
Secker, P.D.	Slipper, P.N.
Somlyay, A.M.	Southcott, A.J.

St Clair, S.R.
Sullivan, K.J.M.
Thomson, A.P.
Tuckey, C.W.
Vale, D.S.
Washer, M.J.
Wooldridge, M.R.L.

Stone, S.N.
Thompson, C.P.
Truss, W.E.
Vaile, M.A.J.
Wakelin, B.H.
Williams, D.R.
Worth, P.M.

NOES

Adams, D.G.H.
Bevis, A.R.
Byrne, A.M.
Cox, D.A.
Crosio, J.A.
Edwards, G.J.
Emerson, C.A.
Fitzgibbon, J.A.
Gibbons, S.W.
Griffin, A.P.
Hatton, M.J.
Hollis, C.
Irwin, J.
Kernot, C.
Latham, M.W.
Lee, M.J.
Macklin, J.L.
McClelland, R.B.
McLeay, L.B.
Melham, D.
Murphy, J. P.
O'Connor, G.M.
Plibersek, T.
Quick, H.V.
Roxon, N.L.
Sawford, R.W. *
Sercombe, R.C.G. *
Sidebottom, P.S.
Snowdon, W.E.
Tanner, L.
Wilkie, K.

Albanese, A.N.
Burke, A.E.
Corcoran, A.K.
Crean, S.F.
Danby, M.
Ellis, A.L.
Ferguson, L.D.T.
Gerick, J.F.
Gillard, J.E.
Hall, J.G.
Hoare, K.J.
Horne, R.
Jenkins, H.A.
Kerr, D.J.C.
Lawrence, C.M.
Livermore, K.F.
Martin, S.P.
McFarlane, J.S.
McMullan, R.F.
Morris, A.A.
O'Byrne, M.A.
O'Keefe, N.P.
Price, L.R.S.
Ripoll, B.F.
Rudd, K.M.
Sciaccia, C.A.
Short, L.
Smith, S.F.
Swan, W.M.
Thomson, K.J.
Zahra, C.J.

PAIRS

Howard, J.W. Beazley, K.C.

* denotes teller

Question so resolved in the affirmative.

STATES GRANTS (PRIMARY AND SECONDARY EDUCATION ASSISTANCE) AMENDMENT BILL 2001

Second Reading

Debate resumed.

Ms O'BYRNE (Bass) (1.18 p.m.)—The States Grants (Primary and Secondary Education Assistance) Amendment Bill 2001

seeks to implement the changes to funding for literacy and numeracy programs outlined in the 2001 budget. The funding for these programs is for 2001-02 and 2002-03. The Minister for Education, Training and Youth Affairs has claimed that nearly \$40 million is planned to be spent on literacy and numeracy programs. This announcement was made with much fanfare and beating of chests, but unfortunately with very little actual basis. Budget Paper No. 2 makes a mockery of the minister's claims. Under the heading 'Improving schooling outcomes', the years are there—2001-02, 2002-03, 2003-04 and 2004-05—but what seems to be missing is the millions of dollars for each year; the amount appears to be zero. But what else can we expect from this government—the masters of mean and tricky?

Literacy is important. It is an important component of our ability to function within our society. We certainly need to aim for not only high levels of literacy across the community but high literacy levels for all individuals within our community. This need was recognised by the previous Labor government. In an effort to gain a benchmark measure of literacy in our schools, in 1994 the federal Labor government provided \$2.6 million for the national schools English literacy survey, which took place in 1996, to provide nationally comparable data on literacy achievement. Unfortunately, the minister, Dr Kemp, could not agree with the state ministers on what the results showed, so he went out and commissioned his own report on the survey. His report differed significantly from the initial report. The two reports ranged from four per cent of year 3 students not achieving the benchmark for reading to, according to Dr Kemp's report, some 27 per cent. It would not be too much of a stretch for someone to suggest that it was the minister's intention to artificially engineer a report which allowed him to claim that literacy standards were well below their actual mark.

When it comes to measuring any portion of our community we can always rely on the ABS. Given that this week the census was collected, I would like to note that the ABS has looked into literacy levels and found that there has been no major change in those lev-

els over the last 20 years. There is no doubt that literacy is critically important, and I doubt there would be any disagreement with this from any member of the House. But there is a catch: the only way we can expect our schools and our teachers to deliver is if we deliver to them the level of resources and the level of support they require. The reason for needing to deliver support is that the task of removing barriers to learning cannot be left to teachers alone. No matter how hard our dedicated teaching professionals work, there will be barriers to attaining greater learning outcomes that they will not be able to overcome on their own. But the trick to providing not only the resources required but also the support required is realising that funds are required. With the transfer of funds to Australia's richest schools and areas, teachers in our outstanding public schools are not receiving the funds that they know they need. They know it because they dedicate all of their concerns to students and to education. I wish the minister were half as committed to education policies as our teachers are. That is the primary reason that most of them become teachers, and they are certainly doing their bit.

But the federal government is not coming to the party. This focus has gone hand in hand with Dr Kemp's focus on providing additional funding to private schools, seen in his unfair enrolment benchmark adjustment and in the introduction of the SES funding model for non-government schools. The national literacy and numeracy plan endorsed in 1997 was seen by many as a response to the media driven perception that literacy levels were at a desperate point. The Australian Education Union has accused the government of manufacturing a literacy crisis for political expediency. Although it is clear that the literacy debate is often used for political gain, one point that is not debated is the link between literacy skills, socioeconomic disadvantage and opportunity. A stark example of this is shown in a recent Australian Bureau of Statistics study which shows that the unemployment rate for people with poor literacy skills is 16 per cent, compared with only four per cent for those with high skills. We cannot allow socioeconomic disadvantages of children to dictate their lives, op-

portunities and outcomes. People must be given a fair go to achieve their full potential. That is why the Labor Party will introduce education priority zones.

Education priority zones will focus on the use of education as a tool for overcoming economic disadvantage. DETYA's analysis of the 1996 national schools English literacy survey found that children of upper professional or managerial parents had significantly higher literacy achievement than children of parents working in unskilled manual occupations. A 1993 DEET ACER report looked at children who had completed year 12 and found that those who had professional parents were twice as likely to go to university than those who had unskilled parents, and those from the wealthiest 25 per cent of families were 33 per cent more likely to go to university than those from the poorest 25 per cent. The Tasmanian Primary Principals Association talks about the influence of poverty on educational outcomes in its recent report entitled *Learning Together*. The report says:

Poverty is an additional and critical factor in the quest for all students to be literate and educated. The relationship between children living in poverty and illiteracy is well established. 40% of Tasmanians are now judged to be living in poverty (The *Mercury*, April 15 2000), exacerbating our educational problems ... the highest rates of illiteracy is still found in our schools with the highest number of children coming from families existing below the poverty line.

The report goes on to talk about Dr Ken Rowe's observation of a particular outcome of the poverty for boys' disruptive behaviour study. He said:

There is strong evidence indicating that poor literacy leads to disruptive behaviour, rather than disruptive behaviour leading to poor literacy. This chain of poverty—poor learning, disruptive behaviour is well known to educators and many others but has yet to be broken in a major way. It now needs to be done, not only to improve the life chances of children from impoverished homes, but for the good of society in general.

These statistics prove that if we are to overcome intergenerational economic disadvantage in our society, we must improve educational opportunity for those disadvantaged children. While the Prime Minister targets

the nation's wealthiest schools for assistance, we will identify schools in low socioeconomic areas and work with the community to identify what is needed in those particular schools. We know that a one size fits all policy will never work in this complex area, so the initiatives used in education priority zones will be multifaceted. In each zone the Commonwealth will work with communities to develop a plan for their particular community that will include a focus on core educational outcomes such as literacy and numeracy and year 12 completion rates, and it will actually be accountable for improving those things. Some of the initiatives could include employing specialist remedial literacy and numeracy teachers; extra professional development for teachers; introducing a community mentor program; encouraging local businesses and local government to work with schools to motivate students and provide new opportunities for them, such as the excellent no dole program, which is run at Brooks high school within my electorate; and strengthening the link between schools, TAFE's and universities.

This policy demonstrates definitively the stark contrast between the position of the Howard government and the position of a Labor Beazley government in regard to their commitment to public education. Public schools educate over 70 per cent of our children. A high quality public education system is the backbone of a fair and equitable society. It is the only way we can ensure that children from all backgrounds, geographical locations and areas of society get a fair go. In a recent article in *Dissent* titled 'The freebie down the road', Lindsay Connors explains the effect of government indifference to public education:

Educational inequality strikes at the heart of democracy, leaving those poor in terms of knowledge and information to be used and manipulated by those with greater power.

While the Prime Minister is busy looking after the wealthiest and most advantaged schools in our community, Labor is saying loud and clear, 'We are committed to high quality public education for all Australians.' In its recent report *Learning Together*, the Tasmanian Primary Principals Association

talks about the importance of public education. It says:

Governments, communities and schools are right to relentlessly pursue the ideal that all will be well educated. Education is the best chance for young people to become positive, active participants in our democratic society and economy.

The Howard government's emphasis on private schools endeavours to change the way we think about our education system. Professor Alan Reid of the Australian Education Union says:

The shift of students from the public to the private system has a number of effects, the most significant of which is the way it threatens to alter our accepted understanding about the nature of public education. Since it is this change which endangers our democratic system, it is the one which most demands community attention and debate ... Broadly speaking, individual private schools represent a certain section of the population ... By contrast, public schools comprise a diverse cross-section of the population of their local communities. It is this key difference which is about to change. As the government facilitates this shift to private schooling and creates a single education market, so the diversity of public schools will diminish.

This change introduced by the Howard government, with the misleading rhetoric of 'choice', is incredibly damaging to our society. It undermines the very basis of a fair and equitable Australia. Marginson in 1997 says that this emphasis:

... encourages parental choice to be expressed in the form of a myriad of different monocultural world views, premised explicitly on the need to avoid contamination by other groups. This is to put a value on social difference rather than tolerance ... and in laying the basis for serious social and educational problems in the future.

The Howard government's commitment to private education is demonstrated in three policy changes that have been made since they came to office in 1996: the abolition of Labor's new schools policy, the introduction of the enrolment benchmark adjustment and the SES funding for non-government schools. Associate Professor of Education at the University of South Australia, Alan Reid, commented for the AEU that:

The point ... is to shift people across to private schools.

The most recent evidence of this government's favouring of the wealthiest private schools—of which, I hasten to add once again, there is not a single one in Tasmania—is in the form of the SES funding model. The minister has abolished the previous education resources index. This index was a measure of the school's ability to generate its own funds compared to a standard level of school resources.

The new SES system supposedly assesses need according to the socioeconomic status of the school community but directs high levels of funding to the nation's wealthiest schools. This new system is a clear indication of where the Howard government's priorities lie, and that is to look after the wealthiest people in our community. It is a mode that is simply not fair. It completely undermines the needs based principle underlying Commonwealth funding of non-government schools. It takes no account of the school's resources and earning capacity and ignores assets, donations and trust funds. I do not know of any state primary school in my electorate that actually has a trust fund, but what I do know is the number of people who struggle to take their children on a school trip or to keep books in their school library.

The incredible inequity of the system is pointed out by Lindsay Connors when she asks the question, 'Fairness for Whom?' She asks:

Is it fair that significant increases will go to some schools with more than twice the funds to spend on their students as most others? The answer depends on what the policy is trying to achieve.

According to Dr Kemp, it was the previous education resources index which was unfair. This is like calling a common tape measure unfair ... it does not have human virtues like fairness. That depends on how it is used. Dr Kemp's repeated assertion that the ERI was unfair masks the fact that the Howard government is changing far more than the index. It is making radical changes to the game itself.

The concept of socio-economic status comes in as a device only for ranking schools for public funding purposes. The resources the school actually has are irrelevant under the scheme ... This is

in no way a scheme designed to narrow the persisting gap between educational outcomes that reflect socio-economic differences.

The assertion that this system will make non-government schools available to all Australians is completely ridiculous. The money will be paid directly to the school, with no compulsion for them to reduce fees; thus they will still remain inaccessible to low income Australians. This system is not even to be fairly applied to all non-government schools. In fact, it will apply only to the one-fifth that stand to benefit from its application. Those schools will benefit greatly, and the rest will be funded at the level of the previous system.

Any initiatives that improve literacy and subsequently life outcomes for our children must be supported. However, we must never forget where this government's priorities lie when it comes to the education of our nation's children. They do not lie with the struggling public schools that are battling overwhelming odds to give their students a fair go; they do not lie with the 70 per cent of Australian children who are educated in the public system; they do not lie with the dedicated and hardworking teachers struggling with inadequate funds to still provide a quality education for the children that they teach; and they do not lie with the socially and economically disadvantaged members of our community. Their priorities, as we all know too well, lie with the most socially, economically and educationally advantaged members of our community.

Literacy is undoubtedly important and so this bill will be supported. But a true commitment from the government to the education of Australian children would be refreshing and, frankly, most welcome.

Mrs DE-ANNE KELLY (Dawson) (1.30 p.m.)—I rise to speak in support of the [States Grants \(Primary and Secondary Education Assistance\) Amendment Bill 2001](#). This is a very important piece of legislation. It is important to the independent schools in my state of Queensland and in my electorate of Dawson. I take this opportunity to commend the independent schools in my electorate, be they Catholic, Anglican or other independent church based schools. They make a wonder-

ful contribution to the education of our children in Dawson.

This bill has already been unnecessarily delayed by the opposition and should be delayed no longer. It contains no policy change to funding arrangements of non-government schools. It is simply an additional appropriation to ensure that the government can meet its obligations to 54 new non-government schools over the next four years and the almost 4,000 students who will attend them. Having delayed the passage of this bill once, I sincerely hope that the opposition gives it a speedy passage both here and in the Senate.

I would like to turn to some of the misinformation that is being peddled about school funding. One of the things that I note when I travel around Dawson and visit both government and non-government schools is that the signs on government schools still say what they said when I was a child, which is quite a while ago: Queensland state school. The reason they are called state schools is because predominantly they are the responsibility of the state to fund, assisted by the Commonwealth. The reality is that some 88 per cent—it varies—of funding for government schools, or state schools as they are known in Queensland, comes from the state government; the remainder comes from the Commonwealth. However, non-government schools—private schools, church schools; there are a number of terms used to describe them—receive virtually no funding from state governments. They are dependent on their parish, their parents and the Commonwealth government of the day.

The claim is made that these private schools or non-government schools receive more per student in public funding than government schools. This assertion is simply not true. By 2004, government secondary schools will receive approximately \$8,172 per student per year in public funding. By the same year, for those students in non-government schools, the amount will be \$5,721 per student per year—considerably less. That is for non-government schools, including the needier schools. For those so-called wealthy schools—and I do not quite know how one determines a wealthy school—the amount of government funding

per student per year is \$1,120. It is quite plain to see that government schools receive some \$8,000 per student; non-government schools receive some \$5½ thousand; and the so-called wealthier schools receive \$1,100. The facts speak for themselves.

I would like to turn particularly to the question of school funding in my home state of Queensland. Much has been said by the opposition and elements of the education union movement in recent days and weeks, attempting to prove that Commonwealth funding for state schools was being cut in favour of private schools.

For the record, Commonwealth funding for state schools in Queensland is increasing to a record \$440 million in 2002—an increase of \$23.6 million, or 5.7 per cent, over the previous year. Compared to 1996, the last year of a Labor federal government, this represents a massive 52 per cent increase in funding for state schools. That is a pretty good record when you consider that the number of students since 1996 has increased by only 2.3 per cent. It is quite plain that, while Commonwealth funding—and that is National and Liberal government funding—for state schools in Queensland has increased by 52 per cent, the student numbers have increased by only 2.3 per cent. So we are accelerating funding faster than the students are enrolling.

In Queensland we have heard much from the Queensland Teachers Union but little from the Beattie state Labor government, and in a moment we will find out why. In 2000-01 the Beattie Labor government increased school funding by less than one per cent, which the same Queensland Teachers Union described as 'standstill at best'. How much did they increase funding by this year? By 4.1 per cent. But surprise, surprise, where did this money go? Most of it has been chewed up by a 4.5 per cent salary increase to teachers. So the QTU was very happy to run interference for the Labor Party and to try to point at the Commonwealth, but when the funding finally went up from the Beattie state Labor government by 4.1 per cent, who had their hand out? Queensland teachers. I do not begrudge them the salary increase, but

I do begrudge them running a campaign to try to point the finger elsewhere.

Fortunately, others have been awake to it. The *APC Review*, the newsletter of the Australian Parents Council, paints a somewhat different picture to the story we have been given by the Queensland Teachers Union. In this newsletter's May 2001 edition, they express their support for increased public investment for all school education, especially in view of the alarming decline in commitment to public education by the states over recent years. The respected journalist Paul Kelly, writing in the *Australian* newspaper on 28 March 2001, said:

The reality is that public schools are mainly a State responsibility. The fate of our education system lies with our Premiers.

Hear, hear to that! However, the Queensland Premier is doing precious little. Even the Brisbane *Courier-Mail* stated:

The Queensland Teachers' Union should be made to write out 100 times: State education is the responsibility of the State Government.

Absolutely. The *Courier-Mail* of 8 August needs to be congratulated. It has got it in one. It went on to state:

So, if education funding in Queensland has fallen short of what the QTU thinks appropriate, the protests should be aimed at the bottom end of George Street, not Canberra.

In other words, the responsibility lies with the Beattie Labor government in Brisbane, not with the Commonwealth, which has increased its funding by 52 per cent since 1996. Remember that the bulk of the increase in state funding this year has been chewed up by the same QTU in salary increases, so clearly they cannot vent their spleen at Mr Beattie or the state minister for education, Ms Bligh.

So in the face of this underwhelming performance by the Queensland state government, what is the reaction from the Queensland Teachers Union? On Monday, 25 June 2001, they launched what they called 'the most intense public campaign in its history' and 'vowed to call federal politicians to account over state school funding'. The QTU said that it will focus on what they describe as nine marginal coalition seats in Queensland—namely, Petrie, Moreton, Longman,

Blair, Wide Bay, Hinkler, Herbert, Leichhardt and my own electorate of Dawson. Let us see what the *Courier-Mail* thinks of the QTU. The same *Courier-Mail* article stated:

The QTU would be better advised to throw its weight behind reform, rather than running political interference for the Australian Labor Party. Its campaign is not only dishonest, but also based on a fair degree of self-interest. Increased federal funding for Queensland schools would leave the way open for the QTU to seek higher salaries for its members.

Precisely. We have already seen what they do when they get an increase in funding from the state. Apparently they are going to challenge us—and I refer again to federal parliamentarians—to defend our local schools. I will very happily do that. Can I just remind the QTU that for them the three Rs, which used to stand for reading, (w)riting and (a)rithmetic, now stand for raiding, running interference and ranting. So the three Rs are alive and well but, unfortunately, they have had a political change of face. The QTU are raiding the increase in funding that the state government gave to schools, they are running interference for the Australian Labor Party and they are ranting, trying to point their finger at the federal government. It is fairly hard, though, to run such a campaign when we have increased funding to state schools in Queensland by 52 per cent since 1996.

Why do the QTU support the blatant discrimination of the Beattie Labor government against the state schools in my electorate of Dawson? I have a question to ask them when they come to Dawson. The Beattie government announced a major revamp of state secondary schools—its so-called Secondary Schools Renewal Program, as far as it goes a worthy program. This was directed at schools which were built prior to 1975 and were in need of refurbishment—as I have said already, a worthy idea. But there was a catch—a very big catch. When the minister announced the program and sent out the criteria and details to state secondary schools around Queensland, he also indicated the location of the schools which would qualify and those which would not. Those which would qualify were those that were under

competitive threat from non-government schools.

Let us just think about that for one moment. What that means is that, if you have another secondary school within bus distance or driving distance of that particular secondary state school in Queensland, then you qualify. If you do not, then you do not qualify. In other words, if a state secondary school did not have competition, that is, the children attending the school had no choice in education and nowhere else to go, then their needs were totally ignored by the Beattie Labor government. The schools in my electorate that are on this list that will receive no renewal funding at all include the secondary school in Ayr, the secondary school in Home Hill and the state secondary schools in Bowen, Proserpine, Mirani and Sarina. They are excluded because children there have nowhere else to go. Only in Mackay, where there are several private schools, were the two state schools included—and received a total of \$6 million. Naturally I am pleased to see those schools receive that funding; but it is a pity that their country cousins were excluded.

Did we hear howls of outrage from the QTU? No, we did not. This appalling neglect of country based schools was let go through to the keeper by the QTU, without a murmur or a whimper. They are happy to see country schoolchildren in Ayr, Home Hill, Bowen, Proserpine, Mirani and Sarina totally excluded—absolutely excluded from a program that would give them enhanced facilities: better assembly halls, new classrooms and refurbishment of old and decaying buildings built before 1975. One of my P&C presidents said to me that their school hall, which was opened in 1978 as a P&C project, is now too small to accommodate all of their students, so they are unable to have a whole school assembly. It is an absolute disgrace, which I reflected on when, on behalf of the minister, I recently opened three refurbished science buildings at the Proserpine State High School, almost entirely funded by the federal government—the same one the QTU are continually pointing their finger at. This citycentric Secondary Schools Renewal Program—only for schools where the children

have a choice—and the citycentric QTU are a reflection of the Beattie government's attitude to country Queensland. How far do the education unions propose to go?

Let me share with the House some recent quotes. We should remember that the so-called wealthiest non-government school receives only some \$1,100 a year per student; by comparison, a government school receives \$8,000 a year per student. But what does the Australian Education Union want to do about funding for non-government schools—for small church parish schools, schools like St Joseph's, in my electorate, or like St Colman's, in Home Hill, which I recently visited, small schools that service communities where the parents struggle to raise fund for the most basic items but where there is a great deal of community pride and of dedication by the teachers? Let us hear what the Australian Education Union says about these church based schools. Its submission to the Senate inquiry into the states grants bill, in July 2000, stated:

The AEU has long opposed any funding to private schools and will continue to do so.

Let us hear from the New South Wales Teachers Federation. Sue Simpson was asked, during an interview on ABC Radio on Thursday, 15 March 2001:

Do you want the government to stop funding private schools in all shapes and forms?

Ms Simpson replied:

That is certainly the ideal position of the Teachers Federation.

Let us hear from the Australian Education Union Tasmanian President, Mike Poate. In a radio interview on 26 July 2001 he said:

The federal government must redistribute the money that it is currently giving to private schools into the public sector. That way we can assure the future of Australian children.

I hope that the education unions are eminently unsuccessful with their deceptive campaign. I ask the parents of Australia, particularly those in Queensland, not to be misled. The federal National and Liberal government will continue to ensure that:

... government secondary schools will receive \$8,172 per student in public funding. Non-government schools will receive \$5,721 per stu-

dent; for those students in the so-called wealthiest schools, they will receive a mere \$1,120.

That does not sound to me like a terribly unfair outcome. What it does say is that every child in Australia matters. Every child should have the best opportunity of a quality education, whether they attend a government or non-government school. Their parents should have confidence in not only the federal and state governments but also the teachers to ensure that their child has the best education to enable them to both make a worthwhile career and have a satisfying adulthood. We are committed to that.

Since 1996, the federal National and Liberal government have increased funding to Queensland state schools by 52 per cent. That is an enormous amount when you consider that student numbers have increased by only 2.3 per cent. We are also looking to those small schools, particularly in my electorate. I have no so-called wealthy schools, but I do have a great number of non-government schools where the community battles extremely hard to pay fees and to assist their children—as do the parents of students at the state schools. The divisive campaign by the education unions to draw attention from the fact that they have raided state budgets with teacher salary increases should cease. We should all be committed, as the federal National and Liberal government is, to ensuring a quality outcome for our students right across Australia.

Mr RUDD (Griffith) (1.49 p.m.)—Education is the heart of the knowledge nation. The *States Grants (Primary and Secondary Education Assistance) Amendment Bill 2001* before the House is of direct relevance to the knowledge nation because it deals directly with literacy and numeracy and, without high levels of literacy and numeracy, we have no knowledge nation. Regrettably, however, the bill is dramatically deficient in a number of ways. It is deficient in its quantum and it is deficient in its equity, but most importantly it is deficient because it exists in a policy vacuum. It exists in a vacuum of national vision.

At best, the government's approach to education policy could be described as fragmentary. There is no attempt to relate the part to the whole, as we do in the Knowledge

Nation report. There is no attempt to formulate a clear vision for the future educational outcomes of the nation, as we do in Knowledge Nation. There is no attempt to link educational outcomes with future economic outcomes for the nation, as we do in Knowledge Nation. Worst of all, there is no attempt to defend the role of government in the overall delivery of education services. If there is an overriding ideological dictum on the part of those opposite when it comes to the role of government in education, that dictum is this: good government is absent government; good government is dead government. In toto, what we see in the fragments which constitute the government's overall approach to education policy is a zero response to the comprehensive strategy for education for the next decade which we presented in Knowledge Nation.

Before going to this absence of a policy framework, let us deal with the specifics of the amount of money in this legislation. In regard to literacy there is \$36.9 million over four years from the Commonwealth of Australia and \$10 million per annum from the Commonwealth of Australia to six states and two territory education systems. The combined education budgets of the states and the territories is in excess of \$15 billion. The education budget in the state of Queensland alone is in excess of \$3 billion. Literacy and numeracy programs in my state of Queensland under the Beattie government are in the order of tens of millions of dollars. Yet what we have in this enormous act of public policy munificence on the part of the Howard government is a bill which provides—I repeat—\$10 million per annum across all six states and two territories.

When we look at where that fits across the rest of the states, not only is it lacking in quantum; it fails to address what is already under way on the part of the states. For example, has Dr Kemp, the education minister, heard of the year 2 and year 6 diagnostic tests in my own state of Queensland, which go to the very heart of literacy performance on the part of children in the classroom? No. I am here to inform Dr Kemp, the education minister, that that was an initiative of the Goss Labor government in 1995-96 before, I

think, Dr Kemp ever darkened the corridors outside his office as education minister. Has he heard of a program called Support a Reader? Support a Reader is a program aimed at literacy intervention in the classroom, which was again introduced into Queensland education in 1995-96 under the Goss government—before the election of the Howard government and before Dr Kemp had anything to do with school education.

Has Dr Kemp heard of a program called the Reading Recovery Program? The Reading Recovery program was again introduced into the Queensland education system to deal with children with literacy problems in primary school, picked up through the year 2 and year 6 diagnostic tests. Again, that program was introduced in 1995-96, well before the election of the Howard government. If you look at all these things, as well as the introduction of dedicated literacy and numeracy teacher aides in education in the state of Queensland, you will find that they all predated by a considerable period any innovation of any description on the part of the Howard government or its representative in the education portfolio, Dr Kemp.

The federal education minister, Dr Kemp, claims to have invented the wheel as far as literacy and numeracy programs in the schools are concerned because some years ago he commissioned a methodologically dodgy report on literacy performance in the classroom. I would suggest that, before he takes on that report and adheres to the rhetoric contained within it, he should practise first and foremost the elementary discipline of a historian, which is to look at what everyone else has been doing for a long, long time. Look at what has been happening in Queensland before and during the period of the Howard government. Look at what is happening in the classrooms in the other states and territories in terms of literacy and numeracy programs. Look at the history of Commonwealth government reporting on the question of literacy. Dr Kemp's 1997 report was, he would say, the first breakthrough report on the literacy of our nation's children. In fact, if you look at a report prepared by the Parliamentary Library, you will find that it is not the first report, but the 30th re-

port to be prepared on literacy outcomes for Australia, going back to 1975.

If Dr Kemp and this government have not exactly invented a concern for literacy and numeracy, then perhaps the education ministers of the states and territories would take him seriously if there were significant dollars on the table, but we do not have that. I repeat the figures from before: a princely \$10 million for the states and territories combined. There is \$2 million for my own state of Queensland alone, which runs a \$3 billion education portfolio. But here is the ultimate rub: this \$10 million per annum, \$2 million for the state of Queensland, is not even new money; it is old money, as the shadow minister for education, Michael Lee, articulated clearly in his contribution to this debate yesterday, and as is clearly demonstrated from Budget Paper No. 2.

Of course, that is just literacy. If we look at the other elements of education policy performance, there is the ongoing scandal of the education grants for the country at large. We have that \$145 million grant to 58 category 1 schools across the country— something like \$2 million a knock if you happen to go to the Kings School, to Wesley or to one of the first-class schools around this nation. But what happens if you happen to go to one of the Catholic systemic schools, which are there in large numbers in each of our electorates right across Australia? How much do they get? About \$60,000 each extra. What about government schools as a consequence of this grants program? They get an extra \$4,000 each per government school. There is an absence of equity in what the government is doing through that program, but it does not stop there.

Look at the school establishment grants. There was an announcement by this minister of \$14 million for non-government schools, which of course we do not oppose. But how many dollars have been announced for school establishment grants for government schools? Zero dollars. Yet government schools across Australia educate 70 per cent of the nation's schoolkids. They should, on the basis of equity alone, be delivered an extra \$30 million. How much extra money have they been delivered? Zero dollars.

The school education portfolio is far too important a portfolio to have loosed upon it a rampant ideologue whose ultimate view of government education is that it should disappear. From an education perspective, what we have in Dr Kemp, I believe, is the Dr Strangelove of education. What we have in this person is someone on a mission from God, someone who believes that his ultimate mission in this country is something the equivalent in education of eliminating the Soviet communist menace. But for him what that means in the school system is something like this: the elimination ultimately of public schools and the elimination ultimately of public school teachers, and the ultimate Antichrist of all in Dr Kemp's eschatology is, of course, the Australian Education Union and every other public education union in the country.

But ideology does not stop with schools. It also is applied to this government's continuing cold war against the universities. Let us look for example at research training places. The shadow minister, Michael Lee, revealed earlier this week that this government has effectively brought about a 13 per cent cut in research training places for this nation's universities. As Michael Lee has said:

Figures from Dr Kemp's own department show that there were 24,980 research training places in 2000 and Dr Kemp's press release today—

that is, 6 August—

confirms there will only be "more than 21,600"... in 2001 ...

What does that mean?

... a decline of 3,336 places or 13%.

This means there will be fewer training places for students doing PhDs in vital areas like IT, biotechnology and environmental science.

These areas are the core of the Knowledge Nation.

Dr Kemp's attack will reduce the number of research PhD students at Australia's seven 'UniTech' universities—

By how many places?

by 1,113 places or 29%.

It will also reduce the number of research training places at regional universities by 800 places or 17%.

And as the shadow minister concluded:

How can Australia possibly move towards being a Knowledge Nation when the Howard Government is making such savage cuts to our research capabilities?

If we go through it campus by campus, it is an even more disturbing picture. If we look at, for example, the unitech universities, there are 458 fewer places at RMIT, a drop of 46.4 per cent; a removal of 1,113 places from the other unitech universities. In my own electorate, at Griffith University, there is a loss of 214 places. This is a disgrace, which only this party will redress.

Mr SPEAKER—Order! It being 2 p.m., the debate is interrupted in accordance with standing order 101A. The debate may be resumed at a later hour and the member for Griffith will have leave to continue speaking when the debate is resumed.

QUESTIONS WITHOUT NOTICE

Workplace Relations: Workers' Entitlements

Mr BEAZLEY (2.00 p.m.)—My question is to the Minister for Employment, Workplace Relations and Small Business. Minister, now that the Tristar dispute is over, are you going to apologise to the Tristar workers for calling them traitors?

Mr ABBOTT—I notice that the Leader of the Opposition never condemned a strike which put 12,000 people out of work. The Leader of the Opposition never said boo to the union that caused 12,000 workers to be out of work. The Leader of the Opposition never condemned the Manusafe scheme, which amounts to a 19 per cent levy on pay-roll—

Mr Beazley—Mr Speaker, I raise a point of order on relevance. It was a simple, well focused question. Is he going to apologise for calling those workers—

Mr SPEAKER—The Leader of the Opposition will resume his seat. The minister was asked a question relative to the Tristar dispute and his answer was relative to the Tristar dispute.

Mr ABBOTT—At every step of this process, the Leader of the Opposition has stood shoulder to shoulder with the ultra-militants who have threatened the future of the motor industry. It is the Leader of the Opposition

who should be apologising to all of the 12,000 workers stood down as a result of the industrial action that he completely supported.

Economy: OECD Report

Mr BARTLETT (2.02 p.m.)—My question is addressed to the Treasurer. Will the Treasurer advise the House of the key findings of the latest OECD report on the Australian economy, released overnight?

Mr COSTELLO—I thank the honourable member for Macquarie for his question. I can report to the House that overnight the OECD released its economic survey on Australia, forecasting growth picking up in 2002 to 3.8 per cent and noting that Australia would be one of the fastest growing economies in the developed world next year.

We know that the United States economy has slowed very considerably, the Japanese economy is now in recession, Singapore is in recession, Taiwan and most of South-East Asia have had negative quarters and Europe is slowing. This is making world growth very uncertain and weaker than it has been probably for over a decade. But the good news is that, notwithstanding the weakness of the world economy, the Australian economy has held up very strongly and the Australian economy is now considered to be one of the strongest growing economies of the developed world.

The OECD report also made a number of findings as to what contributed to the strengthening of the Australian economy. It found, for example, that the recent tax reform would contribute a further improvement in economic performance, a broader and more efficient tax base reinforcing the benefits of fiscal consolidation. A narrower and less efficient tax base, the kind of tax base that roll-back is designed to give us, would of course undermine fiscal consolidation. The Labor Party would take us right back to where they had us: \$10 billion worth of debt, an \$80 billion build-up of debt over the last five years and \$23 billion worth of build-up of debt under the worst finance minister in Australian history. The OECD also said that major economic benefits should accrue from the comprehensive tax

reform, the first major step of which came into effect on 1 July 2000.

As the Australian economy strengthens over the course of 2002, we would expect growing job opportunities for Australians. Employment is a lagging indicator: as your economy strengthens, you would expect, after some months, jobs growth to strengthen. We expect jobs growth to strengthen in 2002.

The OECD report is a report on the way in which good economic policy can bring results. I make this point: it would not have happened just by accident. It would not have happened that Australia's exports would boom without taking taxes off exports; it would not have happened that we would have had low interest rates if we had not put the budget back into surplus; it would not have happened that we would have low home mortgage variable interest rates if we had not repaid \$60 billion of Labor's \$80 billion worth of debt. This report shows some of the benefits from economic policy, but the message is that good economic management must continue. It is important that we keep good budget and good tax policy and, most importantly, that we do not roll backwards on all of the good work that has been done in the Australian economy.

Employment and Unemployment: Statistics

Mr CREAN (2.06 p.m.)—My question is to the Treasurer and it follows his earlier answer. Treasurer, how can you claim it is good news when you have just presided over the biggest recorded monthly fall in full-time employment ever: a fall of 79,200 jobs last month? What do you say to the 160,000 workers who have lost their full-time jobs since your GST came in last July? What do you say to the hundreds of small business people being forced to the wall because of your job destroying GST? Treasurer, if everyone has never had it so good, why are so many Australians and their families missing out?

Mr COSTELLO—If the Labor Party really believed the GST was the author of such havoc on the Australian economy, they would have pledged to repeal it. I have never

really understood this point that, on the one hand, the Labor Party would have you believe that the GST has caused havoc in the fastest growing economy in the world, most probably caused an outbreak of foot-and-mouth disease in the United Kingdom and most probably is responsible for Mount Etna erupting, but, if they ever get elected to office, what do they want to do? They want to keep it. Every time you ask them about the extent of roll-backwards and say, 'GST raises \$24 billion. Will you commit yourself to rolling backwards 50 per cent, or \$12 billion?' they say, 'No, it's not \$12 billion.' If we say, 'Will you commit to rolling backwards one-third of the way?' they say, 'No, we wouldn't commit to that.' Roll-backwards—the policy which dare not speak its name—disappears by the minute. In the half-world of shadow and fantasy that the Deputy Leader of the Opposition exists in, roll-backwards is the policy that is required but can never actually be revealed.

In relation to the labour force, let us put some facts on the table. The Australian unemployment rate is currently at 6.9 per cent, down from its peak of 10.9 per cent in December 1992, when the employment minister was the now Leader of the Opposition. Over the course of the five years since this government was elected in March 1996, there have been a net new 805,000 jobs created in the Australian economy. Youth unemployment has come down from the all-time high of 34.5 per cent in July 1992, when Mr Beazley was the employment minister, to a rate now of 24 per cent. As I said, we have made some substantial progress in relation to unemployment. We have undone a lot of Labor's damage. But have we finished? No, of course there is more work to be done in relation to unemployment.

What do we have to do? We need a strong economy, and the Australian economy is holding up well compared with all of the economies of the developed world. More than that, we need labour market reform, because nothing would be better to bring down structural unemployment than labour market reform. I pay tribute to the work that has been done, but more labour market reform needs to be done. The third thing I say

is this: if you were really interested in people maintaining their jobs in Australia, would you support the irresponsible union action that put 10,000 people out of work last week? The one thing we never heard from the Labor Party was a condemnation of a strike that threw 10,000 fellow Australians out of work. The Manufacturing Workers Union, affiliated to the ACTU, threw 10,000 Australians out of work last week, and the old ACTU president could not bring himself to condemn it.

The Labor Party, if they get elected at the next election, will have three living former ACTU presidents on their front bench and a few dead ex-ACTU presidents sitting on their front bench, too. Who would ever believe that they could take a strong stand on labour market reform? Who would ever believe that they could support the kind of reform that is necessary to create real jobs for real people in this country?

Trade: Export Performance

Mrs DE-ANNE KELLY (2.11 p.m.)—My question is addressed to the Deputy Prime Minister and Minister for Transport and Regional Services. Would the Deputy Prime Minister outline the contribution made by Australians in rural and regional areas to the nation's economic growth as reflected in the OECD annual review of the Australian economy?

Mr ANDERSON—I thank the honourable member for Dawson for her question and acknowledge that that electorate, like so many others in rural and regional Australia, contributes massively to our export performance. Indeed, rural and regional exports remain—increasingly, it can be said—huge engines for economic growth in this country. There is no doubt that the partnership between the government and rural industries over the last 5½ years is starting to bear very real fruit. We are now, for the first time that I can remember in my adult life, all of which time I have been involved with rural Australia, seeing an improvement in the terms of trade for the nation's farmers virtually right across the board. That is to say, prices and incomes are rising faster than costs. That cannot happen without sound economic management.

Indeed, the great export industries of rural and regional Australia—farming, mining, tourism and the manufacturing industries that spin off them, because the biggest employer of the lot in the manufacturing industry in Australia is the food and fibre processing sector—are all enjoying much improved prospects. Farm exports alone this year will be worth almost \$30 billion, up 21 per cent on last year, constituting around 20 per cent of all of our exports. Higher prices—and this is an interesting point to those with an interest in trade, including the Minister for Trade—mean that more will be produced. That is what the nation's farmers will do. Higher beef prices, higher grain prices and higher wool prices will result in more beef, more grain and more wool. Not only will that produce more exports; it will produce a lot more manufacturing jobs, as that product is value added, and exports. Minerals and oil exports add another \$40 billion to our nation's export earnings. Even international visitors to rural and regional Australia earn the nation around \$2.5 billion a year.

The people responsible for all of this have shown great resilience and great courage. They have battled all of the seasonal irregularities that we know are a feature of living in this country, but it is not so very long ago that they were also suffering under the yoke of the most monstrously damaging economic parameters of any of the farmers in the Western world, with interest rates through the roof—two and three times what their competitors in other countries were paying. Every year a farmer had to add 12 or 13 per cent farm inflation to his budgets for the year. It is a wonder, really, that the rural sector survived at all, but it did. It took the last 5½ years of partnership, when we have been prepared to put the economic house in order and to fight the issues that had to be tackled, for that to happen. We have been prepared to tackle tax reform: \$3 billion of indirect taxes are no longer shackling our export industries. We have world-class telecommunications, so that you can export your organic beef out of Birdsville directly to Japan.

The government have the vision to take on such projects as the Alice to Darwin railway

and to ensure that AMC gets off the ground in Central Queensland as we become a world leader in light metals. The government worked with industries such as the pork industry through great difficulties to see it succeed in export markets, when every cheap-jack political opportunist in the nation—particularly those opposite—was running around saying that we ought to resort to protectionism. We did the hard yards. We held a course on reform. The pork industry today is in the best shape it has been in for decades, with a very strong future based on exports, particularly into Asia.

These investments we have made are showing dividends in the very strong growth figures put forward by the OECD. Rural and regional Australia is right up there making its contribution. What do we find from the opposition—those who ought to be responsible for putting forward a policy position to this vitally important part of the Australian community? Do we find criticism or objective remarks about the government's policies? No. Worse than that, do we find any ideas at all from the opposition? No. When given an opportunity—a free kick—my opposition spokesman was not even prepared to respond to an invitation to speak to a journalist about an article on reform in rural and regional Australia. I think that says it all.

Employee Entitlements Support Scheme

Mr BEAZLEY (2.16 p.m.)—My question is to the Minister for Employment, Workplace Relations and Small Business. Minister, do you recall releasing a paper in January this year entitled *The protection of employee entitlements on employer insolvency*, which noted that your employee entitlements scheme is a mere safety net? It concluded:

This does not preclude the adoption of additional measures by particularly employers and employees. Such an approach would place the obligation directly on the employer concerned and could deliver 100 per cent of what is owed to the employee.

Minister, isn't this exactly what the workers at Tristar did? I ask you again: will you apologise to the Tristar workers for calling them traitors, when all they did was to follow your prescription by legally bargaining at the workplace to secure their legal entitlements?

Mr SPEAKER—The Leader of the Opposition is now entering into argument.

Mr ABBOTT—I will never apologise for trying to end strikes, because strikes cost jobs. This government is in the business of ending strikes and opposing strikes, not supporting them or fanning them like the opposition do. Workers at Tristar have now had their entitlements protected. They have had their entitlements protected because the company offered them an insurance policy. What the company did not do, would not do and will not do is support the Manusafe scheme—the scheme that the Leader of the Opposition supports, the scheme the opposition supports and the scheme which will ultimately add 19 per cent to payroll costs and cost hundreds of thousands of jobs across the manufacturing industry.

Taxation: Government Policy

Mr CAMERON THOMPSON (2.19 p.m.)—My question is to the Treasurer. Would the Treasurer advise the House if he is aware of any policy proposals to increase the tax burden on Australians?

Mr COSTELLO—I thank the honourable member for his question. Some information has come to my attention that there are people in Australia advocating higher taxes.

Mr Howard—You've been reading the papers again.

Mr COSTELLO—No, I have been watching TV. Everybody would know, and I think the ABC would know, that I am an avid watcher of the *7.30 Report*. Last night there was a story regarding school funding which reported that, while the Howard government maintains that some states, which are primarily responsible for public school funding, are failing, five Labor ministers are preparing to convince voters otherwise. They have set up a task force to demonstrate that the Commonwealth should pitch in more and are considering mounting an advertising campaign. One proposal for raising extra money for public schools is an education levy similar to the Medicare levy. That is from five Labor ministers. The *7.30 Report* went to Professor Simon Marginson. Professor Simon Marginson is the author of that

much vaunted document that was released at the Sydney Institute, formerly known as Knowledge Nation but now known as the noodle nation. Simon Marginson said this on the *7.30 Report*:

I suspect there's probably sufficient community support for that—

that is, the education levy

because people do want to pay more taxes if they know it's going to go to education.

Professor Marginson costed Knowledge Nation at \$12 billion per annum. He was the author of the report that the Leader of the Opposition relied on when he was still talking about knowledge nation.

Mr Crean interjecting—

Mr COSTELLO—The Deputy Leader of the Opposition interjects. He says, 'Where does he sit on that side?' Let me ask him: where does the member for Lyons sit on that side? According to the AAP report this morning, on his way into the parliament—

Opposition members interjecting—

Mr COSTELLO—You can always tell when they interject the loudest, Mr Speaker, that they are showing great excitement at the quote which is about to come. According to the AAP report, the member for Lyons told reporters on his way into parliament:

Levies for one thing or another (are) being touted around ... I think it's because in Australia we've got into low-taxing regime.

People on this side would probably agree that we have got into a low taxing regime—and we remember that the Labor Party fought us every single step of the way as we went into it. The member for Lyons went on to say:

I think people are looking for higher revenues. People are starting to realise that services can only be provided by having a tax regime that can pay for those services ... and whether that's an environmental levy, or whether it's a levy for education, or whether it's a levy to send troops to East Timor, it's one way of us funding our future services.

Let us make it clear: a levy on incomes is increasing income taxes. The Manager of Opposition Business has just been up to have a little chat with him. He probably went up

to pull a lever, so that his chair would open up and he would disappear into the floor.

Mr SPEAKER—The Treasurer will return to the question.

Mr COSTELLO—Don't you sometimes wish that the ground would just open up and you could fall through—the member for Lyons does. So the member for Lyons is into higher income taxes; Professor Simon Marginson is into higher income taxes; five Labor ministers are into higher income taxes; the member for Fremantle is into education bonds; and the Leader of the Opposition is into mezzanine finance—noodle finance for the noodle nation. So we are going to have some noodle finance now. All of this is in the context of an opposition which says it is going to roll backwards on GST, it is going to spend more money and it is going to have bigger surpluses. It is going to spend more, it is going to tax less and it is going to have more left over at the end of the day. Why didn't we think of that? You tax less, you spend more and you have more at the end of the day—in 5½ years they have come up with a genius of an idea!

Workplace Relations: Workers' Entitlements

Mr BEAZLEY (2.25 p.m.)—My question is to the Minister for Employment, Workplace Relations and Small Business. Minister, will you apologise to the Australian community for your provocative behaviour this week in seeking to prolong the Tristar dispute with your inflammatory comments and actions?

Government members interjecting—

Mr SPEAKER—The Leader of the Opposition has the call and will be heard in silence.

Mr BEAZLEY—Minister, is it not the case that, if the employer had followed your advice to not compromise, the dispute at Tristar would still be running, throwing thousands more people out of work? Instead of being an industrial arsonist, why won't you act as a responsible minister and seek to settle industrial disputes, not inflame them, and to achieve fair outcomes for all parties, not just one side?

Mr Ross Cameron—Mr Speaker, I rise on a point of order. On page 511 of *House of Representatives Practice* it says that the purpose of standing order 144 is to attempt to restrain the questioner from giving unnecessary information or introducing or inviting argument and thereby initiating a debate. Besides the hypothetical dimension to the question, there was not even the pretence of avoiding argument. The question is an invitation to debate and should be ruled out of order.

Mr SPEAKER—I could be tempted to rule the question out of order if I were a vindictive Speaker concerned about the fact that I could not be heard above those who chose to continue interjecting. The question contains more argument than is desirable. The Leader of the Opposition is aware of that. I will allow the question to stand.

Mr ABBOTT—Tristar did not compromise. They opposed Manusafe at the beginning and they opposed Manusafe at the end. Tristar offered an insurance bond to their workers a week before this strike finished and it was completely rejected by the Metal Workers Union, with the full support of the Leader of the Opposition, because they were pursuing political objectives, not industrial objectives. Let me also remind members opposite that this government sought to intervene before the commission in support of a return to work application. We supported a return to work application. I did not see any support for a return to work application from members opposite.

Trade: OECD Report

Mr SECKER (2.29 p.m.)—My question is addressed to the Minister for Trade. Would the minister inform the House of the implications for Australia's trade performance of the OECD forecasts? What part did exports play in the good OECD predictions? Are there any threats to achieving this positive trading future?

Mr VAILE—I thank the member for Barker for his question and his interest. The economic survey on Australia's performance and projection for the future that has been released by the OECD is quite outstanding. Of course, there has been a significant con-

tribution from Australia's exporting industries in that performance. This document is a glowing endorsement of Australia's economic performance. I believe it is a clear recommendation why Australians should not elect a Labor government at the end of this year. All the indicators in this document reinforce the importance of the policy settings that our government has put in place since we came to office in 1996.

Prior to the government coming to office in 1996, we earned about \$99 billion from our exports. This year, we are on track to earn \$153 billion from exports—a 54 per cent increase. That is the significant contribution that exports have made to that growth in our economy during that period. Also, the OECD report indicates that the economy is likely to grow between 3.5 and four per cent in 2002, which is described by the OECD as remarkable in the face of slowing world growth. All that is built on a number of indicators that were highlighted in the report. Some of the key findings in the report were that company profitability is strong and corporate balance sheets are in good shape. GDP growth is projected to pick up to 3.5 per cent to four per cent. There have been no major second-round inflation effects from GST. The 2001-02 Commonwealth budget remains focused on preserving the significant consolidation gains achieved in recent years. The underlying budget position is sound, and Commonwealth net debt has fallen sharply, surpassing the government's target to halve the ratio from its 1995-96 level, and major economic benefits should accrue from the comprehensive tax reforms that have been implemented.

One of the more interesting statistics in the document is a graph of the differential between interest rates in Australia and one of our major trading partners, the US. It indicates that the difference between Australian and US interest rates is now less than half of one per cent. Under Labor, Australians were paying more than three per cent more than Americans. That was the result of Labor's lazy policies of that time. The graph indicates how the competitive nature of our economy has significantly improved under the reform regimes that we have introduced,

with tax reform, industrial relations reform, and the removal of \$3½ billion of taxes off the back of our exports to achieve that \$153 billion figure. What are the risks? The OECD says that Australia should continue with this positive outlook for the economy, provided there are no major economic imbalances. We should ask ourselves: what could those imbalances be?

We have seen a number of comments recently, as has been outlined in the media and here in the House. Labor believes, and the Leader of the Opposition believes, that Australians do not pay too much tax. Labor would have to raise taxes to pay for all the Beazley-Crean promises. Now we have seen the Democrats saying that taxes are not too high and that they would block any proposals in the Senate for tax cuts. The Democrats have given a green light to the Labor Party to increase taxes. If the Labor Party is elected at the end of this year, there will be no opposition in the Senate regarding increasing the taxes that we have worked so hard to remove from the backs of Australian exporters. They will put back on again the \$3½ million worth of tax cuts off exporters if a Labor government are elected at the end of this year. As I have said, the OECD has said that Australia should continue with its positive outlook for the economy, provided there are no major economic imbalances. The only economic imbalance on the horizon in Australia is a Beazley-Crean imbalance.

Workplace Relations: Workers' Entitlements

Mr BEAZLEY (2.33 p.m.)—My question is to the Minister for Employment, Workplace Relations and Small Business. Minister, will you confirm that at a press conference yesterday you were asked whether you were pleased the Tristar dispute was over, and you responded, 'Can I go off the record?' Was that because you were simply ignorant and ill prepared, or did you really want to tell the media off the record that you were an industrial arsonist and you wanted the dispute to continue, whatever it took?

Honourable members interjecting—

Mr SPEAKER—If I were to rule a question out of order, it would not have been the

preceding question but the question just asked, on the basis of imputation.

Workplace Relations: Workers' Entitlements

Mr CHARLES (2.34 p.m.)—My question without notice is to the Minister for Employment, Workplace Relations and Small Business. Minister, could you report on the outcome of the Tristar dispute and the motor industry, and is further disputation likely? What is the government's attitude to this and are there any alternative policies that you are aware of in this area?

Mr Crean—So they can impute the alternatives.

Mr SPEAKER—If the Deputy Leader of the Opposition wishes to take a point of order, I will hear him, otherwise he will exercise some restraint.

Mr Crean—I will take a point of order, Mr Speaker. You have just ruled out a question asked by the Leader of the Opposition because you said it imputed things. Doesn't the tail end of that question, which is attached every time they ask a dorothy dixer in this house, impute intention to us, and invariably it is deceitful and a lie?

Mr SPEAKER—The Deputy Leader of the Opposition will resume his seat.

Honourable members interjecting—

Mr SPEAKER—I remind the member for Batman that I have not in fact given any ruling.

Honourable members interjecting—

Mr SPEAKER—When the House has come to order. Member for Reid!

Government members interjecting—

Mr SPEAKER—I believe that was the member for Sturt. His interjection has been noted. I call the member for La Trobe.

Mr Charles—Thank you Mr Speaker. I would have thought that it was more than relevant for the member for La Trobe to question whether there are other policies—

Mr SPEAKER—The member for La Trobe will resume his seat. I presumed that the member for La Trobe had a point of order. The Deputy Leader of the Opposition has asked why it is that I have ruled one

question out of order on the basis of imputation and not another. The question asked by the Leader of the Opposition made an unjustifiable imputation of the motives of the Minister for Employment, Workplace Relations and Small Business. The question asked by the member for La Trobe did not in fact impute any unjustifiable motives to any individual. The question is in order.

Mr ABBOTT—Just so that I can satisfy the Leader of the Opposition, Mr Speaker—

Mr SPEAKER—The Leader of the Opposition's question has been ruled out of order. The question which stands is the question from the member for La Trobe.

Mr ABBOTT—And I am answering it, Mr Speaker. Let me make it very clear that the Tristar strike, from the beginning, was supported by the opposition. From the beginning it was opposed by this government.

Mr McMullan—Mr Speaker, on a point of order: the standing orders and *House of Representatives Practice* give you responsibility for maintaining order in this House. How can you expect this House to be in order when you rule out the Leader of the Opposition's question and allow the Minister for Employment, Workplace Relations and Small Business to continue to tell lies about the opposition? It will not suffice!

Mr SPEAKER—The Manager of Opposition Business will resume his seat. The Manager of Opposition Business is well aware that the occupier of the chair is constrained by the standing orders. As an occupier of the chair, in common, I would have thought, with all the other occupiers of the chair and members of the Speaker's Panel, I bristle every time I hear the words, 'It's a lie.' I hear it as frequently from my left as I do from my right. Under the standing orders, the accusation of lies levelled at any individual is out of order. The generalised accusation is highly undesirable and calls for my intervention, but the standing orders do not provide for it. However, there is a provision to maintain a particular dignity in the House which I believe is eroded by that sort of intervention. I do not believe that it is a comment that should be made by those on my

left or by the minister in response to the question on my right.

Ms Kernot—Couldn't he just tell the truth?

Mr SPEAKER—Order! The member for Dickson is not in any sense facilitating the debate or, I would have thought, assisting the case of the Manager of Opposition Business.

Mr McMullan—May I make a representation to you, Mr Speaker, on the point of order that I raised before? I was not asking you to go outside the point of order or precedents. You have a standard responsibility under the standing orders and *House of Representatives Practice*, in general beyond the specific standing orders, to maintain order in this place. This minister is continually highly provocative and he does tell monstrous untruths consistently, persistently and regularly, and he has done so today. In the circumstances in which you ruled out what we considered to be a perfectly legitimate question by the Leader of the Opposition, you cannot expect the normal order to prevail when you allow this minister to continue to behave as he does, and as he has.

Mr SPEAKER—Let me rise to make it perfectly clear that my ruling on the Leader of the Opposition's question was consistent with the standing orders and in fact it did have an imputation that no occupier of the chair would have tolerated; that I do not appreciate anyone at the dispatch box deliberately being deceitful; that I will not tolerate accusations of lying being levelled at any individual; that I believe the dignity of the House is enhanced if everyone raises the standard of their language; and that I also recognise that on both my left and my right I have people—147 of them—who want the standard of the parliament raised and who, as a rule of thumb, cooperate in making that possible. In fact, I am proud to be the Speaker of the House and I believe that there has been a great deal more tolerance exercised in the House than on some occasions when I have been in the place over the last 18 years. The Minister for Employment, Workplace Relations and Small Business has the call. The matter has been dealt with and I ask the minister to exercise appropriate constraint.

Mr ABBOTT—Thank you, Mr Speaker. On the *Meet the Press* program last Sunday, Paul Bongiorno asked a question about the Tristar strike. He said:

A lot of jobs are at stake there. Do you support the strike?

And the answer was, 'Well, I do.' And that was from the shadow minister for employment, the member for Dickson.

Ms Kernot—Read the rest.

Mr ABBOTT—I will read the rest, 'Well, I do support the strike.' That is what she said. Let me quote her exactly. She said:

Well, I do, in that workers have a very important right to pursue their legal entitlements.

You support the strike. It is as simple as that.

Opposition members interjecting—

Mr SPEAKER—Order! The minister has the call.

Mr ABBOTT—It is as simple as that, Mr Speaker. Labor supports strikes and this government opposes them. That is the simple truth. Labor supports strikes and this government tries to end them. This government is extremely pleased that this particular strike is over. It was a strike against the national interest. It was a strike that was costing Holden alone \$120 million in lost sales, and it was putting 12,000 decent Australians out of work.

This government had two objectives in this dispute. Its first objective was to get people back to work and its second objective was to stop industry-wide pattern bargaining in support of the dangerous Manusafe proposal. As a result, in part, of this government's work, the people at Tristar are back at work. Their entitlements are protected, but not by the union controlled, job destroying Manusafe fund. Unfortunately, the AMWU has not given up its Manusafe campaign. It still wants to force businesses to pay up to 19 per cent of payroll into a union controlled fund to protect so-called entitlements which may never crystallise. This union, the AMWU, has threatened further industrial action against 600 businesses, large and small, across our economy, and that industrial action will have the full support of the Leader of the Opposition.

The Leader of the Opposition never condemned the Tristar strike. He never opposed Manusafe and he never provided leadership. The Deputy Leader of the Opposition supported the strike; the member for Dickson supported the strike; they all supported the AMWU. They have got to support the AMWU because the unions and the party are all part of the same ACTU-Labor Inc. political-industrial complex, designed to ensure government of the unions, by the unions, for the unions.

Mr McMullan—I rise under standing order 52, Mr Speaker. It is important for you to maintain order in this place, and this minister has provocatively and deliberately misled the parliament about the attitudes of various members. We know that he is in possession of the facts, because he quoted from a transcript in which at least one of our shadow ministers clearly said that she did not support Manusafe, and he has never ever acknowledged that. He is consistently and deliberately misleading the House.

Mr SPEAKER—The Manager of Opposition Business will resume his seat. The Manager of Opposition Business did not have a valid point of order under standing order 52. Has the minister concluded his answer?

Mr ABBOTT—Members opposite always support the AMWU. They cannot afford not to support the AMWU. In the last year for which figures are available, the AMWU gave them \$680,000.

Mr Crean—Mr Speaker, I rise on a point of order that you believe you have finalised. This highlights the inconsistency of your ruling on the leader versus the member for La Trobe. The tag from the member for La Trobe clearly gives the hook. If you do not interpret it to be an imputation on us, the minister uses it as licence to impute lies on the opposition that cannot be sustained.

Mr SPEAKER—The Deputy Leader of the Opposition will resume his seat.

Mr Crean—I have not finished the point of order.

Mr SPEAKER—I have required that the Deputy Leader of the Opposition resume his seat. I remind the Deputy Leader of the Op-

position and any who may care to listen that there are a number of standing orders that apply to questions and I have endeavoured, as have my predecessors, to impartially apply those standing orders. There is one standing order that applies to answers—that is, that the answer must be relevant to the question. I have maintained the standing orders consistent with all previous occupiers of the chair. If the minister has not concluded his answer, will he bring his answer rapidly to a conclusion.

Mr ABBOTT—Members opposite have to support the AMWU because the AMWU has the largest single bloc vote inside the Labor Party.

Mr McMullan—I rise on a point of order, Mr Speaker. By what manner is that statement relevant to the question?

Mr SPEAKER—The question asked was about Tristar, the motor industry and support or otherwise of the strike. I do believe the minister has in fact overstated the case that he was raising, but I cannot rule his answer other than relevant to the question. I have asked the minister to bring his answer to a conclusion, but there is no way that in fact he could be deemed to have drawn it out with what was a very brief response before the Deputy Leader of the Opposition raised a point of order.

Mr ABBOTT—In any choice between the union interest and the national interest, the Leader of the Opposition can be relied upon to take the union interest. In any industrial conflict, the Leader of the Opposition will always stand—

Mr O'Keefe—Mr Speaker, I take a point of order. In taking my point of order, I take the lead from the comment you just made. In fact, standing order 85 allows the chair to sit down a member who engages in tedious repetition of his or her own arguments— and that is the minister's position.

Mr SPEAKER—The member for Burke will resume his seat. The minister is concluding his answer.

Mr ABBOTT—In any industrial dispute anywhere in this country, the Leader of the Opposition can always be found standing shoulder to shoulder with union militants, as

was revealed by the celebrated *Sydney Morning Herald* photograph on 13 July.

Workplace Relations: Workers' Entitlements

Mr BEAZLEY (2.51 p.m.)—My question is to the Minister for Employment, Workplace Relations and Small Business. Will you confirm that the deal negotiated between Tristar and its workers requires the employer to pay 1.5 per cent of their payroll for an insurance bond costing \$1.4 million? Isn't it also a fact that, under Labor's employee entitlements scheme, employers will be required to pay just an additional 0.1 per cent on their superannuation contributions, which would have cost just \$23,000? Minister, why are you forcing employers to suffer industrial disputes and to pay more under your formula when, under our plan, the scheme will be legislated and employers will pay substantially less?

Mr ABBOTT—I have no reason to doubt the Leader of the Opposition's statement that the company is in fact paying 1.5 per cent for the insurance bond. But Manusafe, the scheme that this strike was over—

Mr Beazley—Mr Speaker, I raise a point of order which goes to relevance very directly. The contrast here was with the scheme that we in fact support, which is not Manusafe. The scheme that we support is ours. And it is \$23,000 versus \$1.4 million. He immediately started on an irrelevant matter in his answer.

Mr SPEAKER—The Leader of the Opposition will resume his seat. The minister had been on his feet for 21 seconds. I call the minister.

Mr ABBOTT—This dispute was about Manusafe, and Manusafe requires up to 19 per cent of payroll. That is what the company rejected and that is what they were right to reject.

Wool Industry: Stockpile

Mr HAWKER (2.53 p.m.)—My question is to the Minister for Agriculture, Fisheries and Forestry. I ask the minister: would he update the House on the final disposal of Australia's wool stockpile? Has the government moved quickly to refund more of growers' equity?

Mr TRUSS—I am delighted to report to the House that, at long last, the bottom of Australia's wool stockpile is in sight. And, as it goes, the memories of another Labor Party failure will finally be erased for the farmers of Australia. There are fewer than 2,000 bales of wool left in the stockpile as we speak, and that is expected to be sold over the next few days. As a result, I introduced legislation to the House today to wind up early Woolstock Australia, the body that has been charged with managing the wool stockpile, and so the funds can be quickly returned to those growers who have endured the pain of the interest charges and the depressed market over a long period of time. It will be a historic day when the last of the 4.7 million bales from the stockpile is finally disposed of. A debt of \$2.8 billion has already been fully repaid and, at last, there are some returns going to the wool growers.

It was an extraordinary period of Australian history, a legacy of remarkable policy failure by Labor when in government. The whole of the wool debacle can be traced back to some inappropriate comments by the Labor agriculture minister of the day who destroyed confidence in the wool market, which immediately resulted in a depressed market and began a disastrous decade for the wool producers of Australia. As this stockpile rolls out the door we wipe out a memory yet again of Labor's disastrous term in government.

I congratulate Woolstock and Don McGauchie, his board and staff for the prompt and efficient way in which they have cleaned up this Labor Party mess. It has taken us six years to get rid of what Labor destroyed over their 13 years. Wool can be traded fairly and freely in the marketplace for the first time in decades. The trading will be done without being depressed by the massive stockpile, which has certainly overlaid every sale and trade for more than a decade. It is a new beginning for the wool industry, an opportunity for that industry to take advantage of the improved market situation around Australia. What they most certainly do not want, which would undermine the potential for progress and development in the wool industry, would be a return of a Labor

government; a return to the same sort of policies— high interest rates, high taxes— and the sort of regime that damaged Australia's greatest primary industry for such a long period of time. They can now look to the future with confidence as this memory of Labor's failure is finally rolled out the door.

DISTINGUISHED VISITORS

Mr SPEAKER—I inform the House that we have present in the gallery this afternoon Dr Ivo Sanader, the Vice-Chairman of the Parliamentary Committee for Foreign Affairs in the Croatian parliament. On behalf of all parliamentarians, I extend to Dr Sanader a very warm welcome to the Parliament of Australia.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Workplace Relations: Workers' Entitlements

Mr BEAZLEY (2.57 p.m.)—My question is to the Minister for Employment, Workplace Relations and Small Business. I go again to the question that I asked previously which was not answered, and it has nothing to do with Manusafe.

Mr SPEAKER—The Leader of the Opposition should come to his question.

Mr BEAZLEY—My question is this: will you confirm that, as a result of the deal negotiated between Tristar and its workers, the employer is required to pay 1.5 per cent of their payroll for an insurance bond which over two years costs \$1.4 million? Isn't it also a fact that under Labor's employee entitlements scheme, employers will be required to pay just an additional 0.1 per cent on their superannuation contributions—that is, \$23,000? Minister, why are you forcing employers to suffer industrial disputes and to pay more—

Mr SPEAKER—The Leader of the Opposition is now entering into an argument.

Mr BEAZLEY—when under our plan the scheme will be legislated and employers will pay substantially less? That is not argument; it is a simple proposition.

Mr ABBOTT—Labor's scheme to protect entitlements is Manusafe. That is the scheme that is being promoted by the Leader

of the Opposition's friend Dougie Cameron, Dougie Cameron's mate over there—

Mr Adams interjecting—

Mr SPEAKER—The member for Lyons will withdraw that statement.

Mr Adams—I withdraw, Mr Speaker.

Mr McMullan—I raise a point of order, Mr Speaker. The *House of Representatives Practice* at page 477 makes it clear that language likely to create disorder is unparliamentary—

Government members interjecting—

Mr SPEAKER—I will deal with members on my right! The Manager of Opposition Business has the call; he has the right to be heard.

Mr McMullan—It derives from the same *House of Commons Practice* which led you to rule the Leader of the Opposition's question out of order, Mr Speaker. If there is one thing that is likely to provoke disorder, it is a deliberate lie like that just told by the minister. He knows it is not true and he continues to repeat it. If he did not know that it was not true when he first came into the House—although I believe that he did—he knows now, and it is also irrelevant to the question. He has deliberately misled the House and lied.

Mr SPEAKER—The Manager of Opposition Business will resume his seat. He has made his point of order.

Ms Hoare interjecting—

Mr SPEAKER—The member for Charlton is warned!

Mr Reith—I raise a point of order, Mr Speaker. The allegation of a deliberate lie is clearly in breach of the instruction and advice that you gave to the House earlier today, and I ask that it be withdrawn. It is totally unparliamentary given the advices that you have provided.

Mr McMullan—I withdraw the allegation that he deliberately misled the House.

Mr SPEAKER—I thank the Manager of Opposition Business.

Mr ABBOTT—I was asked about Labor's entitlements policy. It is Manusafe, the policy of Dougie Cameron, the Leader of the Opposition's mate.

Honourable members interjecting—

Mr Laurie Ferguson interjecting—

Mr SPEAKER—This parliament—if the member for Reid has some difficulty with this, he may excuse himself if he wishes—has survived and has, in fact, thrived over 100 years on the basis that anyone could come in here and state whatever they believed to be the truth and in the national interest. If anyone believed that they were misleading the House they, too, were free to be called to put their point of view. It is the responsibility of the occupier of the chair. The minister, obviously, has an obligation to respond in a manner that he believes is truthful, as do all other members. Whether the response is consistent with what others may believe is not a matter over which the chair has jurisdiction. The chair's obligation is to ensure that everyone can put their point of view and be heard. Chorusing runs counter to all that the standing orders stand for, that is, the right to be heard in silence. I expect every occupier of the House to exercise courtesy and not to be provocative in the way in which they address the House. So do all other occupiers of the chair. So do all Australians. So do all members on the floor. The minister has concluded his answer.

Mr Crean—He could not get the lie up so he had to sit down.

Mr SPEAKER—The member for Paramatta will resume his seat. The Deputy Leader of the Opposition is warned.

Families: Policy

Mr LLOYD (3.04 p.m.)—My question is addressed to the Minister for Community Services. Would the minister outline any innovative policies to build stronger families and stronger communities across Australia? Is the minister aware of any other policies to help Australian families?

Mr Leo McLeay—I raise a point of order, Mr Speaker. I put it to you that the question is out of order. The member asked the minister to outline innovative policies.

Mr SPEAKER—The Chief Opposition Whip raises a point of order, but, in fact, as members are aware, what the minister may not do is announce policy; he is able to

elaborate on policy. I will listen to the minister's answer to ensure that he is doing that.

Mr Leo McLeay—I raise a point of order, Mr Speaker. The standing orders provide that a member cannot ask a minister to announce policy. The member asked the minister to outline innovative policies. If that is not announcing policy, I do not know what is.

Mr SPEAKER—I point out to the Chief Opposition Whip that, if the policy has already been announced, then the minister would not be, in fact, announcing policy, which is the way in which the standing order is structured. I will listen for the answer.

Mr ANTHONY—I thank the member for Robertson, who has a very keen interest in supporting families, as indeed do all of the coalition. We would like to see an innovative policy from the opposition—we would like to see just one. We wait for a policy, and so do the Australian public. But certainly this government is getting on with the job of providing a better deal for Australian families, and we are very proud of that. Firstly, the Howard-Anderson government is providing good economic management through lower interest rates, and by providing the lowest inflation we have had for decades, making home ownership far more affordable and increasing employment. But one of the greatest achievements is in the area of family assistance where over 2.2 million Australian families—four million children—now receive 20 per cent more in family assistance than they ever would have got under the Australian Labor Party.

You have to also ask yourself about child care. I have not had one question on child care from the opposition in the last 12 months. They are silent, and why? Because we have a terrific story to tell on child care. Child care today is nine per cent cheaper than it was 12 months ago, and the reason for that is the introduction of the new taxation system and the increased affordability of child care. But the opposition have not asked one question. They are very opportunistic about child care but they have not asked one question.

This graph says it all. It is a very good document put out by Family and Community

Services which shows a significant increase in the funding of child care. Thirty per cent more has been spent on child care than in the last four years of the Labor government. Indeed, over the next four years, \$6 billion will be spent on child care. That is why it has become far more affordable, and that is why today, as opposed to a year ago when there were 450,000 children in Commonwealth funded child care, there are 700,000 children in child care.

The New South Wales Labor government have not increased funding for preschools since the day they were elected. Shame on them. They have frozen funding for preschools since they came into government back in the mid-1990s. And they claim that they are the family-friendly party. They are not that at all. Of course they have got no credibility.

Mr Albanese interjecting—

Mr SPEAKER—The member for Grayndler is warned!

Mr ANTHONY—Another area where this government has a proud record is in our Reconnect program to help young families, whether it is trying to keep families together through our Stronger Families and Communities Strategy or the fight that we have against drugs—and we know that the opposition's policy is totally flim-flam on that issue. Some people are asking, 'Where is Labor's plan to help Australian families?' I did find a plan, which quite surprised me. Labor's plan came straight from the Leader of the Opposition himself, when he said, 'My plan is to be in the Lodge.' That is the only plan he has.

Mr Howard—What?

Mr ANTHONY—His one plan is, 'My plan is to be in the Lodge.' Don't pack your bags just yet, Leader of the Opposition. When the shadow Treasurer addressed Mission Australia recently, he announced a four-point plan, and this is his four-point plan.

Mr Leo McLeay—Mr Speaker, I raise a point of order on relevance. The minister was asked for an innovative policy; we have not heard one yet.

Mr SPEAKER—The Chief Opposition Whip does not have a point of order.

Mr ANTHONY—I think you had better get back on your bike, Leo. This is the four-point plan as articulated by the shadow Treasurer in his address to Mission Australia recently. It is Labor's four-point plan which is meant to be family friendly. Point 1 is big budget deficits. That is all they know, as evidenced by the \$80 billion deficit that we inherited and that Australian families have to pay for. Point 2 is raising taxes and crippling interest rates, which put many Australian families out of their homes. When the Leader of the Opposition was the finance minister, interest rates were 17 per cent. Point 3 is raising unemployment to massive levels. Point 4, most importantly, is do not upset the unions because they pay the bills, and we have seen that demonstrated very amply in the recent motor industry dispute.

Workplace Relations: Workers' Entitlements

Mr BEAZLEY (3.11 p.m.)—My question is to the Minister for Employment, Workplace Relations and Small Business. Minister, isn't it the case that there are thousands of companies in Australia that have enterprise agreements that are about to expire but that do not have protection for 100 per cent of workers' entitlements? Will every one of these companies and their workers have to go through negotiations which may turn into long and bitter industrial disputes before workers can get security for 100 per cent of their legal entitlements under your formula? Isn't the only choice you leave the Australian community this: our plan for a national employee entitlements scheme or your plan for a Tristar dispute in every factory in Australia?

Mr ABBOTT—All those companies to which the Leader of the Opposition refers will go through the kind of bitter industrial disputation to which the Leader of the Opposition refers only if the Leader of the Opposition's friends in the AMWU—his mate Dougie Cameron—force them to. That is the simple truth. I have a letter here addressed to Steve Bracks from the chief executive of one of those companies, Holden. This is one of the companies which is threatened with continuous industrial action by the friends of the Labor Party and by Dougie Cameron, the

Leader of the Opposition's best mate. Mr Hanenberger wrote about one way to address this problem. He said:

One avenue by which this could be achieved would be by strengthening the federal government's employee entitlements scheme through adoption by those states that have not yet done so.

The best thing that could happen to defuse this entitlements issue would be if the state Labor governments supported the federal government's entitlements scheme.

Forest Products Industry

FRAN BAILEY (3.14 p.m.)—My question is addressed to the Minister for Forestry and Conservation. Would the minister advise what information he has received from around Australia relating to the future administration and prospects for the forest products industry and its work force?

Mr TUCKEY—In reporting to the House on matters that have arisen, according to the member's question, I advise the House that the Gallop Labor government in Western Australia has now incorporated its complete Labor Party policy on the forest industries in terms of the closure of that industry. It is well known that that policy had the complete support of the Leader of the Opposition. As a consequence, there has already been an announcement by the largest employer in the forestry industry in Western Australia, Sotico, that there will be 400 redundancies forthwith in that particular industry. A smaller employer of 10 persons has already lost his forest contract and has been obliged to sack all his employees.

We have heard question after question today about the payment of redundancies. The Gallop government has refused to give any assistance in the payment of redundancies to any of those workers. We are not talking about a company that was in full production and that could sell all its products, with its employees having security of employment; we are talking about workers who have lost their jobs because of political expediency, in which the Leader of the Opposition was totally complicit. Those people have not gone back to work; they are finished. They cannot sell their houses. If any apology is needed in this place today, it is needed from the Leader of the Opposition to those people and their

families. As for the employer who had to sack all 10 of his employees, three of those people have got redundancy assistance.

But there are other activities going on around Australia—and it is pretty interesting. You can run in this place but you cannot hide. I find in the *North Eastern Advertiser*, a newspaper published in the remoter parts of Tasmania, that Senator Kerry O'Brien advised in a letter that the Senate passed the government's RFA legislation last year. That is pretty surprising, because I have the *Hansard* record showing every Tasmanian member voting against it. But to help me out on this matter, just two weeks later in the *Burnie Advocate*, the shadow minister Mr Ferguson is entreating me to reintroduce the bill.

Mr Anderson—Did he talk to a newspaper?

Mr TUCKEY—Yes, he did. We have it here in the newspaper. What is the Labor Party up to? Here we are, Mr Deputy Prime Minister—

Mr SPEAKER—The minister will address his remarks through the chair.

Mr TUCKEY—Thank you, Mr Speaker, and I will—but that is not all. During the recess, the Leader of the Opposition decided to visit Eden-Monaro, and station 5AN in Adelaide had an interview with the *Bulletin's* Tony Wright relating to this visit. During that visit the Leader of the Opposition was out with his members, signing, with a big black pen, pledges to guarantee that he would not sell Telstra. I do not know how big a signature there was on the letter to the Commonwealth Bank employees union but, as I remember—being a member of this place at the time—there was a signature promising never to sell more than 49 per cent of the Commonwealth Bank.

Opposition members interjecting—

Mr SPEAKER—The member for Bradon is warned!

Mr TUCKEY—But, after the signing, Mr Tony Wright of the *Bulletin*, talking of the Leader of the Opposition, told 5AN's Philip Satchell as follows:

Yesterday he was in Eden-Monaro, which is not far from Canberra ...

He was, as I said, signing these Telstra guarantees. But Mr Wright goes on to say:

Interestingly, Green groups came with a very similar pledge asking him to sign that forests would be protected. But, of course, Eden-Monaro is one of those areas where there are a lot of forest workers and he wasn't going to get into that at all. ... But, when asked to sign the one on the forests of Eden-Monaro he put away the big black pen and got out the prolixity again.

I wish I had the time in this place to read the convoluted remarks.

Government members interjecting—

Mr TUCKEY—Yes, you can run but you cannot hide in this place. He has got a message in one place and he would not sign.

But it gets worse because in many parts of Australia, particularly those associated with the pulp and paper industry, there has been an advocate group of workers known as the A-Team. They have done a wonderful job coming to my office and members' offices, asking for all assistance necessary to maintain a pulp and paper industry in Australia and all the employment that goes with it. One of those areas can be found in the seat of Braddon, another can be found in the seat of Gilmore and still another can be found in the seat of McMillan. These people have now been heavied by the CFMEU to disband, and they thought they might need to get a bit of help from their local member of parliament. They have written to me:

This is particularly relevant, given the unusual special relationship between the CFMEU and our local federal MP, Christian Zahra, which resulted from the union's generous financial support for him at the last election. Since his election, Mr Zahra has steadfastly refused to meet our delegations on important issues, which have impacted on the McMillan electorate. Further, he has extended this ban on any of his constituents, who have happened to be members of the Maryvale A-Team.

This is in black and white, signed by a worker living in Maryvale in the McMillan electorate.

Opposition members interjecting—

Mr TUCKEY—I think he is now calling this fellow a liar.

Opposition members interjecting—

Mr TUCKEY—Now he says I am a liar.

Mr SPEAKER—The minister will address his remarks through the chair and not respond to interjections.

Mr TUCKEY—Everything I have drawn to the attention of the House today is somebody else's words. We have got Kerry O'Brien dreaming: he actually lives in the Senate and thought he had passed the bill. He did not. We have got the shadow minister now thinking, 'Golly, gosh, we've offended all these workers and the election is getting close. I wonder if I can sneak down to Tasmania and win a few of them back. I'll tell them I love them.' Then the Leader of the Opposition gets into Eden-Monaro, and what does he do? He is asked to sign a pledge. He was prepared to kill off a thousand jobs in Western Australia to win that election, but when he thinks he might pick up the most marginal seat in the federal election and the greenies say, 'Will you sign a pledge for the forest?' he reverts to prolixity. He starts talking. Then we get a person who stood up in this place telling us how committed he is to his electorate but, when a group of independent workers, who get access to my office as a minister whenever they want it, tried to get into his office to tell him their troubles, he was not going to put his CFMEU funding at risk: he would not let them in.

Workplace Relations: Workers' Entitlements

Mr BEAZLEY (3.24 p.m.)—My question is to the Minister for Employment, Workplace Relations and Small Business. Minister, given your refusal to implement a national employee entitlement scheme that covers 100 per cent of employees' entitlements, aren't you ensuring that thousands of Australian companies will have to negotiate insurance bonds and other arrangements at more than 60 times the cost to them of Labor's employee entitlements scheme? Again I ask: why are you forcing employers to suffer industrial disputes and to pay more under your formula when under our plan the scheme will be legislated and employers will pay substantially less?

Mr ABBOTT—I am trying to protect the businesses of this country from industry-wide pattern bargaining in support of Manusafe instigated by the friend of the La-

bor Party, the member of the Labor Party, the mate of the Leader of the Opposition, Dougie Cameron. That is what I am trying to do: protect the good, decent workers and their employers of this country from the ravages of a feral union led by the Leader of the Opposition's mate.

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

MINISTER FOR EMPLOYMENT, WORKPLACE RELATIONS AND SMALL BUSINESS

Motion of Censure

Mr BEAZLEY (Brand—Leader of the Opposition) (3.25 p.m.)—by leave—I move:

That this House censure the Minister for Employment, Workplace Relations and Small Business for his:

- (1) irresponsible, inflammatory and deliberately provocative intervention in the Tristar dispute;
- (2) calling fellow Australians "traitors" simply for conducting themselves within the industrial framework established by the Coalition Government;
- (3) placing the job security of every single Australian worker at risk due to his ideological and dogmatic approach to workplace relations;
- (4) exposing the economy to potentially thousands of enterprise-level disputes over the issue of securing legal employee entitlements through his failure to put in place a comprehensive system which protects 100% of employees entitlements;
- (5) incompetent administration of the Job Network system which is increasingly being marked by claims of fraud and rorting by providers seeking to comply with the Government's injunction to focus on numerical outcomes, not jobs in the Job Network;
- (6) presiding over huge drops in full-time employment;
- (7) use of his office to solely focus on generating political advantage for the Liberal Party and his complete disregard for the living standards and economic security of Australian families; and
- (8) general unfitness to occupy the office of a Commonwealth Minister.

There is no question at all that this minister has as an intention to inflame industrial disputation around this country as a cover for the inability of his colleagues in this government to get an election campaign successfully organised around the record of this government, when they know that every Australian understands that the government has targeted them to bear the burden of the taxation system, intends to Americanise the health care system, intends to run down the public school system, does not give a darn about those in aged care and will leave them inadequately protected, and that this is not something on which they can run. It is the intention of this minister and the reason for his use of inflammatory language and, frankly, his frequent lying, as we have seen in this chamber here today—

Government members interjecting—

Mr BEAZLEY—This is a censure motion. His frequent lying, as we have seen in this chamber today—

Mr SPEAKER—Order! A censure motion does not allow the Leader of the Opposition to make that accusation. I ask him to withdraw it.

Mr BEAZLEY—I withdraw, and I substitute ‘his constant, deliberate untruths’, which we have seen reflected here in this chamber today. Recollect the way he answered every one of those questions. He has no argument. He has no argument at all that stands up. When he sees what he inflicts on employers in this country, he has no argument against the Labor Party’s scheme—cheap, certain, total coverage, with no industrial disputation to arrive at it. He has no argument against that, so therefore he has to falsely accuse the Labor Party for ostensibly going around advocating a scheme which is rendered essential or is out there in the ether because huge numbers of people in this country do not feel that their life savings are being adequately protected.

This is the same minister who, when he had the same portfolio in a lesser position, described the St Vincent de Paul Society as ignorant in their understanding of poverty. This is the same minister who in the junior version of this portfolio came out and ac-

cused the unemployed, in a situation of falling job opportunities, of being in the circumstances in which they found themselves because they were job snobs. That is his view. This is the same minister who has wandered about this country breaching the unemployed in a fashion which has ensured that some of those who are doing things hardest in this country have virtually nothing to live on. And he is the stalking horse for this Prime Minister, so everything that he has done, the calumnies he has heaped on the heads of ordinary Australians and the most vulnerable in the society, are at the direct behest of the Prime Minister of this country. He says things in public that the Prime Minister believes but does not dare say.

He knows that this Prime Minister is about to be called to account. He is about to be called to account for his deceit on the Australian electorate when he said he would never, ever implement a GST. He is about to be called to account for his deceit when he said that no Australian worker in the industrial relations system they were putting in place would be worse off. He is going to be called to account for his deceit when he said that he would preserve Medicare when his whole policy has been directed at undermining it and producing instead a situation where our health care system is being Americanised. He knows the Prime Minister cannot answer these things on the campaign trail and failure to answer them in normal circumstances will mean defeat.

How do you get round it? There is a time-honoured Liberal party tradition: shift the agenda, cover it with a darn good ‘reds under the bed’ campaign and focus that on industrial disputation. Every employer in this country knows that they will be hassled by this minister when they enter into a period of negotiation with their employees not to settle but to provoke every dispute to run through to a complete confrontation with the industrial relations system and place the workers at variance with directions of the Industrial Relations Commission so that the onus can be turned on to them as they are out there fighting for their legitimate rights.

Do not forget that during the course of this dispute, when the issue was tightly con-

tested, when the workers had indicated, as they always do in any industrial relations dispute, an intention to compromise and started to move in that direction, the minister for industrial relations said, 'Don't compromise!' Understand the context of that 'Don't compromise!' beyond what I have already just stated. That was a part of the dispute when the workers were shifting ground. Understand that that 'Don't compromise!' stands at variance with part of the defensive cloud that he put out in January this year around his own proposition in relation to protection of workers' entitlements.

The workers in Tristar were following the instructions of the minister to the letter. Let me quote from the minister's pamphlet. He put it out, of course, in that context because he realised that any worker looking at the full-blown implications of the entitlements package put together by this minister and his predecessors knew that waste would be laid to their entitlements should ever their companies go under. So what did this minister say? He said this:

[This] does not preclude the adoption of additional measures, by particular employers and employees. ... such an approach would place the obligation directly on the employer concerned and could deliver 100 per cent of what is owed to the employee.

What sort of schemes would those be? Those schemes would be the type of scheme that ultimately was adopted by the workers and the company to conclude this dispute. They would also include, by the way, Manusafe. In what way is Manusafe at variance with any of this? In no way at all.

This man, at the beginning of this year, stood up in public and effectively suggested to all workers, 'Get your schemes together. Go out there and negotiate what it is you can get.' Now, in some circumstances that will emerge in relation to insurance bonds, but there is nothing in this that talks about it simply being insurance bonds. Of course, in other circumstances it would be the type of schemes outlined by the AMWU on Manusafe. It ill behoves him to come into this place now and suggest that the circumstances that have occurred are anything other than what he cut loose at the beginning of

this year. There is no prescription in this; what there is in this is disaster.

Around this country now—and not just in factories where the AMWU is the predominant union—in a multiplicity of workplaces, agreements are coming up for renegotiation. Those agreements for renegotiation come under the government's own industrial relations system, which protects strike action in certain bargaining contexts, and so it is almost invariably going to be the case where management does not agree with the workers and vice versa that that protected period is going to be entertained, to the very considerable damage potentially of the Australian economy as these employers and employees are forced to work their way through the consequences of this government's policy.

The cost of that can be seen in what we have already seen in the case of Tristar: \$1.5 million over two years is what this will cost the employer in that case, versus the \$23,000 that it would cost the employer for a scheme that covers all. Why is it so much cheaper? Obviously because everybody is in it. The thousands of companies around Australia, virtually all of which will survive cheerfully for decades and decades, will cover the insurance costs of those that go under, but they will do so very cheaply indeed. And no company can guarantee that they will not be numbered amongst that small minority at some point of time in the history of their company's activities over the decades.

There is a solution, but it is not a solution wanted by this minister. This minister wants a fight. This minister makes a confession to every gathering that he addresses in the industrial relations area. We talk to the same businessmen that they do. He wanders frequently into his address to employers at Liberal Party fundraisers and the like, always starting with this winning sentence: 'Everybody in this room knows more about industrial relations than I do.' That is the only honest statement he makes in the entirety of his address. Indeed, they do. What no-one in that room wants is the minister's agenda that underpins that. He does not care about his ignorance of the industrial relations system. He does not care about his complete lack of understanding of the lives and lifestyles of

ordinary Australians and what they depend upon. All he cares about is organising a fight to cover the unpopularity of his boss and the impossibility of his boss's circumstances as the electorate gradually comes to grips with the consequences of the policies that they have been subjected to over the course of the last five years.

I have not seen—even under the regime of Peter Reith, full of conspiracy though it was against the rights of ordinary workers in this country—any minister of this or any other government stand up and describe a group of his fellow Australians as traitors for taking lawful industrial action. In factories around this country there are workers who have served this country in wartime who do not have protection of their entitlements to the tune of 100 per cent and who expect that their unions will pursue the directions of Abbott to secure 100 per cent coverage of their entitlements through the industrial relations system. And he calls them, if they pursue those positions, traitors.

That is his role: to insult ordinary working Australians in this country. Let me tell you what is at stake for them. We will go to the case that we named specifically at Tristar, of a worker of 30 years in that factory. You know what workers of 30 years are like—they are the skilled workers that keep the engine of Australian industry going. These are the men and women who have built up over years and years of experience the capacity to fix the problems in their firms, to train the junior workers and to ensure that the productive system of this country proceeds in a way that generates the wealth to pay the personal entitlements of that minister opposite. Those people are described as traitors. In the particular instance that we cited, that gentleman had \$122,000 worth of entitlements—

Opposition members—Marty Peek.

Mr BEAZLEY—That is right, Marty Peek. He had \$122,000 worth of entitlements. He is the epitome of the skilled, long serving, loyal Australian worker. He was loyal to that company. These are the sorts of men and women that perform that essential task not only in the workplace but in our society. They are the men and women you find manning the SES voluntary posts when

bushfires come about, organising the Little Athletics on a Saturday morning and ensuring by their voluntary endeavours that our community works. They are solid, intelligent, working class, skilled Australians. And what is the reward for Mr Marty Peek if this minister has his way—the man the minister described as a traitor? What is the reward from this flaneur for Mr Marty Peek? The reward is that, if Tristar goes under, Mr Marty Peek will have secured \$20,000. He is 47 years old, and he knows that under the policies of this government—which have completely collapsed full-time employment in this country, with record collapse of full-time employment in the course of the last month—his chance of a full-time job from this point on is negligible.

Those rotten figures that we have seen over the course of the last year or two, last year in particular, on full-time jobs—and it has to be said their performance was not all that great before then, but what was not a great performance has become a disastrous performance—are what is driving one of those awful statistics in this country, which sees us now as a nation where men in their fifties have the lowest participation rate in the workforce in the Western world. We know this: if he is sacked and has to go without his entitlements, that \$122,000 is all he has got to pay off his mortgage and all he has got to sustain his retirement. But Mr Abbott does not give a darn, because Marty Peek is an opportunity.

Marty Peek is not a human being; he is a political opportunity for this minister to cover for his worthless Prime Minister, who does not have the basic intestinal fortitude to do his own dirty work when it comes to dealing with the public and when it comes to dealing with St Vincent de Paul. This Prime Minister clearly hates them, but he would not dare say it because there would be a royal public reaction, so he sends Mr Abbott in to tell St Vincent de Paul, one of the most effective charities in this community, that they are in fact ignorant of the issues of poverty in this country. Mr Abbott does it; the Prime Minister does not. The Prime Minister does not want to be connected with a statement that the unemployed who can find no work

in a country where full-time employment has collapsed only fail to do so because they are job snobs. The Prime Minister would dearly love to say that, but he has his dirty work merchant to do it instead—this minister opposite. He is out there to deliver the insults and to inflame the situation—that is his job. This is not how Australia is meant to be. This is not how Australia is meant to be governed. This is not how Australians will have restored to them a sense of security.

We have had good growth in this community over the course of the last eight years. We have had good growth until last year. We have good growth on the hard yards made by the Labor Party when we were in office, of which the government has been the beneficiary. These days as I go around, one comment is made to me constantly, 'If the economy is so good, why don't I and my family feel it?' They do not feel it. The increasing inequality in our society continues apace. One of the significant influences on that increasing inequality is the operation of the industrial relations system, put in place by this government. It has had its most savage effect on women's wages, but it has had a pretty awesome impact on the job security of breadwinners of both genders. They do not know whether they will be able to sustain levels of family debt—no matter what the interest rates are—when their employment and their entitlements are not secure. And he has done it!

He performed another task. There is not sufficient time for me to go into it, but I will say this: it is all unravelling for him now. As this government collapsed employment programs, which were the only chance for many people in regional Australia in particular, it introduced measures that it said were alternatives that would work at about one-tenth of the cost of what was there and working. To defend intuitively such nonsense, it had to produce a set of statistics. We find now that the way in which the statistics were produced under this minister has induced widespread fraud in the system. They have tumbled. He has been tumbled. The people who have been disbenefited are the most vulnerable in this society. This minister is not fit to hold office. His undergraduate mentality, his

childish and deceitful attitude, which we have seen manifest here today, and his worthless insulting attacks on ordinary Australians deserve his censure and removal. *(Time expired)*

Mr DEPUTY SPEAKER (Mr Nehl)—Is the motion seconded?

Mr Bevis—I second the censure motion and reserve my right to speak.

Mr ABBOTT (Warringah—Minister for Employment, Workplace Relations and Small Business) (3.47 p.m.)—We have just seen a rambling and hysterical speech from the Leader of the Opposition, who has proven today yet again that he cannot handle pressure. Under the pressure of the coming election campaign, the Leader of the Opposition is revealing something that has been long suspected—a nasty streak which shows a fundamental weakness of character and a fundamental lack of ticker.

You have to ask yourself this question: why are members opposite so sensitive? Why are they so affronted by anything that involves the union movement? It is because the union movement owns them lock, stock and barrel. It owns them heart and soul. The union movement provides every single member of the Labor Party with membership of the union movement. The union movement has produced Labor's frontbench, it has produced their backbench and it has produced their party officials. Sixty per cent of their frontbench are former union officials. After the next election, they will have no fewer than three ACTU presidents on their frontbench.

In the last year for which figures are available, the union movement gave the Labor Party no less than \$5 million. The union movement controls 60 per cent of the votes at every Labor Party conference. The dregs of the union movement include people such as the current state secretary of the AMWU in Victoria, who is currently facing charges of riot and affray arising out of a most appalling incident at a factory in Victoria. Yet this is the person who controls the largest bloc vote inside the Victorian Labor Party.

Why are members opposite reacting so hysterically? They are reacting the way they

are because they know that the union link is the soft underbelly of the Labor Party, and it is now threatening what they thought was their easy ride to power. The Leader of the Opposition was crying crocodile tears today over the strikes that he thinks will break out at hundreds of factories in the weeks ahead. Let me make it very clear: this government does not support strikes. This government thinks that strikes should be, at most, an absolute last resort. Members opposite support strikes, and they have demonstrated that time and time again over the last week. This strike at Tristar was supported by the member for Hotham, the Deputy Leader of the Opposition; it was supported by the member for Dickson, the shadow minister for employment; and it was never opposed by the Leader of the Opposition. The Leader of the Opposition has never opposed Manusafe. The Leader of the Opposition, for once in his life, was completely silent during this dispute on the matters that put 12,000 workers out of work.

Let us be very clear what this strike was about. This strike was about Manusafe. Manusafe is not a 1.5 per cent levy on payroll. That is how it started, but it finished as a 19 per cent levy on payroll. Even at 1.5 per cent of payroll, Manusafe means that the manufacturing industry alone will have to pay \$550 million into a fund that is ironclad controlled by the union movement. That will cost at least 10,000 jobs in the motor industry alone.

Members opposite have been saying that they do not support Manusafe. Of course they support Manusafe; of course ALP policy supports Manusafe. I am reading from the documents of the ALP conference last year. It says:

Employers are not required to make additional payments for benefits already protected by trusts or other appropriate means.

Also in this policy, passed by the Labor Party conference last year, is support for industry-wide strikes in support of pattern bargaining, such as the industry-wide strike now threatened by the AMWU in support of the Manusafe campaign.

Let me make it very clear that workers' entitlements deserve protection. Any worker

facing the loss of his or her entitlements deserves sympathy, help and support. Workers facing the loss of their entitlements are facing one of the gravest calamities that anyone can face, and they certainly deserve the support of this government—and they have it. This is the first government ever to put in place a scheme to protect workers' entitlements.

But let us put this problem in perspective. In any one year, just one-half of one per cent of businesses go out of business, go broke. In any one year fewer than one-tenth of one per cent of employees lose their jobs because their company has gone out of business. Even fewer than one-tenth of one per cent can expect to lose their entitlements. The beauty of this government's scheme is that it does not cost jobs, it does not provide anyone with the encouragement to ramp up entitlements and, unlike Labor's scheme—unlike Manusafe—it does not amount to a confiscation of the working capital of ordinary businesses.

Labor's scheme is Manusafe. That is the scheme to which Labor Party policy is ultimately directed. That is the scheme that Labor Party policy ultimately supports. But whether you look at Manusafe, a levy on payroll of up to 19 per cent, or whether you look at the no-frills scheme sometimes mentioned by the Leader of the Opposition, all Labor's schemes amount to a tax on jobs. All Labor's schemes amount to a compulsory levy on 100 per cent of payroll, 100 per cent of jobs, to support one-tenth of one per cent of workers who have this entitlement problem. I will now quote from someone who is in a position to know. I will quote from someone whose company is directly threatened by the Manusafe campaign now threatened against the motor industry and the manufacturing industry and supported to the hilt by members opposite. Peter Hanenberger, the chairman and MD of Holden, said:

Implementation of any scheme requiring significant financial contribution by employers will therefore amount to the imposition of a cost impost on business which will greatly exceed the quantum of the problem it seeks to address.

He also said:

Second, the concept of requiring all businesses or those over a certain size to effectively fund the potential failure of the very few rather than providing a government supported safety net to cover those isolated incidents is, in our view, simply unsustainable.

So there you have it: Peter Hanenberger—a boss of a company that is employing tens of thousands of Australians and is generating hundreds of millions of dollars of sales, which is generating hundreds of millions of dollars of exports every year—says that Labor's schemes are unsustainable and that there should be a government supported safety net to cover the isolated incidents where workers lose their entitlements.

I do not apologise at all for telling people not to compromise on the Manusafe issue and I will never apologise for opposing strikes against the national interest. This government did everything it could to stop this strike, even indicating repeatedly that we would seek leave to intervene before the commission in support of a return to work order. We constantly wanted to stop this strike—unlike members opposite, who constantly supported this strike, constantly supported the AMWU and constantly support Manusafe.

We saw from the Leader of the Opposition this afternoon a non-stop tirade of personal abuse that would have been worthy of his former boss, Paul Keating. It was a constant litany of contemptuous abuse which demeans him and demeans his office and is unworthy of this parliament. I do not know what I have done to get under his skin, but I have certainly done something or this government has done something. I think what is getting under his skin is the knowledge that this election is slipping away from him—the knowledge that what he thought was in the bag is now slipping away from him.

I concede that I am far from perfect as an individual and that I have made many mistakes. Over the years, I have even made, I am sure, some mistakes as a minister. But I would certainly defend my record as a human being and a minister against that of the Leader of the Opposition. Let us not forget that he was the defence minister responsible for the Collins class subs; the communica-

tions minister responsible for the Optus-Telstra \$4 billion cable duplication; the employment minister when unemployment hit 11 per cent—a post war record; and the finance minister who ran up \$30 billion worth of government debt in just two years. The Leader of the Opposition was the worst defence minister ever, the worst communications minister ever, the worst employment minister ever and the worst finance minister ever—and now he wants to be Prime Minister. But the Australian public are waking up to him. They know that he is all sound and fury. They know that he is all wind. They know he is a sanctimonious windbag, and they are not going to vote for him.

I will also defend the record of the Prime Minister against the record of the Leader of the Opposition. This has been a great government, led by an outstanding Prime Minister. This is the government which banned semiautomatic weapons after 13 years of inaction from members opposite. This is the government which secured the liberation of East Timor after 13 years of betrayal from members opposite. This is the government which has had the guts to put in place tax reform after members opposite squibbed from the challenge. This is the government which has reformed the workplace relations system and has given workers a fair go. This is the government that brought in Work for the Dole, which gives Australians in need a chance to show what they can do.

I am sure that many members opposite and on my own side of the House know more about industrial relations in a technical sense than I do. I am sure that, as a former union official, the member for Brisbane knows more in a technical sense about some aspects of workplace relations. But I believe that I, as minister, have a better set of principles. I believe that this government has a better set of principles. We support workers; members opposite support unions. We support freedom; members opposite support union control. We support higher pay for the ordinary workers of this country; members opposite, in 13 years of government, proved that they support reducing wages for the ordinary workers of this country. We believe in the Australian people, and we want to focus on

what they can do. Deep down, members opposite mistrust and even despise the Australian people and constantly focus on what they cannot do.

We have supported the Australian community in the five years that we have been in government. We have delivered for the Australian community. We have cut unemployment, boosted wages, boosted growth and raised productivity. The Leader of the Opposition cried crocodile tears over the plight of mature age workers. Mature age unemployment was eight per cent when he left office; it is four per cent now. It has been well said by a better Labor member than most now opposite, by Kim Beazley Sr, that he joined the Labor Party when it was full of the cream of the working class and left it when it was full of the dregs of the middle class. What we have seen today from the Labor Party is a middle-class dreg in full flight. I move:

That all words after 'that' be omitted with a view to substituting the following words:

'The House censures the Leader of the Opposition for his failure to condemn irresponsible strike action in the manufacturing industry and for his continuing policy failure to promote the national interest over the union interest.'

I commend the amendment to the House.

Mr BEVIS (Brisbane) (4.02 p.m.)—The last few weeks have demonstrated conclusively to the Australian people a few things about this minister and this government. They remember his comments a month ago on *Four Corners*, when he told the world that people who are in poverty are there by choice. He said:

But we can't abolish poverty because poverty in part is a function of individual behaviour.

His view expressed to the Australian people was: when you find yourself in poverty, remember that you made the choices. He then went on and enumerated some of them. The Australian people found that out in the last month. But there is another thing they found out in the last week. As workers in this land, they want to have their rights protected. They want to know that their entitlements are going to be there if the company goes belly-up. They know that they now have two choices: they can have Stan Howard running the company, or they can have Kim Beazley

as Prime Minister. Australian workers now know that that is the only way their wages are going to be secure if the company becomes insolvent. To date, the only people in Australia who have had their entitlements fully protected are the workers at National Textiles—the special Stan-alone top-up; the one-off payment to Stan Howard. The government have dodged questions about that all week.

Unlike the minister at the table and the former minister, on a number of occasions I went to National Textiles and visited the workers and spoke to them and their families. They were not statistics, they were people. Many of them had worked in that industry and for that company all their lives. Their total life savings were their accrued long-service leave, annual leave and redundancy pay and the very modest house that they lived in. Those were their total life savings. If they had been able to get only the payment of this government's employee scheme, those workers would have got well under one-third of the entitlement that was due to them. Their life savings were evaporating in front of their eyes.

Another thing that the past couple of weeks have demonstrated to us all is that the minister has a lot of trouble telling the truth. He has a lot of trouble telling the truth in this chamber, and he seems to have greater difficulty with it outside the chamber. Let me remind people of one of the comments he made a little while ago here in the chamber at question time when dealing with Australian workplace agreements. The minister was at pains to tell the parliament that if you are on an AWA, you are actually better off. 'You get more money on an AWA,' he said. Of course, in the next question he immediately found out the truth of the matter, which was that the average Australian worker on an AWA today earns \$55.10 a week less than they would if they were on a union agreement. If the minister cannot tell the truth here at question time, in answer to a dorothy dix question that was prepared in his office, what hope is there that he is able to adhere to the facts or to tell the truth when issues like Tristar come along?

Not telling the truth would have been bad enough, but the minister set out to fuel the fire. At every opportunity over the last week, this minister has simply opened his mouth to change feet—from one disaster to the next. He attacked those workers as being guilty of treason. The headline in the *Australian* was 'Car strike treason to spread'. The minister alleges that those people are guilty of treason—for what? It is because they were on strike. They were stopping the operations of that company and, the minister would say, causing problems in other parts of the car industry. He knows, even with his limited knowledge of industrial relations, that those workers were taking totally lawful action in accordance with his legislation. More than that, they were taking action not only in accordance with his industry legislation but also in accordance with what he said they should do to protect their entitlements.

The minister might remember this document, *Protection of employee entitlements on employer insolvency*. It is subtitled 'A rebuttal of Labor's supposed alternatives'. It took them 18 months, with the whole government bureaucracy behind them, to produce a critique of our policy, which the minister knows is not Manusafe. He knows that to be the case, and throughout question time today he made comments to the contrary. In the document that he released, knowing that their scheme is flawed and to try and cover himself, he said:

The government scheme is a safety net scheme and does not preclude the adoption of additional measures by particular employees and employers. That is precisely what those workers did. They took this government's advice: 'If you want to protect your entitlements above our shoddy little basement scheme, this so-called safety net, you've got to go out there and negotiate it company by company.' And do you know what? You cannot get it arbitrated. Under this government's industrial relations laws, the Industrial Relations Commission cannot make a decision. Here is the rub: the government give you a second rate scheme which, for most people, gives them a small percentage of what was all theirs to begin with. That is what they give you for your entitlements, and then they say, 'But if you

want more, go and negotiate it.' But then they put in place an industrial relations system that does not allow the umpire to give it to you. The only way you can get it is to exercise your rights to collective action. That is exactly what the workers at Tristar did, in accordance with the law that this government put down. For their trouble in taking this minister's advice earlier this year, following the legislation that the government had put down, they were charged with treason and told they were traitors.

The minister might like to make a journey up to Tristar next week and have a talk with the workers. I will tell him what sort of reception he will get. I know what they said about him when they met last weekend. He thought he was going to fix the problem by threatening them. The response of the workers at their meeting on the weekend was anger towards this minister. His behaviour towards them was as inflammatory in the dispute as the issue that caused it in the first place—and his failure to apologise to them is a disgrace.

I suggest that the minister test my veracity on this to see whether I am telling the truth. Go up there next week, Minister. Go up there and confront those workers at Tristar. I will come with you. You and I together can go and talk to the workers up there. I am sure that management will not object. I am sure Dougie Cameron will not object. The minister and I can go up to Tristar next week and let us see what the workers say to this minister about the way he has conducted himself.

In fact, let us see what management says about the way he conducted himself. Not content with inflaming the situation by telling these people that they are guilty of treason, he then turned around and said to the company, 'Don't negotiate. Don't compromise.' Now, there is a novel approach for a minister trying to solve a dispute—'Don't negotiate.' I cannot think of a precedent of a minister, supposedly acting as the honest broker in a dispute, telling one side of the argument, 'Look, don't talk to them. Don't compromise.' He then tells the other side, 'The only way this is going to be solved is if

you back down and give up on what you want.'

If the company had taken the minister's advice, we would still have the dispute today and the workers would still have no protection. That is what the situation would be today. I suggest that next week the minister and I find time in our diaries and make that trip. It will be an education for you, and you need it, because you rightly referred to the fact a minute ago that there are many people in this parliament who know more about industrial relations than you do. And there are.

Dr Martin—Everyone.

Mr BEVIS—My colleague the member for Cunningham is correct; probably everyone in this parliament knows more about industrial relations than does the minister. However, the minister's approach to the job is novel. It is a novel approach to the job to commence your presentations to audiences of business executives by telling them that they all know more about the subject than you do. Your message has got through. They actually understand that. If they did not understand it before this week, they sure do now. However, I think that the message got through before this week. In the recess, I visited a great many business functions and organisations, at which business executives were in attendance, to talk about industrial relations. At one of those gatherings, which I am happy to say was sold out two weeks before the event occurred, they were at pains to point out to me that many more people had come along to listen to me than came to listen to you at a similar function. That might have something to do with the fact that you stand up in front of them and tell them that you haven't got a clue what you are talking about. I was a little surprised at one of the gatherings when one of the senior executives said, 'You know, I was at a thing about two or three weeks ago and he still started out by saying, "Everyone in this room knows more about industrial relations than me," to which people shook their heads and asked, "Why is he in the job?"' Minister, that is a question all workers in Australia are entitled to ask, and the answer is that you should not be in the job.

This is not just a critique from the Labor Party or the trade unions about your behaviour. Let us have a look at the behaviour of the minister as reported in an editorial in the *Age* earlier this week which was headed 'Tony Abbott and his entitlements'. It said:

Mr Abbott seems to believe that all industrial action is wrong, even though his laws allow it, and that no union is capable of acting decently. He appears to see his role as being the nation's chief union basher.

That editorial of the *Melbourne Age* got you in one. The editorial went on to talk about the issue in dispute and said:

The government's proposed scheme, which caps payouts at \$20,000 and hands the bill to the taxpayers, seems inadequate and the Labor states are probably right not to sign up to it.

Dead right. They had made the correct decision on that. The *Financial Review* also found it amusing that you should rail the way you have at workers doing no more than following your laws and your plan for how they should secure their entitlements. It said:

Tony Abbott, the self-confessed new boy of workplace relations, may call it a crime against the national interest or industrial and economic treason, but the strike which has shut down Australia's car making industry is entirely consistent with the law and logic of our enterprise bargaining system.

If the journalists understood that law, it is a fair request that the minister should understand it as well, but you have exhibited no evidence that you understand any of it.

Let us turn to the issue of the protection of those workers' entitlements. As I said, you put out a report on the various options. I assume you read your report. So you know that your claims in question time today were totally false. The report talks about Labor's scheme and I felt like we had been flogged with the proverbial wet lettuce after I had read it. After 18 months, you have not been able to find any hole in the scheme.

I was heartened in that context to see what the *Australian* newspaper said in the middle of this dispute in their editorial on 4 August 2001. Having described the problems in the industry, the government's half-baked scheme and the claim by the union for Manusafe, they said:

Against this background, Labor's proposal to levy a 0.1 per cent surcharge on the existing Superannuation Guarantee system looks more and more attractive. At a minimal cost to employers, it would create a scheme that is simple and can use existing administrative infrastructure. It would offer most workers comprehensive protection that existing schemes lack.

The editorial writer in the *Australian* understands where the protection is for ordinary Australian workers. As you cannot understand the legislation, Minister, you might at least try reading some of the newspapers; you could pick up a few clues.

The government have urged on these workers a system that is divisive and disruptive. That is your system. You have urged on the company a practice where they should not negotiate, even though under your system we supposedly have a negotiations framework. What has been the result of that? As the Leader of the Opposition pointed out, the company, under pressure from this government, decided they would not sign up to Manusafe. Had they signed up to Manusafe, they would have had to pay out \$174,000. That is the manufacturing workers scheme; it is not our scheme. It is a trust fund model, which is a legitimate model. Indeed, there are other trust funds that operate in a range of industries, and there is nothing wrong with that model. Instead of doing that, they signed up to an insurance bond. So it is not a trust; it is simply an insurance bond. At least in the trust fund model, the money is there to come back out, but this is an insurance bond. Instead of paying \$174,000 a year, they are going to pay \$700,000 a year. Of course, if we were in government, they would have a national scheme, and they would pay \$11,600.

I think this is no contest. I say to the minister and to those opposite that, as the weeks and months unfold and as employers understand that your system requires this to be replicated not just in the manufacturing sector but in every company in the land, they will very quickly come to understand what the editorial in the *Australian* said. The future for Australian workers to have their entitlements protected is with a Beazley led government, which will legislate to fix this

mess, and it will do it early in the next term. (*Time expired*)

Mr CHARLES (La Trobe) (4.17 p.m.)—I rise to defend the integrity of this minister. This is a good minister in a good government that has been good for Australia. The member for Brisbane said, 'If we had been in government'—well, if you had been in government, heaven help us. The minister has proposed that we not censure the Minister for Employment, Workplace Relations and Small Business—because he does not deserve censure—but instead censure the opposition.

During his very emotive diatribe, the prolix Leader of the Opposition said of the minister, 'This is not how Australia is supposed to be governed'. We are governing Australia fearlessly, free of outside influence, free of domination by outside organisations, free of financial influence by financial supporters of our two great political parties—free of all that. But what would we have if Jennie George was successful? Who would we have sitting on the Treasury benches on this side of the House if, at the next election, the prolix Leader of the Opposition managed to be successful? We would have three former ACTU presidents sitting on the front bench, occupying the Treasury benches, dominating cabinet and using trade union funds to determine the policy position and parameters of any Beazley led Labor government. That does not sound to me like the way that I want Australia governed, Mr Deputy Speaker, and I suspect that you would not want it governed that way either, and I know that the Australian people do not.

I will tell you about this censure motion. It is a lot of hot air, hype and hyperbole. We have fire and brimstone leading really to no outcome. All this contrived pity and concern for so-called ordinary Australians is nothing but a contrivance. Labor had 13 years to bring in a scheme to protect employee entitlements. This is an important national issue; I accept that and I have participated in this debate over a number of years in this place and outside it.

We have essentially a range of options to deal with the problem of a company that goes bankrupt, becomes insolvent, ceases to

trade and has not the funds in the bank to pay nor the assets to support paying workers their legal entitlements, including pay, holiday pay, accrued long service leave and redundancy funds agreed to in their workplace agreement—that is, whatever built-up entitlements there are. If the company goes broke and cannot pay those, it is right and proper that that money should be paid to those individuals. One of the problems is this question: ‘Why don’t you amend the company law and put employees first in front of secured creditors?’ Even the Labor Party have not proposed that. In their 13 years of benign neglect on this issue, they certainly never proposed that. The reason they did not was that we would have a great deal of difficulty in attracting investment in viable industry and commerce to this country, and we would not have the jobs that we need to support Australians and the jobs that Australians want to support themselves.

Putting employee entitlements at the top of the list just is not viable. We have a few other options. We could ask the taxpayers to pick up the bill on behalf of their fellow citizens for the very few who actually lose their jobs when companies dissolve, become insolvent, cease trading and do not have the funds to pay out what they legally owe to the employees, and where the liquidator or administrator is unable to recover funds from the personal accounts of the directors of the companies to help cover what the employees are owed. So we can say that the public purse is the right and proper place for that to occur and that such payment would have the least total effect on Australian society as a whole and particularly on Australian business, which we need to sustain employment and our great lifestyle. That is, in fact, what the government scheme is all about.

Unfortunately, except for South Australia and for the Northern Territory, the states have not come on board for this scheme. So employees of those companies which have gone under, and where there have not been sufficient funds to pay out what they owed, will receive a payment from the Commonwealth government. But do they see also a corresponding payment from the state Labor governments which are ideologically driven

to support the Leader of the Opposition? The answer is no, they do not. The states have not come on board the scheme, and that makes it less than desirable. So if a company goes belly up in South Australia, those workers can be assured that they are going to be much better taken care of than their compatriots in the states of Victoria and New South Wales or, for that matter, Queensland and Western Australia.

I asked the minister in question time today whether there are other proposals around. There are. One proposal is to have a national insurance scheme for all industry. Every viable company, those that are doing the right thing, trading profitably, paying their taxes, paying their employees, have good safety programs and are contributing to the Australian economy and the welfare and benefit of all of us, would have to kick in for the few rotten eggs in the barrel. I do not believe that that is the best way to approach the issue. But it would be one heck of a lot less expensive than this Manusafe scheme, that is for sure. I am advised that were we to put one-tenth of one per cent into a national insurance scheme of all companies—which I think is what the Australian Labor Party are proposing, but I am not real clear because I have not been able to read their policy anywhere—that would cost industry some \$250 million a year. I am also advised, however, that if this Manusafe scheme promoted by the AMWU were imposed in the manufacturing industry alone, that would cost those companies \$550 million a year.

Mr Danby—What about the \$700,000 insurance bond?

Mr CHARLES—How much employment do you get for 550 million bucks? You get a lot, don’t you? I am also advised that if the government scheme were fully implemented, if the states joined the scheme and everybody came on board, we took care of all those companies that went under and there was no sudden national catastrophe like a flood or drought, the cost would be in the order of \$50 million. So we are talking peanuts to megabucks. Guess who wants to spend the megabucks? The Labor Party and the trade union movement to whom the Labor Party is beholden.

Mr Danby—What about the firm that had to pay megabucks this week? Tell us about the insurance bond they had to pay?

Mr DEPUTY SPEAKER (Mr Nehl)—The member for Melbourne Ports!

Mr CHARLES—The individual companies do have another option. They could create trust funds, couldn't they? Each of them could create an individual trust fund for its members. I tell you that if you take that much money out of the economy, put it into trusts and lock it up, so you cannot invest it and you cannot use it for productive purposes, you will make Australian industry less competitive than it should be. I point out to those opposite that the last two reports on trade balances have been absolutely outstanding: two quarters in a row where we sold more to the rest of the world than we bought from the rest of the world. We have not quite made it with the current account deficit yet because we still have not paid back all the money that the Hawke and Keating governments borrowed over 13 years, but we have made a \$60 million dent in it. When we get that wound down, if we can keep going the way we are going in terms of our trade balance, we will have solved the balance of payments problem. That is positive. But if we accept this idiotic union scheme called Manusafe, to take 1.5 per cent of the wages bill of every company in this country and lock it up in an unproductive fund, we are asking for those companies to be less productive, to employ fewer people, to pay less in the way of taxes to the federal government—

Mr Danby—What happened to Tristar?

Mr SPEAKER—The member for Melbourne Ports is warned.

Mr CHARLES—That mob over there is the high taxing lot—high taxing and high spending. That is what Labor governments always do—rake the money in and spend it as fast you can. But I tell you that you cannot rake it in if you cannot collect the taxes because the companies are not profitable. Since 1996, when the coalition came to government, we have had a remarkable turnaround in improvement in real wages for working Australians. I am proud of that. We do not

have any accord with the ACTU, no accord with the trade union movement. What we have got instead is individuals out there improving their companies' productivity and the companies rewarding them with better wages, better conditions and a better living, and everybody is happy.

I will tell my friends on this side of the House something: when you get to the election campaign, tell your constituents what has happened to their standard of living, to their real wages, to their comfort zone, to their interest rates and to a well run economy since 1996, and then ask them if they really want to trust that mob over there who want to get stuck into their pockets again. That is what this debate is all about. This debate is an attempt to censure a good minister, but it is nothing but a phoney debate, because what they are on about is trying to sneak their way into government so the ACTU can come back and try to run the country again. If that happened, we would have secret deals with the ACTU, and we would have three former presidents of the ACTU sitting right here on the government front benches. Really, can you imagine one of them, Simon Crean, running Treasury? I cannot for the life of me imagine that that would be a scenario that Australians could embrace.

This is a debate we did not really need to have today. We should be talking about the economy. If I remember rightly, the opposition were going to propose the following matter of public importance today:

The failure—

or the so-called failure—

of the Government to adequately protect the living standards and economic security of Australian families.

No wonder the opposition tried to get out of that. They would have looked pretty silly trying to debate that issue, wouldn't they? I can just imagine that debate going out over the airwaves and all those hundreds of thousands of Australians listening on PNN to it. I can just imagine them trying to figure what 'Prolix' was on about with his statements that we had a 'poor economy, poor living standards and terrible interest rates'. Oh, my goodness, we should wring our hands, shouldn't we!

The Minister for Employment, Workplace Relations and Small Business is a good minister. He follows a good minister before him in the portfolio. This is a good government. It governs for all Australians, not just the select and privileged few who happen to pay big money into the coffers of the ALP—money which happens to largely come out of union dues by the overencouragement of people to join trade unions. Even though we are supposed to have got past the ‘no ticket, no start’ situation, we have not quite got there yet. One of these days, perhaps we will. I will be delighted when that day comes, and I will be delighted when the Leader of the Opposition has the guts and the intestinal fortitude to divorce his political party from a labour movement that is doing no good for Australia. I congratulate the minister on the excellent job that he is doing, and I support the amendment to the censure motion. (*Time expired*)

Question put:

That the amendment (**Mr Abbott's**) be agreed to.

The House divided. [4.36 p.m.]

(Mr Speaker—Mr Neil Andrew)

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

AYES

Abbott, A.J.	Anderson, J.D.
Andrews, K.J.	Anthony, L.J.
Bailey, F.E.	Baird, B.G.
Barresi, P.A.	Bartlett, K.J.
Billson, B.F.	Bishop, B.K.
Bishop, J.I.	Brough, M.T.
Cadman, A.G.	Cameron, R.A.
Causley, I.R.	Charles, R.E.
Downer, A.J.G.	Draper, P.
Elson, K.S.	Entsch, W.G.
Fahey, J.J.	Fischer, T.A.
Forrest, J.A. *	Gallus, C.A.
Gambaro, T.	Gash, J.
Georgiou, P.	Haase, B.W.
Hardgrave, G.D.	Hawker, D.P.M.
Hockey, J.B.	Howard, J.W.
Hull, K.E.	Jull, D.F.
Kelly, D.M.	Kelly, J.M.
Kemp, D.A.	Lawler, A.J.
Lieberman, L.S.	Lloyd, J.E.

Macfarlane, I.E.
McArthur, S. *
Moylan, J. E.
Nehl, G. B.
Neville, P.C.
Prosser, G.D.
Reith, P.K.
Schultz, A.
Secker, P.D.
Somlyay, A.M.
St Clair, S.R.
Sullivan, K.J.M.
Thomson, A.P.
Tuckey, C.W.
Vale, D.S.
Washer, M.J.
Wooldridge, M.R.L.

May, M.A.
McGauran, P.J.
Nairn, G. R.
Nelson, B.J.
Pearce, C.J.
Pyne, C.
Ronaldson, M.J.C.
Scott, B.C.
Slipper, P.N.
Southcott, A.J.
Stone, S.N.
Thompson, C.P.
Truss, W.E.
Vaile, M.A.J.
Wakelin, B.H.
Williams, D.R.
Worth, P.M.

NOES

Adams, D.G.H.	Albanese, A.N.
Beazley, K.C.	Bevis, A.R.
Brereton, L.J.	Burke, A.E.
Byrne, A.M.	Corcoran, A.K.
Cox, D.A.	Crean, S.F.
Crosio, J.A.	Danby, M.
Edwards, G.J.	Ellis, A.L.
Emerson, C.A.	Evans, M.J.
Ferguson, L.D.T.	Fitzgibbon, J.A.
Gibbons, S.W.	Gillard, J.E.
Griffin, A.P.	Hall, J.G.
Hatton, M.J.	Hoare, K.J.
Hollis, C.	Horne, R.
Irwin, J.	Jenkins, H.A.
Kernot, C.	Kerr, D.J.C.
Latham, M.W.	Lawrence, C.M.
Lee, M.J.	Livermore, K.F.
Macklin, J.L.	Martin, S.P.
McClelland, R.B.	McFarlane, J.S.
McLeay, L.B.	McMullan, R.F.
Melham, D.	Morris, A.A.
Mossfield, F.W.	Murphy, J. P.
O'Connor, G.M.	O'Keefe, N.P.
Price, L.R.S.	Quick, H.V.
Ripoll, B.F.	Roxon, N.L.
Rudd, K.M.	Sawford, R.W. *
Sciaccia, C.A.	Sercombe, R.C.G. *
Short, L.	Sidebottom, P.S.
Smith, S.F.	Snowdon, W.E.
Tanner, L.	Thomson, K.J.
Wilkie, K.	Zahra, C.J.

* denotes teller

Question so resolved in the affirmative.

Question put:

That the motion (**Mr Beazley's**), as amended, be agreed to.

The House divided. [4.42 p.m.]
(Mr Speaker—Mr Neil Andrew)

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

AYES

Abbott, A.J.	Anderson, J.D.
Andrews, K.J.	Anthony, L.J.
Bailey, F.E.	Baird, B.G.
Barresi, P.A.	Bartlett, K.J.
Billson, B.F.	Bishop, B.K.
Bishop, J.I.	Brough, M.T.
Cadman, A.G.	Cameron, R.A.
Causley, I.R.	Charles, R.E.
Downer, A.J.G.	Draper, P.
Elson, K.S.	Entsch, W.G.
Fahey, J.J.	Fischer, T.A.
Forrest, J.A. *	Gallus, C.A.
Gambaro, T.	Gash, J.
Georgiou, P.	Haase, B.W.
Hardgrave, G.D.	Hawker, D.P.M.
Hockey, J.B.	Howard, J.W.
Hull, K.E.	Jull, D.F.
Kelly, D.M.	Kelly, J.M.
Kemp, D.A.	Lawler, A.J.
Lieberman, L.S.	Lloyd, J.E.
Macfarlane, I.E.	May, M.A.
McArthur, S. *	McGauran, P.J.
Moylan, J. E.	Nairn, G. R.
Nehl, G. B.	Nelson, B.J.
Neville, P.C.	Pearce, C.J.
Prosser, G.D.	Pyne, C.
Reith, P.K.	Ronaldson, M.J.C.
Schultz, A.	Scott, B.C.
Secker, P.D.	Slipper, P.N.
Somlyay, A.M.	Southcott, A.J.
St Clair, S.R.	Stone, S.N.
Sullivan, K.J.M.	Thompson, C.P.
Thomson, A.P.	Truss, W.E.
Tuckey, C.W.	Vaile, M.A.J.
Vale, D.S.	Wakelin, B.H.
Washer, M.J.	Williams, D.R.
Wooldridge, M.R.L.	Worth, P.M.

NOES

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

Ferguson, L.D.T.	Fitzgibbon, J.A.
Gibbons, S.W.	Gillard, J.E.
Griffin, A.P.	Hall, J.G.
Hatton, M.J.	Hoare, K.J.
Hollis, C.	Horne, R.
Irwin, J.	Jenkins, H.A.
Kernot, C.	Kerr, D.J.C.
Latham, M.W.	Lawrence, C.M.
Lee, M.J.	Livermore, K.F.
Macklin, J.L.	Martin, S.P.
McClelland, R.B.	McFarlane, J.S.
McLeay, L.B.	McMullan, R.F.
Melham, D.	Morris, A.A.
Mossfield, F.W.	Murphy, J. P.
O'Connor, G.M.	O'Keefe, N.P.
Price, L.R.S.	Quick, H.V.
Ripoll, B.F.	Roxon, N.L.
Rudd, K.M.	Sawford, R.W. *
Sciacca, C.A.	Sercombe, R.C.G. *
Short, L.	Sidebottom, P.S.
Smith, S.F.	Snowdon, W.E.
Tanner, L.	Thomson, K.J.
Wilkie, K.	Zahra, C.J.

* denotes teller

Question so resolved in the affirmative.

PERSONAL EXPLANATIONS

Mr BEAZLEY (Brand—Leader of the Opposition) (4.43 p.m.)—Mr Speaker, I wish to make a personal explanation.

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

Mr BEAZLEY—Yes.

Mr SPEAKER—Please proceed.

Mr BEAZLEY—In the course of his remarks in answer to a question in question time, the Treasurer indicated that I had an intention to impose a levy in order to support Knowledge Nation activities. We have no such intention planned, secret or otherwise. That is a completely incorrect allegation.

Mr Speaker, I have a second matter.

Mr SPEAKER—Please proceed.

Mr BEAZLEY—In the course of his remarks, the Minister for Community Services quoted from a transcript, allegedly of mine, saying that I was 'bound for the Lodge'. I think that was the expression he used, and he used it as a direct quote. That was an answer from me to a question: 'Do you intend to live, if you are Prime Minister, in Kirribilli

or the Lodge?’ to which I responded, ‘The Lodge.’

Ms KERNOT (Dickson) (4.45 p.m.)—Mr Speaker, I wish to make a personal explanation.

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

Ms KERNOT—Yes.

Mr SPEAKER—Please proceed.

Ms KERNOT—I wish to complete the incomplete quotation that the minister for employment attributed to me.

Mr SPEAKER—No. The member for Dickson must indicate where she was misrepresented in order for me to understand whether she has a matter of misrepresentation that she can correct.

Ms KERNOT—I have two matters. One is on what I said on the *Meet the Press* program.

Mr SPEAKER—I am in no way seeking to frustrate the member for Dickson. I am seeking to indicate to her that she must indicate where she was misrepresented.

Ms KERNOT—I am trying to do that, Mr Speaker. Obviously I misunderstand you. The minister incompletely quoted from a transcript of the program, which leads to the wrong conclusion in the point he was making. It does not support the conclusion.

Government members interjecting—

Opposition members interjecting—

Mr SPEAKER—I do not need the amount of assistance I am getting from both sides of the House. I am endeavouring to assist the member for Dickson. I suggest to the member for Dickson that if she cares to consult with the Leader of the Opposition or the Deputy Leader of the Opposition I will recognise her in a few minutes.

Mr DANBY (Melbourne Ports) (4.46 p.m.)—Mr Speaker, I wish to make a personal explanation.

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

Mr DANBY—Yes.

Mr SPEAKER—Please proceed.

Mr DANBY—On Tuesday in question time the minister for education made the unlikely claim that I was not supporting schools in my electorate. He asked:

How is the member for Melbourne Ports explaining his decision to risk payments of \$16,000 to Alia College?

According to the minister’s own document ‘New schools payment of establishment grants’, the Alia School, item 16610, is in fact located at 13 Victoria Road, East Hawthorn. That is in the electorate of Kooyong, not in my electorate.

QUESTIONS TO MR SPEAKER

Questions on Notice

Mr FITZGIBBON (4.47 p.m.)—Mr Speaker, under standing order 150, would you mind writing to the Treasurer asking for an explanation for delay in responding to questions No. 2223 placed on the *Notice Paper* on 6 December 2000 and No. 2430 placed on the *Notice Paper* on 6 March this year.

Mr SPEAKER—I will follow up the matters as the standing orders provide.

PERSONAL EXPLANATIONS

Ms KERNOT (Dickson) (4.48 p.m.)—Mr Speaker, I wish to make a personal explanation.

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

Ms KERNOT—Yes.

Mr SPEAKER—Please proceed.

Ms KERNOT—I have two matters, the first one being the minister’s assertion that I supported the Manusafe scheme. I quote from my words:

No, we don’t, because it is only for one industry. We are still pushing for our national scheme, and that is a 0.1 per cent levy added to the superannuation guarantee charge.

On the second point, the minister’s assertion that I supported an illegal strike, I wish to add to the incomplete quotation he used:

... and they are only striking in a period in which legislation allows them to—a fixed term for enterprise bargaining.

Mr SPEAKER—I am happy to hear from the Leader of the House if he wishes.

Government members interjecting—

Opposition members interjecting—

Mr SPEAKER—Order! I would remind all members of the House of their status in the House.

Mr ZAHRA (McMillan) (4.49 p.m.)—Mr Speaker, I wish to make a personal explanation.

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

Mr ZAHRA—Yes, on two separate occasions.

Mr SPEAKER—Please proceed.

Mr ZAHRA—On 27 June in this place the Minister for Forestry and Conservation accused me of not knowing anything in relation to the FISAP program and of not providing any assistance to my constituents in relation to that program. He said:

Members from Victoria are currently given applicants information and asking them if they can offer assistance—

Mr SPEAKER—The member for McMillan will resume his seat. I call the Leader of the House.

Mr Reith—Mr Speaker, my understanding is that where a person wishes to seek leave under this process they must do so in a reasonably timely and expeditious way, and 27 June is going back a while and we were sitting after that.

Mr SPEAKER—Given that the House in fact did not sit in July, I would not have thought that the member for McMillan's request was unreasonable. I would, however, require the member for McMillan to come instantly to the point where he was misrepresented.

Mr ZAHRA—He went on to say:

His problem is that he did not know, and, worse, he did not care.

On 9 September 1999 I organised a briefing in my office on the Victorian Forest Industry Structural Adjustment Program, which was circulated to all timber mills and forest industries in my electorate, thus proving the claim to be incorrect.

Mr SPEAKER—The member for McMillan need prove nothing. He has indi-

cated where he was misrepresented. He will come to the next item.

Mr ZAHRA—I have a second instance where I have been misrepresented. In question time today the Minister for Forestry and Conservation suggested that I had received money from the union which covers workers at the Maryvale plant of PaperlinX. The main union which covers workers in that plant is the Pulp and Paper Workers Union Branch of the Forestry Division of the CFMEU. I have never received one single cent from this union, and the implication that the money from that—

Mr SPEAKER—The member for McMillan will resume his seat.

Mr ZAHRA—union has been used to buy—

Mr SPEAKER—The member for McMillan is now insulting the chair and will resume his seat or I will deal with him. I endeavour to be helpful to the member for McMillan. I do not expect the response to be abuse of the standing orders.

QUESTIONS TO MR SPEAKER

Questions on Notice

Mr MURPHY (4.51 p.m.)—Mr Speaker, question No. 2622 to the Attorney-General relating to the dishonesty or incompetence of the—

Mr SPEAKER—The member for Lowe does not need to indicate what the question relates to—merely the number and the date on which it was submitted.

Mr MURPHY—On 4 June it appeared on the *Notice Paper* re Dr Mal Colston. I would be very, very grateful if you would write to the Attorney-General and seek reasons why he has not replied to that question, because the public interest is screaming out for an answer.

Mr SPEAKER—I will follow up the matter as the standing orders provide. I, too, would be very, very grateful for a somewhat more succinct reference to standing order 150.

Member for McMillan: Misrepresentation

Mr O'KEEFE (4.52 p.m.)—I have a question of you, Mr Speaker. It arises out of the statement which has just been made by

the member for McMillan relating to the misrepresentation of his position during question time. You have witnessed the events that took place today—you have heard it all. You heard the minister not just misrepresent the member for McMillan but, in fact, tell a very direct lie.

Mr Reith interjecting—

Mr O'KEEFE—Excuse me. I am asking a question—

Mr SPEAKER—The member for Burke will be required to resume his seat and not be heard at all unless he learns to direct his remarks through the chair.

Mr Reith—Mr Speaker, I ask that the allegation be withdrawn.

Mr SPEAKER—The Leader of the House makes a reasonable request. The member for Burke will withdraw the implication that a member lied to him deliberately.

Mr O'KEEFE—Mr Speaker, I seek your guidance on this. I am not attempting to defy your ruling. If you insist I withdraw, I will. But I did not say that the minister was a liar.

Mrs Crosio interjecting—

Mr SPEAKER—Member for Prospect, as an occupier of the chair, how can you possibly not understand the fundamental courtesies that the standing orders oblige all of us to exercise one to the other?

Mr Reith—Mr Speaker, my point of order is that you have asked the member to withdraw. Under the guise of discussing your request, he simply attempts to repeat the allegations he has made in a different way. I ask you, as a matter of fairness, Mr Speaker, that he not be allowed to do so.

Mrs Crosio—I raise a point of order, Mr Speaker. Further to the point of order as raised by the Leader of the House, the question that I uttered and was reprimanded by you for, sir, was: how can the Leader of the House take a point of order on the member in this parliament who questioned what your direction would be?

Mr Reith interjecting—

Mr SPEAKER—The Leader of the House is not assisting the chair. The member for Prospect is well aware that one of the forms of the House designed, in fact, to pro-

tect the dignity of the House and the way in which the chair exercises its decisions at all times is the facility that members have to take points of order, a facility that I think is sometimes abused. It does not alter the obligation that I have to hear any point of order.

Mr O'KEEFE—As I was saying—

Mr Reith interjecting—

Mr SPEAKER—I will deal with the member for Burke. I do not need any help from the Leader of the House unless he requests it from the dispatch box.

Mr O'KEEFE—This situation, as you have heard and as the member for McMillan has attempted to cover under the standing orders, is what I would describe as more than a misrepresentation; it is a very direct statement that was an untruth. As such, when the member for McMillan has stood—

Mr Ronaldson—Mr Speaker, I raise a point of order. You have made a quite specific request for the member for Burke to withdraw the comment which you found unparliamentary. It is not a matter that requires debate; it is a matter that requires immediate withdrawal.

Mr SPEAKER—The member for Burke was, in fact, directing a question to the Speaker. I was endeavouring, in the interests of impartiality, as do all occupiers of the chair, to hear him out. He would have been facilitating the chair by being succinct with his question instead of deliberately drawing it out, and there are members on my right who would facilitate the chair by allowing me to get to the point at which I can rule on the member for Burke's point of order.

Mr Reith—Mr Speaker, you said quite specifically that it was appropriate for him to withdraw and, under the conventions of this House, when people are asked to withdraw they do not stand and say 'if this' and 'if that'. This is simply an abuse of an opportunity provided to members—

Mr Bevis interjecting—

Mr SPEAKER—The member for Brisbane is warned.

Mr Reith—to ask the Speaker questions relating to matters within the Speaker's administration. This is yet another example of a

question designed to go over a matter which had arisen during question time.

Mr Adams interjecting—

Mr SPEAKER—The member for Lyons is also warned.

Mr Reith—I ask you, Mr Speaker, in conformity with your request, that you confirm your request for him to withdraw; otherwise he should be asked to be seated.

Mr O'KEEFE—I am very happy to withdraw if that will assist you and will enable me to complete the question I am asking of you. Do you want me to withdraw?

Mr SPEAKER—I do require the member for Burke to withdraw. I thought I had made that perfectly evident all of about 10 minutes ago.

Mr O'KEEFE—I withdraw.

Mr SPEAKER—The member for Burke's question is?

Mr O'KEEFE—The question that I was three-quarters of the way through was: in this situation where it was not just a misrepresentation but a very direct untruth—

Mr Reith—Mr Speaker, I raise a point of order. This question is totally inappropriate. This member is attempting to make a debating point against a minister. That is an incorrect form. If people want to make substantive allegations, the standing orders make it clear how they should so proceed. I put it to you that this question is totally out of order and should not be countenanced.

Mr SPEAKER—The member for Burke will succinctly come to his point, which is currently getting very drawn out.

Mr O'KEEFE—I am asking for guidance from you, Mr Speaker, about a member who correctly used the standing orders provided to correct a misrepresentation, as occurred, but was required by you to conclude at the point at which you felt he had corrected the misrepresentation. When that misrepresentation is very serious and is, in fact, more than a misrepresentation, I believe it is in order for the member to be given the opportunity to more fully explain his situation. I am asking you: would you give consideration to some further scope for the member for

McMillan to fully complete his rebuttal of the untruth made about him?

Mr Ronaldson—The cattle will be putting bacon and eggs on for breakfast if this keeps on going—

Mr SPEAKER—The Chief Government Whip will resume his seat. If ever there was an exercise in absolute absurdity, the people of Australia just witnessed it.

Mr O'Keefe interjecting—

Mr SPEAKER—The member for Burke is warned. I am on my feet. If the member for Burke was seriously asking me whether or not I am in fact prepared to intervene to prevent people freely expressing their view in this chamber, the answer is no. I have no facility, nor does any other occupier of the chair have any facility, to pass judgment on the accuracy of what is being said. This chamber is built on the fundamental right of everybody's right to an opinion and the right to be heard, and on the responsibility they of course have to exercise those rights in a way that they believe is entirely honourable.

I have in no way thwarted the opportunity for the member for McMillan to express a point of view under the standing orders, nor will I in any way prevent a minister expressing a point of view under the standing orders, so long as both expressions are entirely parliamentary. To do otherwise would be to put at risk the whole system of free speech and the whole system of parliamentary privilege on which this institution is founded. That fundamental lesson must be understood by everybody in this chamber, almost prior to election.

Mr Beazley—Mr Speaker, I ask, on behalf of Mr Zahra, indulgence from you. Mr Zahra has effectively been accused of corruption by the minister. He said he received a donation and then certain things followed and certain behaviours were expected of him. It appears the donation was not made. That was a very serious allegation and I think, under indulgence, he ought to be allowed to answer it.

Mr SPEAKER—I would point out—before I recognise anybody—to the Leader of the Opposition that, as he would have expected, the member for McMillan was not

only able to correct any misrepresentation but indicated that no donation had been received. The provision under the standing orders to correct a misrepresentation had been fully and appropriately discharged. I at no stage obliged the member for McMillan to resume his seat until he entered into a second area which had, from what I could see, no further resemblance to whatever he was saying because he had made it perfectly clear that he had not been in receipt of any donation. The *Hansard* will reinforce that point.

Member for McMillan: Misrepresentation

Mr ZAHRA (5.03 p.m.)—I have a question to you, Mr Speaker. In question time today, you said, and I wrote it down, that you will not tolerate anybody at the dispatch box being deliberately deceitful. I would argue that in this instance the Minister for Forestry and Conservation has been deliberately deceitful.

Mr SPEAKER—The member for McMillan will resume his seat. As any reader of the standing orders is well aware—and anyone who cares to peruse *House of Representatives Practice*—no-one comes into this House and has any opportunity to be deliberately deceitful. I will not enter into any further negotiation, argument or discussion of this matter as referred by the member for McMillan.

Mr Reith—Mr Speaker, I ask that the statement made by the member for McMillan be withdrawn. ‘Deliberately deceitful’ is clearly unparliamentary and it should be withdrawn.

Mr ZAHRA—Mr Speaker, the question that I was going to ask—

Mr SPEAKER—The member for McMillan will withdraw the inference.

Mr ZAHRA—I withdraw, Mr Speaker. Mr Speaker, I had not asked you the question which I wanted to ask you before you asked me to resume my seat. I would counter in this instance that the minister has made this implication of me—it is a substantial allegation of corruption—and he has provided no evidence at all in his remarks.

Mr SPEAKER—The member for McMillan will resume his seat. The matter has been dealt with. The member for McMillan has, as the standing orders pro-

vide, had the opportunity to ensure that any misrepresentation has been corrected. I do not believe there is any need for any further debate on the matter.

Seyffer, Mr John: Parliamentary Pass

Mr LEO McLEAY (5.05 p.m.)—Earlier this week, Mr Speaker, I asked you a question regarding the request for a security pass by Mr John Seyffer and you said you would come back to the House with that information. Are you in a position to be able to give us that information before the House rises today?

Mr SPEAKER—In response to the Chief Opposition Whip’s question, I can indicate that I have made inquiries and that details on pass application forms and pass usage are confidential. That is hardly surprising because of course they are kept confidential in order to protect the privacy of pass holders. Such detail can only be released on the authority of the security controller and is only released in relation to serious security threats to the parliament or the occupants of the building. The request by the Chief Opposition Whip for information on a pass which may have been issued to Mr Seyffer does not appear to be in relation to a serious security threat and therefore such details, if they exist, cannot be provided.

Mr LEO McLEAY—Mr Speaker, do I take it from your answer then that a pass has been issued to Mr Seyffer?

Mr SPEAKER—In response to the Chief Opposition Whip, I have no idea whether a pass has or has not at any time in his occupancy of the chair or mine been issued to Mr Seyffer.

Mr LEO McLEAY—Would you ascertain from the security controller whether a request for a pass for Mr Seyffer was made by the Minister for Sport and Tourism?

Mr SPEAKER—I have no intention of taking the matter any further, as there is no threat to the building’s security in this particular instance or the security of occupants of the building.

Member for McMillan: Misrepresentation

Mr O’KEEFE (5.07 p.m.)—Mr Speaker, I have a further question to you. While it relates to the matter we were discussing earlier,

it is in a different context, and I am hastening to assure you of that before I ask it. Given what you have ruled in relation to what was stated and the member for McMillan's opportunity to respond to it, my question to you is: what forms of the parliament are available for the rest of today that would enable the member for McMillan to have what you would call a fair and equal opportunity to respond?

Mr SPEAKER—In the time that I have been in this parliament—in fact I am bold enough to suggest in the time the Leader of the Opposition has been in this parliament—the forms provided today are the same forms for directing misrepresentation as have been available for the member for McMillan today, and he has discharged them.

Seyffer, Mr John: Parliamentary Pass

Mr McMULLAN (5.08 p.m.)—I want to pull up on the question asked by the Chief Opposition Whip, Mr Speaker. The normal process by which questions are asked to you relate to questions of administration of the parliament. Classically, questions of administration of a department go to whether this particular activity occurred within that department and, if so, who was responsible, et cetera. Unless it is commercial-in-confidence or national security, the proper course is for the minister to supply an answer. On what grounds are you saying to the Chief Opposition Whip that an inquiry as to whether an individual has received a pass and whether the minister for sport was the person who applied for that pass is not a proper matter to be answered to this House and not a proper matter about which the House is entitled to gain information from you? I do not understand the basis upon which you think this is not a proper question to which you ought give a reply to the House.

Mr SPEAKER—I have nothing to add to my earlier comments as recorded in *Hansard*. The issuing of passes is a confidential matter. It has been for successive Speakers in this place, certainly for as long as we have occupied this building and, I suspect, for as long as we occupied the former building—as long as passes have been issued. While we have been in this building it has been a matter that is kept in confidence. It is not the

business of anyone who comes and goes from this building or signs someone in or out of this building unless matters of security are at risk. The matter referred to by the Chief Opposition Whip is not deemed to be a matter of building or personal security. This is consistent, I gather, with rulings made by my predecessors on the advice that I have from the security office.

Seyffer, Mr John: Parliamentary Pass

Mr LEO McLEAY (5.11 p.m.)—Mr Speaker, is it a fact that photographic security passes which are issued to people in this building have the name of the person, the person's photograph and the office that that person is working in on the front of the pass? How can it be commercial-in-confidence or a private matter if the person's office is on the front of the pass accompanied by their photograph?

Mr SPEAKER—As I have indicated to the House, my response is entirely consistent with the actions taken by previous occupiers of the chair. If there is any inconsistency, I will come back to the Chief Opposition Whip and report to him.

Minister for Foreign Affairs

Mrs IRWIN (5.11 p.m.)—During question time today the Minister for Foreign Affairs was blowing kisses and using offensive hand movements to me across the chamber. I and the member for Franklin found it very offensive, and I would like to know if it is unparliamentary. As you are aware, Mr Speaker, I have seen you privately regarding the actions of the Minister for Foreign Affairs towards me in this chamber, and I now raise it publicly.

Mr SPEAKER—I do not believe that standing orders specifically cover the way in which gestures may or may not be passed between members across the chamber, but I have in fact, as the member for Fowler knows, raised the issue she is concerned about with the Minister for Foreign Affairs, and I would intervene again if I felt he was doing something that was offensive. If what she alleged occurred, my failure to intervene is simply because I did not see the minister.

Mrs IRWIN—I do appreciate that. It would be wonderful if we could see it on the video. He was actually doing the same thing to me in this chamber as he did—

Mr SPEAKER—The member for Fowler will resume her seat.

AUDITOR-GENERAL'S REPORTS

Report Nos 6 to 8 of 2001-2002

Mr SPEAKER—I present the Auditor-General's audit reports Nos 6 to 8 for 2001-2002 entitled No. 6—*Performance audit Commonwealth fisheries management: follow-up audit*, No. 7—*Summary of results audit activity report: January to June 2001* and No. 8—*Assurance and control assessment audit: disposal of infrastructure, plant and equipment*.

Ordered that the reports be printed.

PAPERS

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

SPECIAL ADJOURNMENT

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

That the House, at its rising, adjourn until Monday, 20 August 2001, at 12.30 p.m., unless the Speaker fixes an alternative day or hour of meeting.

COMMITTEES

Publications Committee

Report

Mr LIEBERMAN (Indi) (5.14 p.m.)—I present the 28th report from the Publications Committee sitting in conference with the Publications Committee of the Senate.

Report—by leave—agreed to.

Mr Beazley interjecting—

Mr SPEAKER—I recognise the intervention of the Leader of the Opposition. He must also surely recognise that I did not know whether the member for Indi was raising a question to me or a point of order and for that reason he was recognised and I thought it best to expedite the matter.

MATTERS OF PUBLIC IMPORTANCE

Families: Government Policy

Mr SPEAKER—I have received a letter from the Leader of the Opposition proposing that a definite matter of public importance be

submitted to the House for discussion, namely:

The failure of the Government to adequately protect the living standards and economic security of Australian families.

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

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

Motion (by **Mr Slipper**) agreed to:

That the business of the day be called on.

BILLS RETURNED FROM THE SENATE

The following bills were returned from the Senate without amendment or request:

Superannuation Contributions Taxes and Termination Payments Tax Legislation Amendment Bill 2001

Trade Marks and Other Legislation Amendment Bill 2001

COMMITTEES

Intelligence Services Committee

Extension of Time

Motion (by **Dr Stone**)—by leave—agreed to:

That the time for the Joint Select Committee on the Intelligence Services to present its report be extended to 27 August 2001.

Public Works Committee

Reference

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (5.18 p.m.)—I move:

That, in accordance with the provisions of the *Public Works Committee Act 1969*, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Proposed Christmas Island common-use infrastructure items.

The Department of Transport and Regional Services proposes to upgrade common-use infrastructure to support the proposed space centre project on Christmas Island. The proposed upgrade will be in the form of improvements to the airport, a new freight off-loading facility on the east coast and a connecting road. Australia needs to pursue ag-

gressively strategic investment proposals which help ensure Australia acquires leading edge technologies and skills that help develop and add value to our resources. In so doing, sometimes there may be a need to provide specific incentives to secure a strategic investment for Australia.

The airport improvements include runway strengthening, reconstruction and extension of the southern end by 500 metres, taxiway expansion and new emergency services. This upgrade is required to enable use by Boeing 747s, Antonovs, Airbus and Beluga aircraft. The new freight off-loading port facility is to be constructed on the east coast. Predominantly during the wet season the swell runs in from the north-west and forces the closure of the current port facilities. This new location will allow for all year off-loading of ships and will save the community the inconvenience and cost of delay to ships.

An upgraded road from the new freight off-loading facility to Lily Beach Road is to be constructed. This will provide a safe access from the alternative port and will allow the bypass of the main settlement areas, minimising impact on the local community of the transport of industrial or dangerous goods. The upgrading of the common-use infrastructure would achieve the following. It would support the objectives of the government for Christmas Island. It would provide all-weather port infrastructure, which will avoid the costly carryover of freight at the current port facilities during the wet season shutdown. It would allow for a more flexible approach to air services for the Indian Ocean Territories by increased strength and length of runway. It would secure for Australia the world's first commercially constructed satellite launch facility, which would be the foundation for an Australian space industry, and it would create short- and long-term job opportunities for the local community to help relieve unemployment and develop the skills base on the island.

The proposed upgrades are designed to balance the commercial and social benefit to all Christmas Islanders in this unique Commonwealth territory. The proposed upgrades are to be designed to ensure the new infrastructure balances the commercial and social

benefits with the optimal protection of the marine and terrestrial environment. All works will be undertaken to ensure that any potential environmental damage to the area is minimised. A comprehensive community consultation program will be implemented throughout the planning and development stages of the proposed common-use infrastructure upgrading and will involve the Christmas Island administration, stakeholders and the local community. The estimated cost of the common-use infrastructure upgrade is \$68.6 million. Subject to parliamentary approval, tenders are scheduled to be called for in the first half of the next year. I commend the motion to the House.

Mr SNOWDON (Northern Territory) (5.22 p.m.)—I wish to add some comments to those which have been made by the Parliamentary Secretary to the Minister for Finance and Administration. I should point out that he has made a mistake: the estimated cost of the common-use infrastructure upgrade is \$68.6 million, not \$68.0 million.

Mr Slipper—I said \$68.6 million.

Mr SNOWDON—No, you did not—but, in any event, we will fix it up.

Mr SPEAKER—Both members are aware of the courtesy which requires them to address their remarks through the chair.

Mr SNOWDON—On behalf of the community of Christmas Island, I am very pleased as their federal member to welcome the proposal of the Department of Transport and Regional Services to upgrade common-use infrastructure to support the proposed space centre on Christmas Island. However, the community do not want to be hostage to the APSC or the federal government while all the while being assured that things will happen. It is their view that the upgrades and new facilities should happen anyway.

The community know from experience that talk about the future development of the island is often cheap. They have already waited over three years for some action to reopen the resort/casino. They have been kept waiting with assurances that it is likely that the resort will reopen as a casino, but to date nothing has happened. Yet, just this

week, in the Senate on Tuesday evening, Senator Lightfoot said that the resort will be used for accommodation for the 400 people required to establish the space facility. A contrary view has, of course, been expressed because there has been a suggestion that a number of houses were built on another site on the island. The question of the casino re-opening is still up in the air. Senator Lightfoot did not know, and he is the Chairman of the Joint Standing Committee on the National Capital and External Territories, of which Christmas Island is a part. The community do not want the same thing to happen with this infrastructure upgrade. Given what has happened on the island in recent years, the community is entitled to be suspicious. I have spoken before about the need for the people of Christmas Island to be kept fully informed and to be involved in all aspects of developments concerning the island community. The consultation process has not been adequate to date, and I have commented about this in this place. Indeed, the minister responsible has done nothing but treat the island community with contempt.

Today I want to emphasise the fact that the people of Christmas Island often do without what other Australians take for granted. That is why the community welcomes the \$68.6 million for the upgrade of the common-use facilities which have been identified. They should be going ahead regardless of the progress of government negotiations over the space facility. There is a proposal for a new freight off-loading port facility to be constructed on the east coast. This would be most welcomed by the community. For three months of the year the community is at the mercy of what the local calls the 'swirly season', when the current port may be closed due to ocean swells. On the mainland we have come to depend on overnight services for all manner of deliveries: mail, spare parts for cars, commercial and industrial equipment, important documents, et cetera. On Christmas Island there is a weekly service if the people are lucky—the swirls may close the port and the weekly air service carries limited freight that may be offloaded in Perth because of some emergency such as a medical priority. The people on Christmas Island can wait weeks for basic

services. A restaurant can be left with no bulk supply of flour. The photocopier can be inoperable due to the lack of a \$5 part. The list goes on and on. An all-weather port is needed now for the people of Christmas Island—it is long overdue. It is the same story with the airstrip. With or without the space facility, there is a need for an upgrade for reasons of tourism, defence and general emergencies.

Remember that this is a community of some 1,500 people who, every few weeks, can be expected to play host to a large number of unauthorised immigrants—sometimes numbered in the hundreds—who put an enormous strain on the existing resources of the island. Imagine what would happen if the ACT had an extra 50,000 suddenly appear in the community with immediate human needs of food and shelter. Proportionately, this is what happens on Christmas Island—the food supplies on the island are dwindled and community halls become hostels. It is a fact of life. When talking to the people on Christmas Island and Cocos Island, it does not take long for the conversation to get around to air services. As the federal member, it sometimes even precedes social courtesies. A constant refrain is, 'What's going on with the air service?' That is a constant question that is asked in every office, club, cafe, verandah and home in our Indian Ocean territories. The issues with the air service are many. A commitment to improve the airstrip to handle larger aircraft will remove some issues that stand in the way of improving the air service.

Of interest to me is the fact that the government has announced expenditure of up to \$100 million in connection with this space facility, yet today we have seen a reference to the Public Works Committee of works estimated to cost only \$68.6 million. I can only assume that the other \$32.4 million, which is not accounted for in this reference, is money that will be given to the Asia Pacific Space Centre—the proponents of the launch facility. If this is the case, it leaves open the question as to what the money is going to be used for. It is important that we know exactly what this money has been appropriated for. We have identified the \$68.6

million, but we do not know what the remaining \$32.4 million is to be used for. I find it very difficult to understand why these moneys were not appropriated in the budget. They are clearly matters of public infrastructure, yet the money is coming out of the contingency fund. The contingency fund, we are led to believe, is for emergencies. What sort of emergency was there? We are told it is an allowance to cover items that could not be accurately costed at budget time. I ask the government: why weren't these matters referred to the Public Works Committee before? Why weren't these matters raised within the budget context? Why are we dealing with them in this way? They were facilities which were required by the community in any event.

I understand the government's position in relation to supporting the space facility, and it is important that we recognise that it can bring substantial benefits to the community, including large numbers of jobs: 400 in the construction phase of the launch facility and 500 during its operational phase—although, to be fair, we have no idea where the personnel for these jobs will come from. It is likely that most of the 500 in the operational phase will be offshore residents. I support this referral to the Public Works Committee, but we do need more explanation from the government and we certainly need greater consultation with the Christmas Island community. To date it has been farcical.

Question resolved in the affirmative.

ADJOURNMENT

Mr SPEAKER—Order! It being 5.30 p.m., I propose the question:

That the House do now adjourn.

Mr Slipper—Mr Speaker, I require that the question be put forthwith without debate.

Question resolved in the negative.

INTERNATIONAL MARITIME CONVENTIONS LEGISLATION AMENDMENT BILL 2001

Main Committee Report

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

Ordered that the bill be taken into consideration forthwith.

Main Committee's amendments—

(1) Schedule 3, item 10, page 32 (after line 21), after subsection (3), insert:

(3A) For the purposes of this section, **damage** to a ship or to its equipment does not include:

- (a) deterioration resulting from failure to maintain the ship or equipment; or
- (b) defects that develop during the normal operation of the ship or equipment.

(2) Schedule 3, item 37, page 38 (after line 23), after subsection (3), insert:

(3A) For the purposes of this section, **damage** to a ship or to its equipment does not include:

- (a) deterioration resulting from failure to maintain the ship or equipment; or
- (b) defects that develop during the normal operation of the ship or equipment.

(3) Schedule 3, page 49 (after line 20), after item 94, insert:

94A After subsection 26D(5)

Insert:

(5A) For the purposes of this section, **damage** to a ship or to its equipment does not include:

- (a) deterioration resulting from failure to maintain the ship or equipment; or
- (b) defects that develop during the normal operation of the ship or equipment.

(4) Schedule 3, page 53 (after line 20), after item 119, insert:

119A After subsection 26F(9)

Insert:

(9A) For the purposes of subsection (9), **damage** to a ship or to its equipment does not include:

- (a) deterioration resulting from failure to maintain the ship or equipment; or
- (b) defects that develop during the normal operation of the ship or equipment.

Amendments agreed to.

Bill, as amended, agreed to.

Third Reading

Bill (on motion by **Mr Slipper**)—by leave—read a third time.

COMMITTEES

Joint Committee on Native Title and the Aboriginal and Torres Strait Islander Land Fund

Membership

Mr SPEAKER—I have received a message from the Senate acquainting the House that the Senator Lees has been appointed a member of the parliamentary Joint Committee on Native Title and the Aboriginal and Torres Strait Islander Land Fund.

ADJOURNMENT

Motion (by **Mr Slipper**) proposed:

That the House do now adjourn.

Cabramatta

Mrs IRWIN (Fowler) (5.32 p.m.)—Last Sunday, the television program *60 Minutes* contained a segment on law and order. In his opening remarks the presenter, Ray Martin, addressed the viewers with this statement: ‘If somebody in your family or maybe a friend is using heroin, blame Cabramatta. If an addict has robbed your home or a dealer is selling drugs outside your kid’s school, again blame Cabramatta.’ As the representative of Cabramatta in this parliament, I found that remark offensive and untrue. But in a world of media hype, where the only thing that counts is the ratings, you would not worry too much about the impact on a community. The program followed the release of a report by the New South Wales Legislative Council General Purpose Standing Committee No. 3 on its inquiry into Cabramatta policing. That report dealt mainly with police management issues at the Cabramatta local area command and its recommendations stressed a number of initiatives to improve drug law enforcement. Apart from noting the health and community services measures announced by the New South Wales Premier in March of this year, the report concentrated on drug law enforcement as the solution to Cabramatta’s problems. In short, the committee believes that a crackdown on drug dealers will solve

the drug problem in Cabramatta, and, if you believe Ray Martin, Australia’s drug problem will be solved.

I just wish it were that simple. ‘Take away the supply of drugs and the demand will disappear; lock up the dealers and throw away the key’ is the advice that I often get. It’s that simple. Anyone would think that it has not been tried here or in other countries. But anyone who thinks that that is the solution knows nothing about addiction and nothing about the illegal drug market. You have only to look at the recent National Crime Authority report into organised crime in Australia to realise that there are no simple solutions. But that is the strategy that sees 80c in every dollar spent on the drug program going to law enforcement, and only 20c going to health measures. When you look at federal funding for Cabramatta, it is even less. As I have told the House before, last year, out of the \$50 million in this government’s Tough on Drugs policy, Cabramatta received a mere \$75,000. Talk about taking your eye off the ball. This government must have been wearing a blindfold when it allocated funding for Cabramatta.

We do have a serious drug problem in Cabramatta, and the diverse ethnic mix of the population makes dealing with the problem that much harder. We do have some wonderful, dedicated groups who, despite a shortage of resources, are determined to help those in our community who are drug dependent. But we are flat out trying to help our own without adding to the burden of others from all over New South Wales. When I hear about a community that wants to shut down a methadone clinic, or refuses to allow a rehab centre, I know where the problem will finish up—in Cabramatta. When drug users cannot get methadone or they cannot get into rehab, they catch the next train to Cabramatta. Last year, more than 40 young people who took that trip did not get to use their return ticket. Most of them did not come from Cabramatta and they did not come from the dark side of the moon, either. They came from communities that did not care—communities that were happy to dump their problems on Cabramatta. I am sick and tired of communities that want to dump their

problems on Cabramatta. We are flat out dealing with our own problems. Even if we had extra resources to help people from elsewhere, having rehabilitation facilities in Cabramatta would be like having an AA meeting in a brewery.

'Blame Cabramatta,' says Ray Martin, as though one suburb were the root cause of Australia's drug problem! In spite of Ray Martin and all the rest of the negative media stories, Cabramatta is determined to fight back. I recently moved my electorate office to the heart of Cabramatta, and I am looking forward to playing my part to build public confidence in this special community. But that job is made harder by commentators who know little about the area and care even less. By contrast, I congratulate the local media, the *Fairfield Advance* and the *Fairfield City Champion*. Their positive reporting on Cabramatta this week shows a clearer understanding of the problem and real concern for the people of Cabramatta.

**Robertson Electorate: Central Coast
Rugby League Team**

Mr LLOYD (Robertson) (5.36 p.m.)—Back in late 1997, I began actively lobbying on behalf of all Central Coast residents for the provision of a world-class sports stadium in the city of Gosford. Obviously, the cost of such a stadium was going to be considerable—in fact, \$28 million. The Central Coast has a population of 300,000, and at that time it did not have a sports stadium of any note. Most importantly, I said that, if we were able to provide a stadium which would meet the requirements of the NRL for holding first grade rugby league matches, that would enable the relocation of the then North Sydney Bears to the Central Coast, giving the Central Coast its own NRL rugby league team.

After much hard work which was supported by most of the Central Coast community—and I am very pleased to note that the Minister for Sport and Tourism is at the table this evening, because she assisted greatly in lobbying the government to obtain the money we needed to make the stadium a reality—we were eventually rewarded back in June 1998 when \$12 million from the Centenary of Federation Fund was allocated by the federal government towards the project.

That was quickly matched by the New South Wales government, with the balance being contributed by Gosford City Council. Graham Park Stadium became a reality on 6 February 2000.

Unfortunately, the North Sydney rugby league team was not allowed to continue in the NRL first grade division and we had the merger of the North Sydney rugby league team with Manly to become the Northern Eagles. They were embraced by the Central Coast and the stadium was opened by the Prime Minister, John Howard, at the first Northern Eagles v. Newcastle match of the 2000 season in front of a capacity 22,000 crowd. It was a great night and a great achievement for the Central Coast. Unfortunately, with the demise of the Northern Eagles at the end of this season, the Central Coast has a magnificent sports stadium, but it does not have a first division rugby team of its own. The Central Coast of New South Wales, with 300,000 people, deserves to have a rugby league team in New South Wales of its own, a team that it can call its own, and a team which young players can aspire to represent and to represent the Central Coast.

I am privileged to be patron of the Kincumber Junior Rugby League Club on the Central Coast. There are 4,500 young players in the junior rugby league competition on the Central Coast. The crowds at NorthPower Stadium, as it is now known, over the season have averaged 12,000 for each match played at the stadium. The attendances at other grounds for the Northern Eagles have been less than that. It shows that rugby league is an important game on the Central Coast of New South Wales and it shows that the Central Coast deserves to be allowed by the NRL to have a stand-alone team on the Central Coast in the NRL competition.

The Central Coast community are not going to sit back quietly. The community are gathering their forces and they will be rallying. We will do everything we can to ensure that the NRL allows us to have a stand-alone team in next year's rugby league competition. I will be supporting the hundreds of thousands of people on the Central Coast who I know want this team to become a re-

ality. It is about much more than just rugby league; it is about giving the young people of the Central Coast an identity and something to strive for.

I am a former president of Central Coast Junior Hockey. I understand how important junior sport is to the Central Coast of New South Wales. It is important for the community of the Central Coast that we have a stand-alone rugby league team in the NRL competition next year and we will do everything we can to ensure that all of Australia knows that the Central Coast is an important region which deserves to have its own rugby league team in next year's NRL competition.

Telecommunications: Telephone Connections

Mr RIPOLL (Oxley) (5.41 p.m.)—I rise tonight to raise a matter of great concern to me, and a matter which I believe should be of great concern to all members in the House, and to the community. A young family with five children in my electorate has recently moved into a home. When they moved in, they found that they needed to get the phone connected. They rang Telstra to have the phone connected, but they were informed by Telstra that, as the phone line was rented by Optus, they would need to contact Optus. They set about contacting Optus and were informed that Optus would not connect the line on the basis that the previous tenants had not disconnected the phone and had not paid their debt. They were told that they would therefore not get a phone on that basis. There would be no phone. The family then asked Telstra how they might get around the procedure and this problem and Telstra informed this young family that there was nothing it could do because the phone line was effectively owned by Optus as it was being rented by Optus. That left this young family with five children unable to get a phone. I find it unbelievable that this could occur. It is extremely disturbing.

I want to place on the record tonight what took place in an attempt to rectify this situation, and the pressure, and breaches of privacy, ethics and responsibility which this young family faced in their attempts to get their phone connected, which is a right that every Australian, regardless of where they

live, should have. Optus required this family to find the name and contact details of the prior tenants, who were unknown to the new tenants, and to furnish those details to Optus or they would not get a phone connection. When I first heard this, I did not believe it. I did not think that that was possible. I investigated the situation. My office contacted Optus and confirmed that to be a fact: unless this family took it upon themselves to rectify the debt which was the responsibility of the prior tenant, they would not get a line. That was the bottom line. The bottom line from Optus was, 'Unless we can settle the debt with the prior tenants, you won't get a phone unless you purchase a new line from Telstra to go into the phone.' As you can imagine, this caused this young family a lot of stress. They took it upon themselves to try to rectify the situation, as they needed a phone connection. You can imagine that, with five young children, a phone connection would be a necessity which most people could not go without.

It gets worse. They set about finding the details and found they had to supply Optus with the tenancy agreement—evidence that they were the new tenants—so that they could prove, in fact, that the other tenants had moved out and that they were the occupants legally of this house. They did so. As I just stated, Optus then demanded that they furnish the private details of the previous tenants to which they were not privy. They did not know who the prior tenants were. So they went about asking where they could get this information. I am just shocked. I am in disbelief over the process that these people had to go through. While I do not condone it, they actually did get the private details of the prior tenants. They supplied this information to Optus. Optus, believe it or not, lost the information. The family used a call centre number, a 1300 number, to find out what was going on. We found out later that the call centre was in Melbourne. Melbourne set about trying to rectify the problem, but nothing happened. So this family rang again, got a different call centre and discovered that Optus had in fact lost the information. Optus said, 'Go and get the information and give it to us again or you will not get a phone line.'

I am sure members in the chamber are sitting here tonight saying, 'This can't be possible; this is not true. How can Optus have the power to do this?' They certainly do not. I believe this not only constitutes an incredible breach of privacy of the person that is the bad debtor but has placed unbelievable pressure, obligation and responsibility on this innocent family that has no responsibility whatsoever to actually find this information and to become either a debt collector, an informant or a private investigator. I find it outrageous and totally untenable. (*Time expired*)

Australian Taxation Office: Product Rulings

Ms JULIE BISHOP (Curtin) (5.46 p.m.)—I rise to speak tonight on a matter that has received some coverage in the financial and business press, and that is the current state of the investment industry, particularly as it relates to agricultural products, specifically timber growing companies. There has been a recent instance of the appointment of a voluntary administrator to a managed investment group, Australian Plantation Timber Ltd, which has timber plantations in Western Australia. There was some good news on that front today, as the Commonwealth Bank, the financier of the company, has agreed to accommodate the company, as I understand it, in respect of this season's plantings.

There is a concern in the investment community that there is confusion and misapprehension about the current taxation regulatory regime as it applies to the current tax effective investments, particularly in the timber plantation industry. I think it is most important for consumer confidence and for investor confidence that the current product rulings system of the Australian Taxation Office be more widely understood. A product rulings system was introduced by the ATO in 1998. Essentially, product rulings were introduced to provide the certainty to potential investors as to the tax-deductible status of a product. They are public rulings. That is, the ruling applies to a class of persons—those who invest in a particular investment product. Once gazetted, it is a binding ruling. It is

binding on the commissioner as to the tax consequences of investing in that product.

I think it is important to note that a ruling is binding only in relation to the arrangement that is ruled upon, so it must be carried out, quite self-evidently, in accordance with the prospectus or the arrangement described in the ruling, and it cannot be materially different in that a different tax consequence would otherwise flow from any change. Another important point is that a product ruling relates only to the tax consequences of investing in the product. It is not a guarantee or a sanction of the product as an investment, as such; it is not an assurance as to the commercial viability of the product. In the case of each managed investment that has a product ruling, investors must still make their own assessment of the commercial and financial viability of the product, including matters such as the track record of the managers, the projected returns or the reasonableness of the charges or any other aspect of the financial or commercial viability of the project. One would not want the ATO to, nor does it, give any assurance on such matters.

Since the establishment of the product rulings regime, I understand that about 300 projects have received product rulings. As I said, this is designed to give certainty to the tax status of such projects. It is a vast improvement on the previous regime and, while it might be illogical that the introduction of a scheme designed to give confidence and certainty as to the tax consequences of projects should do otherwise, there has been a great deal of media reporting on the previous regime of private rulings and on the actions of the ATO to disallow tens of thousands of deductions claimed in respect of products in which investments were made prior to 1998. Some fear that this reporting on the pre-1998 investments when product rulings were not available has caused investors to be confused as to the tax consequences and the tax status.

So I make it clear that there are two separate scenarios: pre-1998 investments without product rulings and post-1998 investments with product rulings which are not caught up in the current ATO crackdown. It is well known that the ATO has disallowed tens of

thousands of claims for tax deductibility in relation to a vast number of projects, and these are known as the mass marketed schemes. There has been considerable criticism of the ATO—from me, amongst others—as to the time taken by the ATO to make its views on these schemes known and on the inaction on the part of the ATO that enabled this industry to flourish in the early to mid 1990s. As to whether these projects will ultimately be deemed to be legal is a question currently before the Federal Court. But two factors came into play in the early 1990s: the introduction of the self-assessment regime in 1992 and the proliferation of these mass marketed schemes.

I will not go into that matter any further at this point, but it is a scenario that must be resolved in the interests of those genuinely involved and in the interests of the investment community generally. I conclude by giving my support to the product rulings regime and to the timber plantation industry. I am not giving commercial advice here, but I support projects—and the investment in projects—with product rulings that have positive environmental outcomes on the logging of old-growth forests, on greenhouse gases and the like. (*Time expired*)

Nursing Homes: Standards of Care

Ms HALL (Shortland) (5.51 p.m.)—On Monday I moved a private member's motion condemning the government's performance in the aged care area. I emphasised that aged care is about precisely that—care for our frail older Australians. Aged care is not about shifting the blame or responsibility; it is about taking stock of the situation, identifying the future needs of an ageing population and then planning to meet those needs. This planning should include the community, older Australians, the providers, health and allied health professionals, the workers in the industry, the state governments and all those involved in the aged care industry. Unfortunately, the government members who spoke in the debate proceeded to blame the previous Labor government, the states, the providers and anyone they could think of.

The government's approach to aged care is even more graphically illustrated when

you examine some of its initiatives. Recently, the Minister for Aged Care indicated to providers within the community or not-for-profit sector that she thought they were gambling on the fact that the government would not question the classification of nursing home residents' care levels. In other words, she accused these providers—people who care and who offer genuine quality care for their residents—that they were cheating the system. They found it highly offensive, and I do too. This must have been the motivation for the minister establishing audit teams to review these classifications.

The review teams are paper-only review teams. The audits are going to be conducted by an audit team that will look at a piece of paper that will have some information, maybe partially complete or fully complete; and, based on that piece of paper, a decision will be made as to whether or not to reclassify a resident. There will be no consultation with relatives, carers, GPs or anyone. It will be purely a paper-only audit. The government hopes to claw back \$71 million. In this instance, is the motivation for the government's policy the care for those people in nursing homes? Or would it be more reasonable to assume that it is about cost cutting, not providing care? If the purpose is to claw back \$71 million, the motivation of the government in this instance would really have to be questioned.

On Monday I emphasised the draconian effect the government's policies were having on nursing homes, with the increased operating costs associated with the government's reform packages and an inadequate funding formula that is leading, in an average 60-bed nursing home, to a reduction of one staff member per year over the next six years. Since Monday, St Joseph's nursing home has had to reduce its staffing by 15 hours a week. Another nursing home on the Central Coast has been forced into a position where it has had to cut its staff by one—a registered nurse. All this is affecting the level of care residents are receiving in nursing homes.

Then I heard this week of a very sad case of an elderly resident who had been in hostel care and, in a period of under 24 hours, was moved from the hostel to a nursing room.

She was told that if she did not go she would have to go to hospital. This case is currently being reviewed by the complaints resolution unit. This woman, who died within 22 days of being moved, was in possession of all her faculties. She was frail and had physical disabilities. As a consequence of poor communication caused by a lack of staffing, she is no longer with us. These are the kinds of problems that are being faced by older people all the time in our community. (*Time expired*)

Employee Entitlements Support Scheme

Mr SECKER (Barker) (5.56 p.m.)—There has been considerable discussion over the last two weeks about the protection of workers' entitlements in the unfortunate circumstances that businesses employing them go into liquidation. It must be remembered that, comparatively speaking, very few workers will be faced with this problem. In fact, in any one year just one in 200 businesses will go bankrupt and one in 1,000 employees will face the possible loss of entitlements. This fact brings most people to the conclusion that using Manusafe—although it is fairly vague at this stage as to how it would work—would seem, to coin a cliché, to be using a sledgehammer to crack a nut. Why penalise the 99½ per cent of businesses each year which are not going bankrupt with reduced cash flows and extra costs when they are hardly necessary.

It seems to me that certain sections of the union movement are more concerned with empire building with a whole new bureaucracy than worrying about the estimated 50,000 jobs that would be lost as a result of all businesses being forced to fund this vague Manusafe proposal. Ten thousand jobs could

be lost in the motor industry alone, which is patently a stupid risk to take when we have had such good news as that from Mitsubishi announced recently by the Prime Minister. Not only that, but we need to define what entitlements are. Frankly, to include sick leave in the equation is ridiculous because employees do not get paid for unused sick leave when they are working. Why should it suddenly become an entitlement upon liquidation when it is not one when they are employed? It is also not defensible to include long service leave when the required time has not been served with the company to reach entitlement.

Notwithstanding those concerns, at least two governments have agreed to support the federal government's scheme, which relies on taxpayers' support in the instance of business failure. It comes as no surprise that these governments are the Liberal or coalition governments federally and in South Australia. Not one Labor state government or opposition has committed to supporting workers' entitlements with this scheme. The federal Labor government of 13 years did absolutely nothing to protect workers' rights, which makes a lie of their hollow mantra of being the party of the worker.

I would like to put forward a different type of proposal to protect workers' entitlements in the event of a company going into liquidation. It may seem simple, but I think it is worth consideration by all concerned. To give some—

Mr SPEAKER—Order! It being 6 p.m., the debate is interrupted.

House adjourned at 6.00 p.m.

Thursday, 9 August 2001

Mr DEPUTY SPEAKER (Mr Jenkins) took the chair at 9.51 a.m.

STATEMENTS BY MEMBERS

Cardinia Shire: Out of School Hours Care Program

Mr ZAHRA (McMillan) (9.51 a.m.)—I want to bring to the Main Committee's attention the outstanding work done by the Cardinia Shire out of school hours care team. I have visited this centre, which is run by probably one of the most enthusiastic people you are ever likely to meet in the field of children's services. Her name is Maggie Farrell, and she heads an outstanding group of dedicated staff who are providing child-care services to families in the Pakenham district.

Mr Deputy Speaker Jenkins, as a Victorian you would be aware of the massive growth which has taken place in the Pakenham area over the last four or five years. That massive growth is set to continue over the next five to 10 years. It is anticipated that the township of Pakenham—which is very quickly becoming part of the eastern suburbs of Melbourne—will increase in size from 10,000 people, which is its population today, to probably 20,000 people within five to 10 years. There will be massive growth in the Pakenham district, and we need to make sure that the services keep up with this demand which is obviously going to develop.

The out of school hours care program is funded by the federal government. What I am concerned about is that we are not keeping up with the demand from the local community there. The federal government is not giving enough places to the Cardinia Shire so that it can provide services to the families who are moving into the Pakenham district. It is an outstanding service which they run and, because of this, more and more families want to access this service. It places the staff and the shire under considerable pressure when some families can access the out of school hours care program and others cannot because there are not enough places being provided by the federal government to Cardinia Shire so that they can run this out of school hours care program.

The out of school hours care program is one which families in the district feel very comfortable using. Many parents—not just in Pakenham itself but further east in my electorate in West Gippsland, in particular the Drouin district—are able to drop their kids off on their way through to work in Melbourne and then pick their kids up on the way back from Melbourne. This enables parents to spend some quality time in the car with their children before they drop them off, knowing that they are going to be properly looked after before school and that they have a safe place to return after school, and then when they pick them up and take them home.

This is a great program. It is exactly the type of program which we want to encourage in terms of children's services. It is the type of program which provides real support for families, and the federal government should do more to make sure that people in the Pakenham district are able to access these types of excellent facilities. *(Time expired)*

Petrie Electorate: Community Groups

Ms GAMBARO (Petrie) (9.54 a.m.)—I would like to continue my remarks from yesterday in support of a federal government initiative. In this International Year of Volunteers, the Small Grants Program has provided funding of up to \$5,000 for proposals consistent with the themes and objectives for this year. One of the chief benefits of the program is that it benefits community volunteer organisations in providing them with an opportunity to truly celebrate the significance of the year and to raise awareness of what they do out there in our community.

From the two funding rounds in February and July this year, nine local Petrie electorate organisations have shared in over \$17,000. They represent a diverse range of volunteer organisations, from sporting organisations to seniors and from a parents group to a community cen-

tre. The successful organisations include Aspley Classes for Seniors, Chermside and District Senior Citizens Centre, the Down's Syndrome Association of Queensland, North Aspley Rugby League Football Club, Redcliffe Neighbourhood Centre, Redcliffe Peninsula Yacht Centre, Redcliffe PCYC Dolphins Soccer Club, Redcliffe Tigers AFL Sporting Club and Southern Cross College P&F Association. These grants do not limit the organisations to simply hosting a function. In my electorate many of these funds have been used to train volunteers, to seek coaching accreditation, to publish material and to host functions that acknowledge the work of volunteers.

The Small Grants Program is important because it offers community groups like those in my electorate the opportunity to demonstrate the extraordinary contribution to our society by volunteers. Volunteers can make a difference. We need to recognise the fact that they play a key role in our community. ABS figures indicate that over 500,000 Queenslanders volunteer over 90 million hours of work each year worth approximately \$2 billion. A survey by Volunteering Queensland found that 25 per cent more Queenslanders had volunteered in 1999 than had in the previous year, 1998. The volunteers had very diverse skills that also will deliver job related skills later.

This year gives us a unique opportunity to examine the impact that volunteers have had on our local communities, the broader economy and the Australian work force. Volunteers—quite often our unsung heroes—provide care and assistance to meet the growing demands of our society. Volunteering also gives volunteers a sense of achievement, of doing something great for others. The Small Grants Program has been very instrumental in raising awareness of this contribution by volunteers. I look forward to the continuation of the program to ensure the success of volunteers at the local level. The program not only has been an important initiative in raising that awareness across my electorate but also has been important in ensuring the ongoing support necessary to ensure the survival of this great diversity in our society. I would like to see the program extended in the future. Perhaps the government could look at capital grant funding. *(Time expired)*

Lyons Electorate: Levendale School

Mr ADAMS (Lyons) (9.57 a.m.)—A few weeks ago I visited a very special school in my electorate, Levendale Primary School. It is a small country public school situated between Woodsdale and Runnymede on the east coast of Tasmania. It is a beautiful and rather isolated part of the state, and the school is set in the middle of sheep and forestry country. The school used to have high school students but now has kinder to grade 6—26 students are currently enrolled. It is guided by its present principal, Mr O'Keefe. Levendale Primary School was built in 1901. Therefore, this year it is celebrating its centenary. During the year it has had a series of events to celebrate this important occasion. It is still something of a marvel that it has achieved this age when public school all around Australia have faced closure or integration with other schools. It shows what a strong, enterprising community Levendale is. The school staff, present and past, should be congratulated on upholding excellence in education for over a century.

I had the opportunity to visit while the pupils and staff took on the apparel and the ways of students back in 1901. The school had found Mr Keith Baverstock from an organisation called Colonial Schools. He is an actor-teacher who is touring around Australia during this centenary year with a carpetbag full of slates, chalk and costumes so that children from all over the nation can get a feel of how it was in school in 1901. The school lent itself perfectly to the re-enactment because the re-enactment took place in the original hall, which has not changed much over time. I sat up the back of the hall with a number of parents and watched the youngsters struggle with the slates and the chalk. A cane was very much in evidence! Before I went into the classroom there was a lot of loud talk and chastising taking place. The children took it in their stride. Possibly they were a little nervous at first, but they got into the spirit of things with great gusto. It was pointed out to the children that I was their local politician. The com-

ment was made that nearly all politicians in 1901 sported a beard and that I would have been quite at home there. Very few politicians these days have facial hair. Now we have a lot of women in parliament, which was not the case in 1901.

The little exercises that the children went through were carried out in the fun and those that excelled were rewarded with a 1901 penny. The blackboard was forbidding, as Mr Braverstock had listed a number of misdeeds and the punishment for them. Those punishments must have made school a pretty scary place in those days. One wonders how anyone learned. Congratulations, Levensdale, on your 100th birthday!

Mr DEPUTY SPEAKER (Mr Jenkins)—Order! It being 10 a.m., in accordance with standing order 275A, the time for members' statements has concluded.

**INTERNATIONAL MARITIME CONVENTIONS LEGISLATION AMENDMENT
BILL 2001**

Second Reading

Debate resumed from 8 August, on motion by **Mr McGauran**:

That the bill be now read a second time.

upon which **Mr Martin Ferguson** moved by way of amendment:

That all words after "That" be omitted with a view to substituting the following words:

"whilst not declining to give the bill a second reading, the House condemns the Government for its neglect of the Australian shipping industry, leaving the Australian economy, environment and community exposed to the risk of marine accidents, port pollution and infiltration via ports and the sea of deadly diseases like foot and mouth disease."

Mr SIDEBOTTOM (Braddon) (10.01 a.m.)—The honourable member for Lyons's commentary on blackboards and straps made some terrible memories start flowing back. I proudly represent the north-west coast of Tasmania, including King Island, in the electorate of Braddon. One feature of Braddon, apart from its sheer beauty, is its coastline. There are major ports in Braddon. The [International Maritime Conventions Legislation Amendment Bill 2001](#) is relevant to my area with its proud maritime history.

The International Maritime Conventions Legislation Amendment Bill will amend four acts: the Limitation of Liability for Maritime Claims Act 1989, with consequential amendments to the Admiralty Act 1988 and the Navigation Act 1912; the Protection of the Sea (Powers of Intervention) Act of 1981; the Protection of the Sea (Prevention of Pollution from Ships) Act 1983; and the Submarine Cables and Pipelines Protection Act 1963.

I support the second reading amendment moved by the shadow minister for transport, Mr Martin Ferguson. The amendment reads:

"whilst not declining to give the bill a second reading, the House condemns the Government for its neglect of the Australian shipping industry, leaving the Australian economy, environment and community exposed to the risk of marine accidents, port pollution and infiltration via ports and the sea of deadly diseases like foot and mouth disease."

I wholeheartedly support this amendment. It should serve as yet another wake-up call for this government in regard to its shipping policy. The basis of the amendment is that the House condemns this government for its neglect of the Australian shipping industry. As I said, it should be a wake-up call for a government that is continually accused of being asleep at the helm. Nowadays, it only stirs when it senses a looming political backlash. This has given rise to a new political equation of backlash equalling backflip.

This is a government that still is not listening—it reacts. A huge question mark still hangs over its commitment and its performance in regard to shipping policy. How has this government reacted to shipping issues critically important to the industry and our nation? The answer to that is it has attempted to bludgeon change. How has this government reacted to the challenges confronting Australian shipping? It has left our shipping industry to wither on the

vine. How has this government reacted to concerns over the impact of shipping on our marine environment? It persists with a strategy to increase the number of foreign flagships on our coastline and to avoid cabotage provisions. How has this government reacted to concerns over the welfare of seafarers? In effect it has turned a blind eye. A further question could also be asked: can this government continue to ignore its national and international shipping responsibilities? The answer to that is clearly, 'No, it cannot.'

It is about time the Howard coalition government became proactive rather than reactive across the broad brush of government policy. Yet, as many of those opposite know, the Prime Minister and his followers do not listen until they are forced to. It should not take the threat of a maritime disaster like that posed by the grounding of a ship on the Great Barrier Reef, as we saw earlier this year with the Malaysian freighter *Bunga Teratai Satu*, for the government to listen. It should not take the discovery of appalling living conditions seafarers are forced to endure on the so-called ships of shame, as I saw last year when the Greek owned *Nicolas Star* sailed into Burnie, for the government to listen.

Yet what can you expect from a reactionary government? And what other conclusion can be drawn from its reaction times to the issues and challenges facing the Australian shipping industry when examining its poor maritime track record? Indeed, this government's approach to shipping policy and its attitude towards those who work in the industry is as predictable as it is deplorable. It does not disguise its ideological obsession with belting unions. Day in, day out we have the pleasure of the belting union syndrome in this House, more recently in the case of the Maritime Union of Australia and the attempts by this government to bludgeon that union and to bludgeon changes.

To many, this government is not genuinely interested in waterfront reform; it is only interested in destroying the Maritime Union of Australia. It should heed the warning that, as in education policy and health policy, industrial relations policy is a key to underpinning a fair Australia. Indeed, the recent events in the automotive industry bear clear testimony to that. But what have we seen in terms of policy? I come back again to this government's backlash equals backflip equation. What we are seeing now are policies of about-turns and of backflips that have not only left the budget in tatters but also severely tarnished this government's economic management credentials. At present, so many areas of policy are being driven by short-term politics, not by any long-term plan.

That certainly holds true in the approach to shipping. We all know that seafaring is a global industry, infamous for ships of shame and flags of convenience ships. I come from an island with a long and proud maritime history. Our reliance on the sea for commerce, transport and recreation is enormous, and anything that impinges on this must be very carefully scrutinised. Tasmanians, and indeed the rest of Australia, must feel secure in the knowledge that the ships that ply our waters are safe, that the crews manning the vessels are well trained and that on-board practices are of the highest standards. That is, that it is a humanised industry as well as an efficient and effective industry.

Sadly, the arrival of the *Nicolas Star* in Burnie only served to highlight to me the challenges ahead. I add that the local branch of the Maritime Union in Burnie, led by the state secretary of the MUA, Mike Wickham, succeeded in securing lost wages for the Filipino crew of the *Nicolas Star* and helped get on-board conditions improved. But what do you think happened to the crew at the ship's first overseas port of call? They were sacked, they were blacklisted and are unlikely to ever work again at sea.

Sadly, that is how international shipping sometimes works. Is this how this government wants it to work here? It seems so because it continues to sit on its hands, content to see Australia's shipping industry sink further. In 1996, the coalition government commissioned a report on the future directions of the Australian shipping industry; this report, of the shipping reform group, was handed to the responsible minister in April 1997. By August 1998, the government had not responded to the report. In November 1998, the government commis-

sioned a further report, the shipping reform working group's report on the future directions of the industry, which was handed to the minister in April 1999. In December 1999 the responsible minister announced that the government would not make fiscal measures available to the Australian shipping industry. The shipping industry has still not received a response to the shipping reform working group report.

I can report that there are no Australian ships calling at Tasmanian ports for national or international cargo, other than regular freight services from Devonport and Burnie to Melbourne. It should be borne in mind as well that Burnie's port is the fifth largest container port in the Southern Hemisphere, and that the vast majority of Tasmania's export trade goes out in containers. This is consistent with the decline of Australia's trading fleet. In 1989, Australia's shipping fleet numbered close to 80. Now it numbers less than 50 and is diminishing further.

The decimation of Australia's shipping fleet and the emergence of foreign vessels operating on our interstate and intrastate routes is no coincidence. Foreign vessels are literally taking cargo off Australian ships by obtaining single voyage permits, or SVPs, or continuing voyage permits, CVPs, thus carrying interstate cargo without having to obtain a licence. Picture this: Australian crews on Australian ships, waiting outside Australian ports, watching Australian cargo—that is, cargo that they should be transporting—being loaded onto foreign ships. Remember that the practice is being aided and abetted by this government's shipping policy—or, indeed, the lack of it.

According to a submission by the Australian Shipowners Association to the Senate Rural and Regional Affairs and Transport Legislation Committee, which is looking at the [Maritime Legislation Amendment Bill 2000](#), the proliferation of permits has resulted in an increasing volume of coastal cargo being carried in foreign vessels. The shipowners' submission noted—and I quote:

It is well known in the industry that cargo interests intending to seek a permit keep track of Australian vessels so as to ensure that an Australian vessel will not be available when they make their permit application.

Moreover, permits are usually sought and granted at such short notice that it can readily be contrived to avoid engaging an Australian ship.

Cargo carried in vessels issued with SVPs and CVPs increased by 0.7 million tonnes, or 10.1 per cent, to eight million tonnes in 1999-2000, which represents growth of 507.5 per cent compared with figures for 1991-92. The cargo carried per permit issued continued to increase—from 9,778 tonnes in 1998-99 to 11,430 tonnes in 1999-2000. Vessels issued with SVPs and CVPs transported 15.1 per cent of the Australian interstate and intrastate transport industry task by sea in 1998-99.

What about the ever present danger to our marine environment by dubious shipping practices? Again, in Tasmania, we have first-hand experience of this. The Pacific seastar is causing havoc in southern Tasmanian waters. From the Derwent estuary, it is slowly but surely making its way up the east coast of Tasmania. The unwelcome seastar arrived in the ballast of an overseas ship and is now posing a very real threat to our marine environment. It threatens valuable scallop and abalone fisheries, together with other lucrative aquaculture industries.

As I have mentioned, there have been a number of inquiries into shipping practices and ship safety over the past decade or more—most notably, the three *Ships of shame* reports conducted by the then House of Representatives Standing Committee on Transport, Communications and Infrastructure. These reports have been instrumental in raising national and international awareness of the nature and extent of problems affecting the safety of ships and the welfare of their crews. The last of these reports, *Ships of shame—a sequel*, was produced in 1995 and makes for very edifying, if concerned, reading. I have highlighted issues raised in these parliamentary reports before in this parliament, but on recent evidence it seems there is still a long way to go before we can have complete faith in the shipping business. Unfortu-

REPRESENTATIVES

29654

MAIN COMMITTEE

Thursday, 9 August 2001

nately, it is still the case now, as it was then, that flag of convenience ships continue to avoid their responsibilities under international maritime safety obligations.

Ships of shame, rust buckets, coffin ships, casino ships are just some of the names that describe the growing fleet of flag of convenience vessels threatening our coastline. FOC ships fly the flags of other nations because they are cheap. They can take advantage of low registration costs, low or no taxes, poor standards and cheap crews. About one-fifth of the world's 80,000 or more ships fly a flag of convenience, but FOC shipping represents more than half of worldwide ship losses. As the last *Ships of shame* report states:

This final report highlights the fact that the work of this committee has really only just begun.

Substandard shipping and inhumane treatment of crew must be eradicated to ensure a safe, environmentally responsible, clean and efficient shipping industry.

Yet despite these findings, successive Liberal governments have eagerly set about undermining the Australian shipping industry and the welfare of our seafarers. Why else would it want to avoid having cabotage provisions?

Contrast the record of this government with that of Labor in regard to shipping. The Labor Party knows and understands the economic and strategic importance of maintaining a vibrant, efficient and safe domestic shipping industry. It was reaffirmed at our national conference in Hobart last year. Our platform summed up our commitment. For the record, it states that Labor will:

Ensure that Australian domestic shipping is crewed by workers operating under Australian award conditions, under established cabotage arrangements.

Encourage the continued operation of an Australian shipping industry—and in doing so ensure that Australian shipowners continue to employ Australian crews.

Encourage the expansion of Australia's participation in international shipping

And pursue productivity, increased competition and investment at our ports.

Again, contrast that with the approach of the coalition. The charge that this government is not listening is easily sustained in regard to Australian shipping. It would do well to listen to the outcome of the latest inquiry into ship safety conducted by the International Commission on Shipping. The independent commission was set up to inquire into and report on ways of combating substandard shipping. Its report titled *Ships, slaves and competition* was released in March this year. The commission received more than 120 written submissions and commissioners travelled around the world gathering evidence during the year-long investigation. Some of the major concerns expressed to the commission were:

The vital need for crew skills, competence, quality training and authentic qualifications.

The failure of nations registering ships to ensure that the ships met international maritime safety standards.

The need for complete public accountability or transparency in shipping operations.

The need for all those in the chain of responsibility to ensure that quality shipping is maintained and to help eradicate substandard shipping for the seas of the world and

The urgent need to end the horrific abuse and exploitation of seafarers.

As we have seen with previous reports, the International Commission on Shipping Inquiry found that thousands of seafarers continued to work in slave conditions, with minimal safety, long hours for little or no pay, starvation diets, rape and beatings. The inquiry was told of a crew who disappeared after complaints to officers and employer practices of black-listing sailors who complain to unions. Surely those opposite would not condone this sort of thing. Yet it seems this government is a willing accomplice with those plotting the demise of the Australian shipping industry. How else could one interpret its obsession with doing away with cabotage provisions and its support for flag of convenience ships and as a consequence the threat to our marine environment?

It is a fact that unsafe ships have caused the majority of maritime and ecological disasters. And removal of cabotage provisions would result in a large influx of these types of vessels into Australia's domestic trade. Consider again the findings of the *Ships, slaves and competition* report, which states:

Little effective action has been given to the working conditions of seafarers on foreign ships.

Remember that this report was handed down only this month. It goes on:

Although many ship owners act responsibly, the failure of many flag states and the international regulatory system to adequately implement international labour standards has exposed thousands of seafarers to exploitation and abuse. Concerted action is needed to redress this deficiency.

The report also reiterated:

The human factor which has been identified already as the principal cause of shipping accidents and pollution incidents is of greater significance if crews are fatigued, malnourished and under personal or social pressure.

There is a consistent theme running through all of this but, unfortunately, it is often ignored and forgotten. The government would not like it too much, but the independent inquiry also found that unions are the seafarers' best form of redress and protection in a competitive labour market. But what we have is a government obsessed with destroying those unions. Keep in mind that the International Commission on Shipping was an independent global inquiry. This, and I suspect many of the other reports, is a damning reflection on the current system and should be a wake-up call for this government with regard to shipping policy.

Ms HALL (Shortland) (10.21 a.m.)—I, like the previous speaker, the member for Braddon, come from an area, the Hunter, that has a proud history associated with the shipping industry. I grew up on the North Coast of New South Wales and over the years, as I have researched the history of the area, I have found that it also had a shipbuilding and shipping industry, but it is long gone. I am worried about what is going to happen to the shipping industry throughout Australia.

The **International Maritime Conventions Legislation Amendment Bill 2001** seeks to amend the acts of parliament that relate to Australia's compliance with international conventions. This legislation is largely technical and facilitative in nature, and it is uncontroversial. It is legislation I support, unlike the government's treatment of the shipping industry. Unfortunately, this is a government driven by an ideological hatred of the maritime union. It is this hatred rather than the future of a viable shipping industry that has driven the government's policy in relation to the shipping industry, one of the industries most important to Australia. It is an industry that provides jobs and one that is linked with Australia's future.

We are an island nation and we have vast distances across which we need to transport goods. The government's pursuit of the union, our Australian mariners and the workers within the industry has really been to the detriment of the Australian economy and one of the most important industries in this country. We have only to look to the UK to see what the Thatcher government did to the shipping industry there and to see the recognition by Tony Blair, when he came to government, of the need to rebuild that industry. He recognised that having control of your shipping industry means having control of all those shore based industries as well.

It is for these reasons that I support the amendments moved by the shadow minister. This government has shown a determination to weaken the Australian industry since it came to office in 1996. It abolished the PAYE tax exemptions legislated by the Labor government, along with other policies that I will detail in a moment, which led to a steady reduction in the Australian fleet. Firstly, BHP's *Iron Pacific*, one of the world's largest coal carriers and well known at the port of Newcastle in the Hunter, was sold to the Bergesen line of Norway. Howard Smith, a name synonymous with the shipping industry, has all but left the industry, except for towage. This has happened because of the government's ideological attack on the maritime union. As I said, this attack extends beyond the towage. The government has pursued a

policy of issuing single voyage permits, and even continuous voyage permits, which are having an enormous impact on our shipping industry.

Yesterday the shadow minister really detailed how this increasing use of temporary licensing of foreign ships was impacting on Australia. The Labor government issued 421 permits to carry a total of 3.2 million tonnes of coastal cargo in 1995-96. In the financial year 1999-2000 the minister approved 629 single voyage permits to carry 7.3 million tonnes. The Labor government did not issue one continuous voyage permit because the Labor government actually cares about Australian coastal shipping. In the year 1999-2000 the minister shifted a total of eight million tonnes of domestic freight from the Australian shipping industry to foreign ships. This really demonstrates the lack of commitment of this government to our shipping industry. Furthermore, in the year 1999-2000 there were 73 continuous voyage permits issued, compared with none by the previous Labor government. You can see the impact this would have on our shipping industry and its viability in this country.

Up until the end of the March quarter there have been 476 continuous voyage permits issued. If this continues in Australia we will not have a shipping industry. It really presents an enormous threat to the sustainability of the Australian shipping industry and, along with that, to our environment. The policies of the government have led to a dramatic reduction in the size of the Australian fleet. There is now only one Australian flagship based at the port of Newcastle in the Hunter. Australian flagships are subject to Australian laws and standards—standards that do not allow the types of ships of shame that were detailed in the report on *Ships of shame* by my predecessor, the former member for Shortland, Peter Morris.

The one remaining Australian flagship in the Hunter is the *Wallarah* and it carries coal from Catherine Hill Bay to the port of Newcastle. I know in other speeches I have detailed a scenario where you have one of these ships of shame shipping coal from Catherine Hill Bay to Newcastle, a rust bucket with inexperienced crew. There is an accident; it runs aground. The fact that the crew is poorly trained and that the ship is substandard could lead to environmental devastation on the beaches between Catherine Hill Bay and Newcastle—a very important scenic area—with all the environmental issues that would be associated with it.

Peter Morris also was the chair of the International Commission on Shipping. They prepared a report, *Ships, slaves and competition*. In this report 'ships' refers to international operators and 'slaves' refers to the many thousands of seafarers who are exploited, abused and ill treated by those in pursuit of lower freight rates and those who are not working in true competition. 'Competition' is unequal competition that exists between those shipping companies and those involved in the shipping industry who do not abide by the rules and do not provide standard shipping. They are the kinds of ships that are sailing around the coast of Australia; the kinds of ships that this government is allowing to take the work of Australian flagships. They are the kinds of ships that will be carrying our cargo in the future unless the government acts now to turn the tide and support the Australian shipping industry.

Australians value their environment. Our beaches are renowned worldwide. If these rust buckets are allowed to travel in Australian waters while carrying Australian cargo produced by Australian people, there is the potential for enormous devastation. Those beaches that we all love and that are known throughout the world could be devastated. And then consider the Great Barrier Reef. The impact that these flags of convenience ships could have there, the devastation that could be caused by them, is beyond comprehension.

The Australian shipping industry provides many jobs. Australian mariners are known throughout the world for their skills and expertise. They are models within the industry. But this government does not like the Maritime Union of Australia. Unfortunately, this government is prepared to forsake more than 40,000 Australian jobs simply because it does not like the Maritime Union. As I just mentioned, there are more than 40,000 people employed in many jobs in the maritime industry. There are the tug crews, the port staff, et cetera, and there are also many shore based jobs. There are professionals such as lawyers, accountants, insur-

ance agents and those involved in management and training. These are jobs that go with the shipping industry. If we have no shipping industry then these jobs do not exist. It is about jobs in all areas, it is about a viable industry and it is about an industry that is of paramount importance to a nation like Australia.

Finally, I turn to cabotage. We all know that the Access Economics report was critical of the government's policy to eliminate cabotage. It has never surfaced, and the reason is quite obvious. The effect of removing cabotage would be catastrophic. It has the potential to have a devastating effect on our industry and on our Australian environment. The report was prepared in 1999, and we are still waiting with bated breath for its release. The government's attack on the Australian shipping industry is an attack on Australia, on our Australian way of life and on jobs, and it is driven by the ideological hatred of the Maritime Union. Unlike the government, the Maritime Union is committed to ensuring a viable Australian shipping industry.

Ms WORTH (Adelaide—Parliamentary Secretary to the Minister for Education, Training and Youth Affairs) (10.33 a.m.)—in reply—I would like to thank members who have taken part in this debate. Firstly, because so many have strayed from the subject of the **International Maritime Conventions Legislation Amendment Bill 2001**, I want to remind members what this bill is all about. The **International Maritime Conventions Legislation Amendment Bill 2001** amends four acts. Most of the amendments are in response to changes to international conventions and are intended to ensure that Australian marine environment protection standards are in accordance with international best practice.

The amendments to the Limitation of Liability for Maritime Claims Act will increase the liability limits that apply to a shipowner where there is a claim for compensation as a result of loss of life or personal injury or damage to property arising from the operation of the ship. The changes in liability limits are in accordance with the amendments to the Convention on Limitation of Liability for Maritime Claims and will not apply in Australia until that convention has entered into force internationally.

The Protection of the Sea (Civil Liability) Act 1981 has been amended to revise the list of chemicals in respect of which the Australian Maritime Safety Authority can take intervention action to prevent pollution. This amendment is in accordance with recommendations made by the Marine Environment Protection Committee of the International Maritime Organisation. There are a number of amendments to the Protection of the Sea (Prevention of Pollution from Ships) Act 1983. This is the act which implements the International Convention for the Prevention of Pollution from Ships and is therefore the principal Commonwealth act intended to prevent pollution from ships. The most significant of these amendments is the requirement for Australian ships over 400 tonnes to have a waste management plan and to carry a garbage record book.

There is also a revision of some offences and penalties in the act—in particular, any person who is responsible for an unlawful discharge from a ship into the sea of, for example, garbage or oil, will be guilty of an offence. Finally, I mention the amendment to the Submarine Cables and Pipelines Protection Act 1963 to reflect the wording of the United Nations Convention on the Law of the Sea rather than the wording of an older superseded convention. That amendment is simply a change in wording which has no effect on the application of the act, which provides that it is an offence if an Australian ship damages an undersea cable or pipeline outside Australian territorial waters. While individually each of the amendments in this bill is minor, taken as a package they represent an important and significant step in the protection of the marine environment.

I would like to turn to a number of the points that have been raised by the opposition. I will begin with some points that the last speaker made. As usual, she has implied that it is only the opposition that understands these issues or that understands the shipping industry. I would like to have reminded her, but she has escaped, that my excellent colleague the member for Rob-

REPRESENTATIVES

29658

MAIN COMMITTEE

Thursday, 9 August 2001

ertson, who does such a fantastic job in his electorate, was a member of the Firemen and Deckhands Union and the Merchant Service Guild and had 10 years excellent experience in the maritime industry. So there are certainly government members with a wide range of experience in all sorts of areas, and this is just a classic example of that.

I think it is also appropriate to mention that the member for Throsby is retiring at the next election. I take this opportunity, because I may not have the opportunity again, to wish him well since he has taken this decision to leave the parliament, and to congratulate him on the work that he has done. This has been an area in which he has shown a lot of interest over the years, and he tells me that this is very good legislation and that he supports it. We are pleased to have opposition support and I note, of course, that the opposition is supporting this legislation.

The member for Bass referred to substandard ships operating on the Australian coast and to the types of defects found on ships detained by the Australian Maritime Safety Authority. The fact that ships are detained is evidence of the vigilance of the AMSA in detecting substandard ships. They are detained in a port until identified deficiencies are remedied. It is not possible for every ship to be inspected every time it enters a port. I refer the opposition to the *2000 Port State Control Report* produced by the AMSA. That report advises that in the year 2000 at least 60 per cent of foreign ships entering an Australian port were inspected. This high rate of inspection indicates a strong commitment to remove defective ships from Australian trade.

The member for Melbourne Ports accused the government of spending taxpayers' money on waterfront redundancies. I remind the opposition that this is not the case. Redundancies have been funded by industry, through the stevedoring levy.

Opposition speakers have also raised single voyage permits and the continuous voyage permits. I would like to make it quite clear that these are only granted where Australian licensed vessels are not available. Further, the claim that Australian ships and seafarers stand by and watch cargo carried under permit by foreign vessels is not sustainable.

I must also refute the point made that the southern sea star is related to substandard shipping; it is not. Maritime pests such as these are spread through the ballast water, and ballast water is carried by all ships.

Despite having to clarify these issues, I thank the opposition for its support. I commend the bill to the chamber.

Amendment negatived.

Original question resolved in the affirmative.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Ms WORTH (Adelaide—Parliamentary Secretary to the Minister for Education, Training and Youth Affairs) (10.41 a.m.)—by leave—I present a supplementary explanatory memorandum to the **International Maritime Conventions Legislation Amendment Bill 2001**. I move amendments (1) to (4):

(1) Schedule 3, item 10, page 32 (after line 21), after subsection (3), insert:

(3A) For the purposes of this section, **damage** to a ship or to its equipment does not include:

- (a) deterioration resulting from failure to maintain the ship or equipment; or
- (b) defects that develop during the normal operation of the ship or equipment.

(2) Schedule 3, item 37, page 38 (after line 23), after subsection (3), insert:

(3A) For the purposes of this section, **damage** to a ship or to its equipment does not include:

- (a) deterioration resulting from failure to maintain the ship or equipment; or
 - (b) defects that develop during the normal operation of the ship or equipment.
-

(3) Schedule 3, page 49 (after line 20), after item 94, insert:

94A After subsection 26D(5)

Insert:

(5A) For the purposes of this section, **damage** to a ship or to its equipment does not include:

- (a) deterioration resulting from failure to maintain the ship or equipment; or
- (b) defects that develop during the normal operation of the ship or equipment.

(4) Schedule 3, page 53 (after line 20), after item 119, insert:

119A After subsection 26F(9)

Insert:

(9A) For the purposes of subsection (9), **damage** to a ship or to its equipment does not include:

- (a) deterioration resulting from failure to maintain the ship or equipment; or
- (b) defects that develop during the normal operation of the ship or equipment.

These amendments to the [International Maritime Conventions Legislation Amendment Bill 2001](#) are in response to a decision in the New South Wales Court of Criminal Appeal in *Morrison v. Peacock & Roslyndale Shipping Company Pty Ltd.* In a number of sections of the Protection of the Sea (Prevention of Pollution from Ships) Act 1983, the master or owner of a ship is strictly liable if there is a discharge from the ship into the sea of, for example, oil, sewage or garbage. But a number of defences are available to the master or owner.

In two sections, it is not a defence if the discharge was the result of non-intentional damage. This defence is not available if the master or owner intended to cause the damage or acted recklessly with knowledge that the damage would probably result, or damage was the result of the negligence of the master or owner.

In another two sections, it is a defence if the discharge was a consequence of damage to a ship or its equipment. In the *Morrison v. Peacock* case, the New South Wales Court of Criminal Appeal held that the similar New South Wales act includes wear and tear. This is outside the intention of the meaning of the term as used in the International Convention for the Prevention of Pollution from Ships, where damage is intended to mean accidental damage—that is, damage resulting from an accident. The precedent value of the New South Wales decision may mean that wear and tear defence can be used in cases of discharge resulting from poor maintenance of a ship. These amendments will ensure that wear and tear defence cannot be used inappropriately, by providing that damage to a ship or its equipment does not include deterioration resulting from a failure to maintain the ship or equipment or defects that develop during the normal operation of the ship or equipment.

Amendments agreed to.

Bill, as amended, agreed to.

Ordered that the bill be reported to the House with amendments.

ADJOURNMENT

Motion (by **Ms Worth**) proposed:

That the Main Committee do now adjourn.

Defence Estate Organisation: Contract Management

Mr BYRNE (Holt) (10.44 a.m.)—I rise today to discuss a matter that I have raised previously in this place. It concerns the Defence Estate Organisation, a government agency, and its head contractor, Asset Services, and their treatment of Ridgewell, a company in my electorate. I have raised these concerns with the Minister for Defence, and they have yet to be addressed. These concerns relate to fraud being committed by this particular agency. It appears, on the basis of the information I have received back from the minister, that this agency continues to mislead him. So, for the purposes of the parliamentary record, I will raise the re-

REPRESENTATIVES

29660

MAIN COMMITTEE

Thursday, 9 August 2001

sponse by that agency to some of the allegations that were made, and provide the evidence that counteracts that response.

I will give a brief overview. Ridgewell Pty Ltd entered into a contract with Asset Services for remedial works to the Junior Sailors Galley Cafeteria building at HMAS *Cerberus* in November 1999. This company experienced continuous alteration to the scope of works by Asset Services, taking 12 months to clarify the matter. This delayed the completion of the works required. To compound this frustration, there was non-payment of delay costs by Asset Services to Ridgewell, totalling \$91,250. For raising this issue, all they received was victimisation and intimidation of Ridgewell staff by Asset Services. There were threats from Asset Services senior managers to prevent Ridgewell from being awarded future contracts for services if Ridgewell pursued claims for delay costs. There was a request by Asset Services for Mr Ashman, the director of the company, to sign a blank contract to cover up previous mismanagement by the head contractor and the Defence Estate Organisation. There was a request for Ridgewell's director to sign a new novated contract with the Defence Estate Organisation, removing Asset Services as the head managing contractor, for a sign-on fee of \$24,950. If he had done that, it would have resulted in his committing fraud.

I raised five specific issues with the minister: the claims of continuous alterations to the scope of works; the claims for delay costs; the behaviour of Asset Services staff; the threats against potential involvement in future projects; and the request to sign a blank short form contract. In terms of the minister's response to the first allegation regarding the scope of the work, the response I received was as follows:

The scope of work entered into by Ridgewell matched the Defence works brief to SSL Asset Services in respect of the remedial works to the Junior Sailors Galley.

In response to that, it can be stated that no tiling work—which represented \$156,696 out of the \$256,696 contract—was included in the original scope of works. So, basically, over half the cost of the work was not included in the original contract. The contract was awarded in November 1999 verbally, with no contracts available. Suddenly, after the contract was awarded, the tiling of the galley was included and all other works were put on hold so that the tiling could be carried out during the December shutdown period. Specifically, Mr Swarris of Asset Services told Mr Ashman to forget the rest of the works for the moment, and that the contract and revised scope of works would be forthcoming. Of course, Mr Ashman, the director of the company, had to wait for exactly 365 days for the revised scope of works and the contract. Mr Tony Sullivan, state manager of Asset Services, also told Mr Ashman to put all other works on hold in the contract so that the tiling could be completed. This was done in February 2000. It is about time that the Defence Estate Organisation became involved in this matter. With respect to the issue of the claim for delay costs, the minister responded as follows:

SSL Asset Services have advised Infrastructure Division that the claim for delay costs was rejected as there was no contractual or other entitlement for Ridgewell to be paid these costs. Ridgewell was not instructed to suspend works and had access to the site for the entire period of the contract.

In response to that, I have a copy of the minutes of a meeting where Mr Tony Sullivan instructed that the galley contract be placed on hold until further instruction. In terms of the issue of the behaviour of Asset Services staff, the minister's response indicates that there was a high degree of professionalism and that, effectively, there was not any degree of intimidation relating to this matter. I have minutes of discussions which read as follows:

Mid-January 2000: received a phone call from an officer of the department who again threatened 'we will ban Ridgewell from any further contracts for Defence' if I kept on pursuing the following ...

I could go on but, unfortunately, time constraints prevent me from doing so. In terms of the further persecution of this individual, the company has been asked to remove its sheds and equipment from the contract base, even though it is telling the minister that they have not actually done that. The minister must undertake an inquiry into this organisation. This organisa-

tion continues to mislead and defraud the taxpayers of Australia. I will keep raising the matter in this place until the minister undertakes a proper inquiry into the conduct of this organisation.

Central Coast Royal Volunteer Coastal Patrol

Mr LLOYD (Robertson) (10.50 a.m.)—I rise today to highlight a very significant event for the Royal Volunteer Coastal Patrol, Central Coast Division. Thursday, 26 July unfortunately dawned very cold, windy and wet, but nothing could dampen the spirits of the members of the Royal Volunteer Coastal Patrol on that day because it was the day that they were going to launch their new rescue vessel, the *Spirit of Federation*. It was the culmination of many years of fundraising and hard work on behalf of the volunteers to ensure that they had a vessel that suited the area and was able to perform the rescues that needed to be undertaken on a regular basis throughout the Brisbane Waters area of the Central Coast and out to sea.

I am very pleased that, under the Federation grants that were allocated to each federal electorate, the local committee that looked at these projects decided that this was a worthy project to be awarded \$20,000 from the federal government. That \$20,000 culminated in this vessel being put on the water and functioning as a rescue vessel. The Gosford City Council and the North Sydney Rugby League Club contributed to the fundraising. The general community also put in to raise the total amount of money needed for this vessel.

On that day I had the honour, as the patron of the Central Coast coastal patrol, along with my wife, Kerry, to launch and name the vessel the *Spirit of Federation*. It was a great honour for both of us. It was an enjoyable day despite the weather—and, as I said, nothing could dampen the spirits of the coastal patrol members.

On that day I also had the honour of presenting the National Medal to a number of members. The National Medal was awarded by the Governor-General, on behalf of Her Majesty the Queen, to persons who have provided service to the Australian community in organisations that protect life and property at some risk to their members. Obviously, all of the royal volunteer coastal patrols in Australia fit into that category. I was able to present the National Medal to Mr Stanley Oakes, Mr Jack James and Mr Robert Craig.

Also on that day other members of the Central Coast coastal patrol division received National Medals: Joy and Norm Smith and Daryl Ross-Sampson. In addition, three people who were not from the Central Coast but who came on that day received the National Medal: Commanding Officer John Nicholas; Chairman of the Royal Volunteer Coastal Patrol Council, Commodore Keith Jenkins; and the Chief Officer of National Medals for the Royal Volunteer Coastal Patrol, Commodore Michael Stringer.

I would like to pass on my congratulations to the commander of the Central Coast division of the royal coastal patrol, John Weeden, for the tireless efforts that he and all his members put into raising the money needed to provide this essential rescue vessel for the coastal patrol. I am sure that this vessel will save many thousands of dollars worth of property and, more importantly, it will save lives, particularly those of the recreational boaties who enjoy the Central Coast.

It is appropriate that I mention this on a day when this chamber has passed the International Maritime Convention Legislation Amendment Bill. I listened to the speakers opposite on that bill. As the parliamentary secretary mentioned, you would think that the speakers opposite were the only people concerned about the maritime industry and the people who work in it. I am the patron of the coastal patrol because I spent 10 years in the maritime industry. The last vessel of which I was first mate and captain was 224 feet and had a crew of 28 young people, whom I was instrumental in training. Many of those people are still in the maritime industry. Most of them had no experience when they first came on board the vessel. We put them through their pre-sea courses and their coxswain courses. Many of those people now have

master tickets—master class 5, master class 4 and, in some cases, international master tickets. I have a master class 4 ticket.

As was mentioned earlier, I was a member of the Firemen and Deckhands Union and a member of the Merchant Services Guild. Members on this side, members of the government, do understand how important the safety of the marine industry is and how important the workers in the marine industry are. We fully support safety in the marine industry. (*Time expired*)

Roads: Calder Highway

Mr GIBBONS (Bendigo) (10.55 a.m.)—I rise to express my disgust at the federal government's apparent plans to pull out of funding the duplication of the Calder Highway in central Victoria and to siphon off the Calder's funds to the Scoresby freeway in Melbourne. The scrapping of federal funds for the Calder after the completion of the forthcoming Carlsruhe section will leave 56 kilometres unduplicated, which represents nearly 40 per cent of the length of the Calder Highway between Bendigo and Melbourne. Bendigo retains today the dubious status it had when this Prime Minister came to office: the only major provincial city in Victoria not connected to Melbourne by a high-standard duplicated highway.

In this year of the centenary of Federation, the Prime Minister is stripping the Calder Highway of the 50 per cent federal funding he guaranteed it in 1996 when he proudly proclaimed it a road of national importance. I am disappointed at the answer I recently received from the Minister for Transport and Regional Services to my questions on notice, and his subsequent comments. His answer and later comments confirmed that the federal government intends to cut and run from the Calder Highway after the Carlsruhe upgrade. The federal government plans to pull out after paying up only \$100 million, less than 20 per cent of the estimated \$600 million total cost of the entire project—and only one-third of the \$300 million share it contracted to pay under the RONI pledge.

The Howard government blocked the Carlsruhe upgrade last year and had to be dragged by the neck in May this year into committing its \$25 million share of the cost. Not only has it refused to back the Bracks state government's 2006 deadline for completing the duplication, but it will not commit to funding any Calder project after Carlsruhe. That means that it will crash the major roadworks that are needed between Kyneton and Bendigo. This includes renegeing on the \$70 million federal funding needed for the Kyneton to Faraday section and the \$95 million needed for the Faraday to Ravenswood section.

Only weeks before the Aston by-election, this desperate government suddenly found \$220 million for the Scoresby freeway in Melbourne. Only weeks after the by-election, this tricky Prime Minister has been caught out as pulling \$200 million out of the Calder's funds.

Last year, the federal government claimed in its budget that it aimed to achieve only a 'substantial completion' of the Calder upgrade by 2006. This year the budget language worsened. It now promised that the government was 'working towards a strategy' that 'eventually envisages' completion—a *Yes Minister* answer for sure. In fact, the government strategy is now a 'never, ever' strategy.

The transport minister, in his reply to my recent questions, unloaded the government's RONI responsibilities by claiming that the Calder is only a state arterial road. In fact, the then transport minister, Mr Sharp, officially declared it a national arterial road when he proclaimed it a RONI in 1996. The present minister, in his answer to my question, said:

The deadline to duplicate to Bendigo by 2006 was set by the Victorian Government without any consultation with the federal Government.

In fact, that deadline was set by the former Liberal state government and agreed to by the Howard government. Mr Anderson also said:

Given the Calder is a state road, the Victorian Government is free to commence all other necessary works to meet its set deadline.

No clearer signal is needed of this government's intention to abandon federal funding for the Calder after Carlsruhe. Mr Anderson has now again confirmed that he has no commitment to any project after the Carlsruhe project, because his press release in Bendigo yesterday stated:

Nowhere in my answer—I repeat, nowhere—do I indicate that federal money for the upgrading of the highway as *committed* will not be forthcoming.

I emphasise the words 'as committed' because all he is guaranteeing is funding for Carlsruhe, funding that was already allocated and announced in the budget. This is the only project he has committed to and is committed to—and even that project he really did not want to fund.

The Calder Highway is Bendigo's and central Victoria's lifeline to Melbourne. It is vital for our region's economic growth. It is an outrage to see it being so cynically downgraded, and it is vital that it be restored to the status that it demands.

We have the Bracks state government completing the fast train links to Bendigo and Ballarat. It is doing its part to assist regional development in these places. The Bracks government is committed to funding the Calder in consultation with the Commonwealth government, but the Commonwealth government now wants to run away from those funding commitments. It is, therefore, retarding Bendigo's ability to attract industries, to develop in regional development areas as we so desperately need to do. I urge the minister, the Prime Minister and the government to rethink the strategy and allocate the necessary funds to see this project completed and give Bendigo a fighting chance.

Members of Parliament: Entitlements

O'Malley, Mr Des

Mr LAWLER (Parkes) (10.59 a.m.)—It is interesting to hear what may have been a policy announcement by the opposition—that the Leader of the Opposition will be funding that road if the opposition are fortunate enough to win government next. It will be interesting to see.

Honourable member interjecting—

Mr LAWLER—I did not hear a commitment, no. I rise to speak on two unrelated issues. The first one is probably a bit superfluous, because the point of my making these comments is not to run off and do a press release on them but more—heaven forbid—to stimulate a bit of discussion and debate in this place, which does not really happen; rather, we deliver prepared speeches.

I want to make some comments on the Australian National Audit Office report into the entitlements of members. I fervently believe in the party system, and I think most people around here would probably believe the same. I believe that system is the best form of government for Australia, though I am well aware of its shortcomings. I am not telling anyone anything they do not know when I say that the public do not at the moment particularly like what they see. Sometimes it is because there are false impressions given by the media, but sometimes it is because MPs cannot be bothered to temper their behaviour and their activities—for example, during question time. As with any group in the work force, there are people on both sides who are decent, caring, hardworking, altruistic individuals, and there are some that you would not feed.

There is no doubt that some entitlements are used for party political purposes, and it is difficult to say where the line should be drawn, because most things we do are innately political. If we do not want to drive the public into the arms of independent and single interest groups with the inevitable political instability that follows—and we need look no further than Italy for examples of this—I believe that we need to make some changes. I do not believe that MPs are overpaid, though I have my doubts about the usefulness of some of the overseas travel. The attention given to the \$300-odd million by the media ignores the fact that the vast majority of this figure is for running offices for the purpose of serving our constituents.

I believe the major parties would say behind closed doors that, if the guidelines were tightened, the other side would be advantaged. For example, the coalition would say that the unions' contributions to the opposition's coffers would allow them to do a lot more than the contributions we have received would.

Mr Sawford—Name them.

Mr LAWLER—In question time the other day the minister talked about the hundreds of thousands of dollars given by the various unions. I think the most that he mentioned was the \$680,000 given by the AMWU in just one year and the \$653,000 given by the AWU.

Mr Sawford—Let us be balanced. What about the millions from corporate Australia?

Mr LAWLER—I am coming to that. I am saying that, behind closed doors, the opposition would say that the Greenfields Foundation would contribute significant amounts of money to the government side. I believe that a global budget for charter, post, printing et cetera, with no open-ended allowances, would go some way towards shutting down some of the activities of those who do abuse their privileges. I also believe that we need to encourage backbenchers who have a greater interest in people than in party machines to work towards the necessary changes; hence, I have made those comments.

There is one other completely unrelated issue I want to touch on. Last Friday was the last day of a long serving school principal in my electorate: Mr Des O'Malley, who has just retired from the South Dubbo Public School, a primary school in my electorate. In the several visits I have made to the South Dubbo Public School, I could not help but notice the enthusiasm of the teachers, the enthusiasm and happiness of the kids, the presentation of the school and the way the buildings were maintained, and, as with any organisation, much of the credit has to be shared at home with those at the top. Des O'Malley has served for 41 years of continuous teaching. In 41 years, I understand he has had only six sick days. The man is one of the most outstanding primary school teachers I have ever seen, and probably one of the most outstanding individuals I have ever seen. If the comments that his ex-students and fellow teachers make about him are any indication, I think the community shares the high regard that I have for him. I wish Mr O'Malley well in his retirement. He has overseen a lot of changes in his school. He is very forward thinking; in fact, in the words of the *Daily Liberal*, which is the newspaper in my electorate:

He was always a modern thinker, open and ready to take on new ideas.

Environmental Information Systems

Mr JENKINS (Scullin) (11.05 a.m.)—First of all, I congratulate the honourable member for Parkes in trying to engender the debate that really is required as a result of the Audit Office report. In saying that, I also have had the pleasure to follow him on just a couple of occasions here. I can remember a speech early in his career when he said that one of the disappointing features he felt about the parliamentary process was that there were too many set speeches and there was not enough interaction, discussion and debate about matters. I, for one—and I hope this does not sound too patronising—am disappointed that he will not offer himself as an alternative candidate at the Parkes election. My party allegiances mean that I would not have been able wish him all the best if he had, but I think that his short career here in this place has been very worth while and I wish him all the best in the future.

Today I wish to briefly speak about environmental information systems. There is not enough discussion about the type of information that we have available to make sound decisions on matters to do with the environment. We receive briefings from the Australian Greenhouse Office that paraphrase the Intergovernmental Panel on Climate Change, which is a group of some 2,500 scientists around the world. These briefings indicate such things as the snow cover worldwide has decreased by 10 per cent since the 1960s and the global average sea level has risen between 0.1 and 0.2 of a metre over the past century. The projections are

that, if there could be a 1.4 to 5.8 increase in world temperature, the sea level would rise between 0.09 and 0.88 by the year 2100. These sorts of figures have great impact. Whilst there is some uncertainty about the exact figures, there is enough precision to know that we have to really take them seriously. We have such documents as the Australian Dry Lands Salinity Assessment 2000 which indicates that some 7.5 million hectares is at risk or affected by dry land salinity in Australia and in the next 50 years the figure at high risk will treble to 17 million hectares. The report goes to say that there are some 200 rural towns where the salinity is affecting infrastructure. These are the types of problems for which we really have to have the base information that we can make sound decisions upon.

In the past I have championed the idea of the state of environment reporting. I was introduced to that by the Canadian document of 1991. As you can see, these are heavy tomes. In 1996 we had the Australian version. This is a very thorough document, but one has to wonder, first, in the last five years has it been used and, second, therefore, is it useful? For academics it may be. I have found it very interesting but I have scientific training. Is it the type of information that is required by the public to be involved and by government to be able to involve the public in the decisions?

In the Canadian context, after producing two state of the environment reports, as part of budgetary constraints they withdrew the funding of the state of environment reporting. That was just a simple economic decision. Now they are revisiting it and looking at the way that they can put in place what they describe as a Canadian information system for the environment. Their minister has put in place a task force on Canadian information systems for the environment. This task force produced an interim report earlier this year and in their autumn—our spring—will produce the final report.

Basically this task force was asked to recommend ways in which these information systems could be put in place that achieved three things: first of all, to provide information that was necessary to make the robust decisions to achieve sustainable development systems within Canada; to provide information upon which the citizens of Canada could keep their government accountable in this area; and to enable the community itself as a civil society to make informed decisions. The honourable member for Page is in the Main Committee at the moment. He, as the chair of the House of Representatives environment committee, knows that one of our frustrations when doing inquiries is the simple lack of reliable base data that is at a national level on which we can make the decisions that see us go forward. I am going to return to this debate about the need for environmental information systems. I hope that a government of whatever hue will pick it up, because it is really the required base information that is needed to make proper environmental policies for the future. *(Time expired)*

Moreton Electorate: Wellers Hill State School

Mr HARDGRAVE (Moreton) (11.10 a.m.)—I am honoured to represent a number of fine schools in the federal electorate of Moreton. Some of them are very old, and some of them are quite recent. Amongst the old schools is Wellers Hill State School which this year is celebrating its 75th anniversary. It was back in 1917 that residents in the Sandy Creek area wrote to the Department of Public Instruction outlining a need for a school in this particular area, but it was not until March 1926 that the Lieutenant Governor of Queensland, with the advice of the Executive Council, approved that the school be established at Weiller's Hill, via Annerley, Ipswich Road, Brisbane. In fact, Mr Francis Watt was transferred from Mapleton State School to take up duties as head teacher on 31 March 1926, with the school opening on 6 April that year. The school has served the community extremely well. In a couple of weeks time it will undertake the Third Harmonies on the Hill occasion which brings the local community and various schools together, including of course students from what is now known as Wellers Hill State School, for a very pleasant afternoon. I certainly encourage anybody who might be in Brisbane at that time to visit this historic school and to enjoy the day's events.

REPRESENTATIVES

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MAIN COMMITTEE

Thursday, 9 August 2001

Looking back over the 75-year history of Wellers Hill State School, it is interesting to note some of the changes and some of the events that the school and the students have witnessed. In March 1928 the school closed to celebrate the arrival of Bert Hinkler into Brisbane. A half-day holiday was granted when Amy Johnson visited Brisbane in May 1930. The school already had its motto by that time: 'Strive to succeed'. The school used to have Brisbane City Council sanitary pans collected from the school. The collection was decreased from five to four when a urinal pit was dug for the boys. These are the highlights of the school's history; they are quite interesting to look back on. On 12 May 1937 there was a holiday for King George VI's coronation. There was a holiday in March 1941 for the American Fleet visiting the Port of Brisbane.

In 1942 the school played a very important role in my electorate because, during the Second World War, children from Junction Park State School, another historic school—in fact so old my grandfather attended it at the turn of the last century—and from Yeronga State School—which is about 130 years old, and other family members of mine attended that school—were sent to Weiller's Hill, as it was known in those days, when their schools were closed because of the Second World War. Weiller's Hill was considered safe because of its remote location hidden in the bush, and relief workers dug an air raid shelter. As well, there were half-day holidays granted in 1943 and 1944 to watch the march pasts of the 9th and 7th divisions respectively. There was a holiday on 9 May 1945 for VE Day. For the visit of the Duke of Gloucester they cracked another holiday. And from 20 to 22 August there were holidays for the peace celebrations in 1945.

It is interesting to note that the school officially changed its name to Wellers Hill State School, although some lobbying had taken place for the name of Tarragindi State School. The school committee preferred the name of Wellers Hill because it conformed to the Surveyor-General's decision in May 1942 to change the suburban area name from Weiller's to Wellers—heaven knows what the Weiller family thought about that at the time. It is interesting to note that this school is working hard to overcome the fact that, though it has a clean environment, even as students from the school itself say, it is a very old school and the buildings in the school need lots of work and attention. That it is not perhaps getting the support it needs from the state government with regard to maintenance is a shame in their 75th year. But the school is looking forward to the construction of a new multipurpose shed: it is just about complete.

The school has two wonderful choirs, the junior and senior choirs. In fact, when the students wrote to me late last year inviting me to be part of the celebrations of their 75th year, they stated quite proudly that they are the best kids in Australia. I have to say, having visited the school on many occasions—most recently handing out Centenary of Federation medallions directly to school children—they are a very well-behaved group of students. They also have a tremendous respect and understanding for older people in the community. Their Anzac Day ceremony this year, following on a great tradition, featured a visit from the Queensland Governor, Major General Peter Arnison. All in all, this school has a great sense of history and a great sense of commitment to the future. I congratulate the teachers and the staff headed by John Webster, the principal, on all they do in fashioning a fine set of citizens for tomorrow.

Main Committee adjourned at 11.15 a.m.

QUESTIONS ON NOTICE

The following answers to questions were circulated:

Human Rights: Sterilisation Procedures**(Question No. 2539)**

Mr McClelland asked the Attorney-General, on notice, on 22 May 2001:

- (1) Has the Government's attention been drawn to a report commissioned by the Human Rights and Equal Opportunity Commission titled "The Sterilisation of Girls and Young Women: Issues and Progress".
- (2) What steps will the Government take in respect of the recommendations of the report to (a) review the Medicare Benefit Schedule to require Medicare claims for sterilisation procedures for minors under 18 to be accompanied by either a formal authority or full clinical notes on the need for the procedure and (b) place the issue of how to best achieve a non-adversarial and inexpensive formal approval process on the agenda of the Standing Committee of Attorneys-General.

Mr Williams—The answer to the honourable member's question is as follows:

- (1) The Government is aware of this report which was commissioned by the Human Rights and Equal Opportunity Commission and released on 24 April 2001. As I noted in my media release on 26 April, illegal sterilisation is an extremely serious matter which constitutes a violation of the human rights of any girl or woman who has been subject to it.
- (2) (a) I am advised that consultations are currently underway between officers of my Department and the Department of Health and Aged Care, with a view to providing advice to the Government on this matter. The Schedule was amended in November 1998 to ensure that doctors are aware of the requirement that any sterilisation of a minor be appropriately authorised.
- (2) (b) The regulation of sterilisation procedures for children has previously been on the agenda of the Standing Committee of Attorneys-General but there were no useful outcomes after some years of deliberation. I have written to State and Territory Attorneys-General alerting them to the recent report and foreshadowing that I may seek to raise this issue at the Standing Committee of Attorneys-General again in the future. I am advised that the Report was discussed at, and copies of the report were provided to, the Standing Committee of Attorneys-General Human Rights Working Party on 8 June 2001.

Greenhouse Gas Emissions**(Question No. 2631)**

Mr Murphy asked the Minister representing the Minister for the Environment and Heritage, upon notice, on 5 June 2001:

- (1) What measures does the Government intend to introduce to extend the so-called +2% requirement for the replacement of fossil fuels in electricity generation by 2010.
- (2) Will the Government introduce a +10% requirement for 2020 and will there be further requirements for +20% in 2030 and so on.
- (3) Will the Government establish a substantial R&D fund for the exploitation of renewable energy: if so, what is the intended scale of such a scheme.
- (4) Is it a fact that Australia's emissions of carbon dioxide amount to approximately 15% of the world total when fossil fuel exports are included.
- (5) When will the Government abandon its opposition to controls on greenhouse gas emissions and recognise that Australia can make a significant impact acting unilaterally.
- (6) What is the energy efficiency of electric railways in kilowatt-hours per tonne kilometre, if regenerative braking is taken into account and how does this compare with road transport for equivalent journeys.
- (7) Is it a fact, as reported by the Transport Minister in the debate on the Diesel and Alternative Fuel Grants Scheme Bill 1999, that the Bureau of Transport Economics has estimated that fuel-use by transport will increase by more than 50% by 2015.
- (8) Is it a fact that the fastest growing source of carbon dioxide pollution is road transport.

- (9) What measures will the Government adopt to ensure that the projected growth in transport fuel consumption does not occur.
- (10) Given the higher efficiency of electric hauled rail transport, what measures will the Government adopt to ensure that the anticipated growth in transport demand is taken up by the railways.

Mr Truss—The Minister for the Environment and Heritage has provided the following answer to the honourable member's question:

- (1) The Renewable Energy (Electricity) Act 2000, which came into force on 1 April 2001, requires that an independent review of the operation of the Act be undertaken as soon as possible after 1 April 2003. The review is to include consideration of the overall target and interim targets.
- (2) Same answer as for (1) above.
- (3) Substantial R&D support that is accessible by the renewable energy sector already exists. An example is the R&D Start program, which is administered by the Industry Research and Development (IR&D) Board. This merit-based program is available to Australian companies, and is designed to assist Australian industry to undertake R&D and commercialisation through a range of grants and loans. It is expected that financial assistance of approximately \$180 million per annum will be offered for new projects under the program each year up to June 2006.

Another example of support is the Australian Co-operative Research Centre for Renewable Energy (ACRE) based in Perth, which was established by the Australian Government to facilitate the development and commercialisation of renewable energy and related greenhouse gas abatement technologies.

- (4) Australia's share of carbon dioxide emissions from fossil fuel combustion is around 1.4 per cent of total world carbon dioxide emissions. This figure does not include other greenhouse gases such as methane or nitrous oxide (not all countries report these gases).

Australia is a significant net exporter of energy. Carbon dioxide from combustion of Australia's fossil fuel exports contribute around 2.1% of total world carbon dioxide emissions.

- (5) The Government is taking significant action to reduce greenhouse gas emissions. The Australian Greenhouse Office estimate that existing abatement measures will reduce business as usual emissions of greenhouse gases in Australia in 2010 by 57.5 Mt carbon dioxide equivalent.
- (6) Regenerative braking is used in a number of electric rail systems including the Melbourne tramways/light rail system, and some coal haulage operations in Queensland. To date no definitive analysis has been undertaken of the increased efficiency of these systems. However rail can be more energy efficient than road for some transport tasks eg long distance heavy freight. The Bureau of Transport Economics estimates that on average, rail produces one third of the carbon dioxide emissions of road freight per tonne kilometre.
- (7) Yes, the Bureau of Transport Economics predicts that business as usual projections for energy use by road transport between 1990 and 2015, will increase by around 50%.
- (8) Transport is the second fastest growing source of greenhouse gas emissions having risen by 20.3% over 1990 figures. However indicators for transport include that total emissions per passenger kilometre travelled were 1.7% lower in 1995 (the latest year for which there is data) than in 1990, and emissions from freight operations were 2.7% lower per tonne kilometre for the same period.
- (9) The Government has introduced a range of initiatives, to help reduce greenhouse gas emissions from the transport sector as outlined in the Prime Minister's statement: Safeguarding the Future announced in 1997 and Measures for a Better Environment in 1999. Key elements:
 - Negotiate with the automotive industry to achieve a 15% improvement over business as usual to the national Average Fuel Consumption (NAFC) target by 2010;
 - Introduction of the fuel consumption label, as of 1 January 2001;
 - Introduction of fuel efficiency targets for Government fleets by 2003;
 - Improved fuel quality standards;
 - The \$75 million Alternative Fuel Conversion program that is aimed at encouraging the greater use of alternative fuels with lower greenhouse gas emissions per unit of energy produced.

The Greenhouse Gas Abatement Program (GGAP) will also assist Australia reduce emissions of greenhouse gases. The objective of GGAP is to reduce Australia's net greenhouse gas emissions

by supporting activities that are likely to result in substantial emission reductions or substantial sink enhancement, particularly in the first commitment period under the Kyoto Protocol (2008-2012). \$400 million has been allocated to the Program between 2000-01 to 2003-04. On a per capita basis, Australian Government expenditure on greenhouse gas reduction measures exceeds almost all other nations.

- (10) The Commonwealth last year committed \$250 million over four years to upgrading interstate rail infrastructure. Among other things, this will support work to evaluate the market share impacts of achieving network performance targets agreed by Commonwealth and State Transport Ministers and evaluate corridor performance required to enable rail to gain a higher share of the interstate freight task. However, responsibility for transport planning, other rail infrastructure proposals, and the development of new rail services are the responsibility of State governments and the private sector.

As part of the National Greenhouse Strategy Measure 5.14, the Commonwealth together with the States and Territories has commissioned a study on options to reduce freight emissions. This will test the scope for efficiency and modal shift to achieve emissions reductions. Specific policy measures will be modelled for estimates of emissions effects under this study. It is expected to be completed by the end of 2001.

Sri Lanka: Ambassador to Australia
(Question No. 2737)

Mr Murphy asked the Minister for Foreign Affairs, upon notice, on 21 June 2001:

- (1) Did he receive a letter dated 8 May 2001 from Dr Brian Senewiratne expressing his concerns with the recent appointment of Major-General Janaka Perera as Sri Lanka's Ambassador to Australia.
- (2) Is he aware that Dr Senewiratne is of Sri Lankan descent and from the Sinhalese Community?
- (3) Can he confirm that Dr Senewiratne has expressed the view in his letter to him of 8 May 2001 that Major-General Janaka Perera has about the worst record of human rights violations of any army officer in the Sri Lankan Armed Forces in the two decades that Dr Senewiratne has monitored the human rights situation in Sri Lanka.
- (4) Has he seen a media release of 17 June 2001 from Amnesty International Australia expressing its concerns with the appointment of Major-General Perera as Sri Lankan Ambassador to Australia.
- (5) Has he seen a media release of 15 June 2001 from the Australasian Federation of Tamil Associations Inc. expressing distress with the appointment of Major-General Perera as Sri Lanka's Ambassador to Australia.
- (6) What advice did he receive of the suitability of Major-General Perera to be the Sri Lankan Ambassador to Australia and who provided that advice.
- (7) Did he receive any advice independent of the Sri Lankan Government on the suitability of Major-General Perera to be Sri Lankan Ambassador to Australia; if not, why not.
- (8) Does the Australian Government have the right to reject Major-General Perera's appointment as Sri Lanka's Ambassador to Australia; if so, in what circumstances can it reject such an appointment.
- (9) Will he review the appointment of Major-General Perera as Sri Lanka's Ambassador to Australia; if not, why not.

Mr Downer—The answer to the honourable member's question is as follows:

- (1) Yes. Dr Senewiratne also spoke at length with officers of my Department on 7 May 2001 outlining his position with respect to the appointment.
- (2) Yes.
- (3) Dr Senewiratne expressed such a view.
- (4) No. However, Amnesty International set out their concerns in a letter to me of 2 May 2001.
- (5) Yes.
- (6) The Government carefully considered the appointment and received advice from a number of sources. The process of granting agreement to a diplomatic appointment is confidential and I will not further detail the advice we received.

- (7) Yes.
- (8) Yes. It may do so if the appointment is unacceptable to the Australian Government.
- (9) No. There is no reason to do so.

International Court of Justice
(Question No. 2744)

Mr McClelland asked the Minister for Foreign Affairs, upon notice, on 21 June 2001:

- (1) What are the (a) names, (b) nationalities and (c) principal qualifications of the five members of the International Court of Justice who were elected for a nine-year term beginning on 6 February 2000.
- (2) By and from which states were nominations made for the five vacancies.
- (3) Who were the members of the Australian National Group who made nominations and whom did they nominate.
- (4) Since his answer to question No. 517 (Hansard, 9 August 1999, page 8181) what states, if any, have made or terminated declarations accepting the compulsory jurisdiction of the Court.

Mr Downer—The answer to the honourable member's question is as follows:

- (1) The following five individuals were elected on 3 November 1999 to serve for a term of nine years on the International Court of Justice from 6 February 2000: Gilbert Guillaume (France); Raymond Ranjeva (Madagascar); Rosalyn Higgins (United Kingdom); Gonzalo Parra-Aranguren (Venezuela) and Awn Shawkat Al-Kasawneh (Jordan). Attached are the curricula vitae of these individuals.
- (2) States do not have a role in nominating candidates for election to the International Court of Justice. Article 4 of the Statute of the International Court of Justice provides that candidates are nominated for election to the Court by the National Groups of Arbitrators for the Permanent Court of Arbitration. Attached is a list of the names and nationalities of the candidates nominated and the National Group which nominated them.
- (3) The members of the Australian National Group who nominated candidates for the 1999 elections were: Sir Ninian Stephen (former Governor-General of Australia and High Court Justice); Murray Gleeson (Chief Justice of the High Court of Australia); and Gavan Griffith (then Solicitor General of Australia). The Australian National Group nominated the following candidates: Gilbert Guillaume; Rosalyn Higgins; Raymond Ranjeva; and Christopher Weeramantry.
- (4) The previous question, question No. 517 (Hansard, 9 August 1999, page 8181) was directed to, and answered by, the Attorney-General. Since that response provided on 9 August 1999, I can advise that Lesotho made a declaration on 6 September 2000 recognising the compulsory jurisdiction of the Court. This brings the total number of States that now recognise the Court's compulsory jurisdiction to 63.

Nominations for the 1999 International Court of Justice Elections

Name and Nationality:	Nominated by the National Group of:
Al-Kasawaneh, Awn Shawkat (Jordan)	Austria Canada Hungary Jordan Norway Sweden
Balanda, Mikuin-Leliel (Democratic Republic of the Congo)	Democratic Republic of the Congo
Guillaume, Gilbert (France)	Australia Austria Belgium Canada China Denmark Ecuador El Salvador

Name and Nationality:	Nominated by the National Group of:
	Finland
	France
	Germany
	Greece
	Hungary
	Italy
	Japan
	Liechtenstein
	Luxembourg
	Madagascar
	Norway
	Russian Federation
	Slovakia
	Sweden
	United Kingdom of Great Britain and Northern Ireland
	Ireland
	United States of America
	Uruguay
	Venezuela
Higgins, Rosalyn (United Kingdom of Great Britain and Northern Ireland)	Australia
	Austria
	Belgium
	Canada
	Denmark
	Finland
	France
	Germany
	Hungary
	Japan
	Liechtenstein
	Luxembourg
	Norway
	Russian Federation
	Slovakia
	Sweden
	United Kingdom of Great Britain and Northern Ireland
	Ireland
	United States of America
	Uruguay
	Venezuela
Parra-Aranguren, Gonzalo (Venezuela)	Canada
	Denmark
	Ecuador
	El Salvador
	France
	Germany
	Jorda
	Luxembourg
	Madagascar
	Slovakia
	Sweden
	Uruguay
	Venezuela
Ranjeva, Raymond (Madagascar)	Australia
	Belgium
	Denmark

Name and Nationality:	Nominated by the National Group of:
	Ecuador
	El Salvador
	Finland
	France
	Hungary
	Italy
	Liechtenstein
	Luxembourg
Weeramantry, Christopher Gregory (Sri Lanka)	Australia
	Belgium
	Finland
	Nigeria
	Spain
	Sri Lanka

President Gilbert GUILLAUME

(Member of the Court since 14 September 1987, re-elected from 6 February 1991 and from 6 February 2000, President of the Court since 7 February 2000)

Born in Bois-Colombes, France, on 4 December 1930.

Licence (Bachelor's degree) in law, University of Paris. Diplôme from the Paris Institute of Political Studies; Diplôme d'études supérieures d'économie politique et de science économique (Diploma of Advanced Studies in Political Economy and Economic Science), University of Paris.

Alumnus of the Ecole nationale d'administration.

Member of the Council of State, as Auditeur (1957), then Maître des Requêtes (1963), and most recently Councillor of State (1981-1996).

Legal Adviser to the State Secretariat for Civil Aviation (1968-1979); French Representative on the Legal Committee of the International Civil Aviation Organization (ICAO) (1968-1979) and Chairman of the Committee (1971-1975); delegate to the diplomatic conferences on the suppression of the unlawful seizure of aircraft (The Hague, 1970), the suppression of unlawful acts against the safety of civil aircraft (Montreal, 1971) and air safety (Rome, 1973); President of the Diplomatic Conference on the Liability of the Air Carrier (Montreal, 1975); Head of the French delegations to the diplomatic conferences on the liability of the carrier vis-à-vis third parties (Montreal, 1978) and the non-use of force against civil aircraft (Montreal, 1984).

Chairman of the Conciliation Commission, Organisation for Economic Co-operation and Development (1973-1978); Member of the European Space Agency Appeals Board (1975-1978); Director of Legal Affairs, Organisation for Economic Co-operation and Development (1979).

Director of Legal Affairs, Ministry of Foreign Affairs (1979-1987).

Counsel for France in the arbitration proceedings between France and the United States over the Franco-American air agreement (1978); Agent for France in the arbitration proceedings between France and Canada over the Franco-Canadian fisheries agreement (1986); Agent for France in numerous cases before the Court of Justice of the European Communities and the European Commission and Court of Human Rights. French Representative on the Central Commission for the Navigation of the Rhine (1979-1987); Chairman of the Commission (1981-1982); French Representative on the Asian-African Legal Consultative Committee (1980-1987).

French delegate to the General Assembly of the United Nations (Sixth Committee) (1982-1987); Head of the French delegation to the Third United Nations Conference on the Law of the Sea (1982), the United Nations Conference on Succession of States in respect of State Property, Archives and Debts (Vienna, 1983) and the United Nations Conference on the Law of Treaties between States and International Organizations or between International Organizations (Vienna, 1986).

Member of the Permanent Court of Arbitration (since 1980). Member of the Court of Arbitration of the Organization for Security and Co-operation in Europe (OSCE). Designated arbitrator by the International Telecommunications Satellite Organization (INTELSAT), the International Chamber of Commerce and the International Centre for the Settlement of Investment Disputes (ICSID).

President of the French branch of the International Law Association (ILA). Member of the Institute of International Law. Vice-President of the French Society for International Law. Honorary Chairman of the French Society for Air and Space Law. Member of the Académie de marine. Member of the Académie de l'air et de l'espace. Member of the International Academy of Comparative Law. Member of the Scientific Board of the *Revue générale de droit international public* and of the Board of Directors of the *Annuaire français de droit international*. Chairman of the Board of Directors of the *Revue française de droit aérien et spatial*. President of the Institute of Air and Space Law of Leiden University.

Author of numerous works and articles. Has given a course on "Terrorism and International Law" at the Hague Academy of International Law ("Terrorisme et droit international", *Recueil des cours*, vol. 215, 1989). Author of a work on *Les grandes crises internationales et le droit* (1994).

Judge Raymond RANJEVA

(Member of the Court since 6 February 1991, re-elected as from February 2000)

Born at Antananarivo, Madagascar, on 31 August 1942.

Bachelor's degree in law (1965), University of Madagascar, Antananarivo. Diplôme from Madagascar National School of Administration (1966). Trainee in the Judicial Division of the Conseil d'Etat, Paris (1965-1966). Diplôme d'études supérieures de sciences politiques, University of Paris, Faculty of Law and Economic Science (1966). Diplôme d'études supérieures de droit public, University of Madagascar (1967). Doctorate of Law, University of Paris II (thesis: "La succession d'organisations internationales en Afrique"). Agrégé of the Faculties of Law and Economics, Public Law and Political Science section, Paris (1972).

Docteur honoris causa of the Universities of Limoges and Strasbourg. Laureate of the University of Madagascar, of the National Association of Doctors of Law and of the Madagascar National School of Administration.

Civil Administrator (1966). Assistant (1966-1972), Lecturer (1972) and Professor (1981-1991) at the University of Madagascar. Professor at the Madagascar Military Academy and at the Madagascar National School of Administration. Director of the Public Law and Political Science Study Centre. Dean of the Faculty of Law, Economics, Management and Social Sciences (1982-1986); reappointment in 1986. First Rector of the University of Antananarivo (1988-1990). Associate or visiting lecturer at several universities abroad: University of Aix-Marseille III, Bordeaux I, Paris I (Panthéon-Sorbonne), Paris II (Panthéon-Assas), the Institute of Advanced International Studies, La Réunion and Burundi, and the Free University of Brussels. Director of the French-speaking research seminar at the Hague Academy of International Law (1987); gave a course at the Hague Academy of International Law in 1997. Member (Ouagadougou, 1988) and President (Cotonou, 1992) of the Board of Agrégation Examiners of the African and Malagasy Council on Higher Education.

Conciliator at the World Bank International Centre for Settlement of Investment Disputes since 1970. Member of the Malagasy delegations to several international conferences: Third United Nations Conference on the Law of the Sea; Preparatory Commission for the International Seabed Authority and the Law of the Sea Tribunal; United Nations General Assembly (1979-1990); Non-Aligned Countries (1979); Conference of States which use French (1987); Head of the Malagasy delegation to the United Nations Conference on Succession of States in respect of Treaties, Vienna (1976-1977); Member of the Malagasy delegation responsible for negotiating the revision of the co-operation agreements with France (1973). First Vice-President for Africa of the International Conference of French-Speaking Faculties of Law and Political Science (1987-1991).

Counsel to the Republic of Mali in the case concerning the Frontier Dispute (Burkina Faso/Republic of Mali). Consultant for Madagascar on the amicable settlement of the transfer to the State of the activities of Eau-Electricité de Madagascar and Electricité de France (1973) and in the case of SEDITEX INTERNATIONAL GmbH Hamburg/Republic of Madagascar.

Co-opted Member and Arbitrator of the Court of Arbitration for Sport.

Member and Vice-President of the Malagasy Academy of Sciences, Literature and Arts (1974); President of the ethics and political science section (1976-1991). Managing Director of JURECO: legal, economic and financial databank —research and advisory bodies (1986-1990). Editor of the periodical *Lettre mensuelle de Jureco* (1986-1988).

Member of the Board of the French Society of International Law. Member of the Quebec Society of International Law. Member of the Governing Body of the African Society of International and Com-

parative Law. Member of the Scientific Council of the Agence universitaire de la Francophonie (AUPELF-UREF). Associate Member of the Institute of International Law.

Member of the National Constitutional Committee (1975). Founding Member of the Malagasy Human Rights Committee (1971).

Legal adviser to the Catholic Bishops Conference, Madagascar.

Secretary-General of the Malagasy Legal Studies Society.

Commandeur of the National Order of Madagascar. Chevalier of the Madagascar Order of Merit. Officer of the National Order of Mali. Six Honours.

Author of numerous books, essays, articles and of addresses at several conferences.

Judge Rosalyn HIGGINS

(Member of the Court since 12 July 1995, re-elected as from 6 February 2000)

Born at London on 2 June 1937.

Dame Commander of the British Empire (1995).

BA (Cantab) 1st Class (1959); LL.B (Cantab) 1st Class (1962); JSD (Yale) (1962); MA (Cantab) (1962); Honorary Doctorates of the Universities of Paris XI (1980), Dundee (1992), Durham and the London School of Economics (1995), Cambridge, Kent, Essex, Sussex, Greenwich and London City University (1996), Birmingham, Leicester, Glasgow (1997) and Nottingham (1999). Awarded the Yale Law School Medal of Merit (1997) and the Manley O. Hudson Medal (1998).

Minor Scholar, Girton College, Cambridge (1957); Major Scholar, Girton College, Cambridge (1958); Campbell Scholarship for Professional Studies (1957); Montefiore Award for academic and general distinction (1958); Bryce-Tebbs Scholar, Cambridge (1958); Commonwealth Fund (Harkness) Fellowship (1959-1961); Graduate Fellow, Yale Law School 1959-1961).

United Kingdom Intern, Office of Legal Affairs, United Nations (1958); Visiting Fellow, Brookings Institution, Washington, D.C. (1960); Junior Fellow in international studies, London School of Economics (1961-1963); Staff specialist in international law, Royal Institute of International Affairs (1963-1974); Visiting Fellow, London School of Economics (1974-1978); Professor of International Law, University of Kent at Canterbury (1978-1981); Professor of International Law, University of London (1981-1995).

Queen's Counsel (1986); Bencher of the Inner Temple (1989).

Queen's Counsel and Bencher of the Inner Temple, practising in public international law and petroleum law. Practice in the English Courts and before various international tribunals, including the International Court of Justice, the European Court of Human Rights and the Court of the European Communities.

Counsel for the International Tin Council in a series of cases in the United Kingdom.

Counsel in the following cases in the International Court of Justice: Territorial Dispute (Libyan Arab Jamahiriya/Chad); case concerning East Timor (Portugal v. Australia); Questions of Interpretation and Application of the 1971 Montreal Convention arising from the Aerial Incident at Lockerbie (Libyan Arab Jamahiriya v. United Kingdom); case concerning Gabčíkovo-Nagymaros Project (Hungary/Slovakia).

President, Tribunal of the International Centre for Settlement of Investment Disputes (Amco v. Indonesia).

Member of the Committee on Human Rights under the International Covenant on Civil and Political Rights (1984-1995); Special Rapporteur for new cases (1989-1991).

Associé of the Institut de droit international (1987), Member (1991); Chairman, Public International Law Advisory Board, British Institute for International and Comparative Law (since 1992); Honorary Vice-President of the American Society of International Law (1993).

Rockefeller Foundation Fellowship (1961); British Academy Award (1977-1978); Vols. I and II of United Nations Peacekeeping, received the 1971 Certificate of Merit of the American Society of International Law; Problems and Process received the 1995 Certificate of Merit of the American Society of International Law; Wolfgang Friedman Medal for services to International Law, Colombia University (1985); Harold Weil Medal, New York University (1995); Ordre des Palmes Académiques (1988); Honorary Life Membership Award, American Society of International Law (1992);

Past member of the Board of Editors of the American Journal of International Law (1975-1985) and the Journal of Energy and Natural Resources Law. Member of the Board of Editors of the British Yearbook of International Law.

Delivered general course on international law at the Hague Academy of International Law (1991).

Author of *The Development of International Law through the Political Organs of the United Nations*, 1963; *Conflict of Interests: International Law in a Divided World*, 1965; *The Administration of the United Kingdom Foreign Policy through the United Nations*, 1966; *UN Peacekeeping: Documents and Commentary Vol. I Middle East*, 1969, Vol. II Asia, 1970, Vol. III Africa, 1980, Vol. IV Europe, 1981; *Law in Movement - Essays in Memory of John McMahon* (joint edition with James Fawcett), 1974; "The Taking of Property by the State: Recent Developments in International Law", *Recueil des cours, Hague Academy in International Law*, Vol. 176, 1982; *Liberté de Circulation des Personnes en Droit International* (joint edition with Maurice Flory), 1988; "International Law and the Avoidance, Containment and Resolution of Disputes" (General Course on Public International Law), *Recueil des cours*, Vol. 230, 1991; *Problems and Process: International Law and How We Use It*, 1994; and of various works and articles on international legal theory, United Nations law, the use of force, State and diplomatic immunities, human rights and international petroleum law.

Judge Gonzalo PARRA-ARANGUREN

(Member of the Court since 28 February 1996, re-elected as from 6 February 2000)

Born in Caracas, Venezuela, on 5 December 1928.

Degree in juridical and political sciences (*summa cum laude*) at the Central University of Venezuela (1950); postgraduate course in comparative law and jurisprudence (LL.M.) at the Inter-American Law Institute, New York University (1951-1952); Doctor of Law ("doktor iuris") (*cum laude*) at the Ludwig-Maximilians University, Munich, (1955).

Professor at the Central University of Venezuela, Caracas, teaching private international law (1956-1996); has taught that same course at Andrés Bello Catholic University in Caracas (1957-1996).

Judge in the Second Court of First Instance (commercial matters), Federal District and State of Miranda, Caracas (1958-1971); first associate judge (1988-1992) in the Chamber of Cassation (civil, commercial and labour matters) of the Supreme Court of Justice; alternate judge of the same Chamber (1992-1996). Has acted as arbitrator, both in Venezuela and abroad, in the latter case regarding international commercial matters of a private nature; on several occasions has testified in foreign courts as an expert on Venezuelan law.

Member of the commission of inquiry appointed in 1985 by the Governing Body of the International Labour Office to consider the implementation by the Federal Republic of Germany of the ILO Discrimination (Employment and Occupation) Convention (1958, No. 111); the report was submitted in 1986, but he did not endorse its recommendations.

Member of the Permanent Court of Arbitration (since 1985).

Member of the legislative committees that drafted the section on Venezuelan nationality in connection with the Constitution that was approved in 1961; the draft law on private international law (1963) and its subsequent revision in 1965 that was essentially reproduced in the Venezuelan Private International Law Act; and the revised draft sections of the Code of Commerce dealing with credit instruments and bankruptcy respectively (1963-1965).

Member of the legal advisory committee of the Ministry of Foreign Affairs (1984-1996) and of the legal advisory council of the National Congress (1990-1996).

Member of the Institut de Droit International (elected in 1979).

Member of the Academy of Political and Social Sciences of Caracas (since 1966) and its President (1993-1995). Corresponding Member of the Uruguayan International Law Association (1978); Corresponding Member of the Argentine International Law Association (1981); Corresponding Member of the National Academy of Law and Social Sciences of Córdoba, Argentine Republic (1982); Honorary Fellow of the Royal Academy of Jurisprudence and Legislation of Granada, Spain (1994); Corresponding Member of the Mexican Academy of Jurisprudence and Legislation corresponding to that of Spain (1994); Honorary Fellow of the Royal Academy of Jurisprudence and Legislation, Madrid (1994); Member of the "Deutsche Gesellschaft für Völkerrecht" (1998).

Member of the Governing Council of the International Institute for the Unification of Private Law (UNIDROIT) (1982-1993); elected again in 1996 for one year. Honorary Member of the same Council since 1993.

Former member of the editorial board of the *Revista del Colegio de Abogados del Distrito Federal*, Caracas; the editorial board of the *Revista de la Facultad de Derecho de la Universidad Católica Andrés Bello*, Caracas (from its establishment until 1996). Correspondent for the *Netherlands International Law Review* (since 1987).

Taught the General Course on Private International Law at the Hague Academy of International Law (1988), and has given lectures in various countries: in Curaçao, at the commemoration of the centenary of the Introduction of the Civil Code and the Installation of the High Court of Justice (1969); at the course on international law (Rio de Janeiro, 1978, 1979, 1982, 1988, 1992 and 1997), organized by the Inter-American Juridical Committee and the Brazilian Foundation "Gétulio Vargas"; at the Hague Academy of International Law, on "Recent Developments of Conflict of Laws Conventions in Latin America" (1979); at the "Journeys of International Law" (Salamanca, November 1992); at the seminar on "Principles for the International Commercial Contracts", prepared by the International Institute for the Unification of Private Law (UNIDROIT) (Rome, December 1993); at the working meeting on the "Reviews and Books for the Unification of the Latin-American Juridical System" (Rome, December 1993); at the Eighth World Conference of the International Society of Family Law (Cardiff, June 1994); at the Congress on Children on the Move, organized by the Dutch committee of the International Year of the Family in collaboration with the Hague Conference on Private International Law (The Hague, October 1994); at the seminar on "Adoption, an Act of Love", organized by the Colombian Institute for Family Welfare (Bogotá, June 1995); at the Symposium "Il nuovo Diritto Internazionale Privato Italiano", University of Padua (1996); at the Symposium "Globalization of Child Law: The Role of the Hague Convention" (The Hague, September 1997); and at the "Civil Law Congress" organized by the Bar Association of Puerto Rico (1998).

Co-Chairman of the Committee on Private International Law, during the Sixteenth Session of the Inter-American Lawyers Federation (Caracas, 1969). Reporter at the "First Latin-American Journeys of International Law", at the Andrés Bello Catholic University (Caracas, 1979); at the Twelfth Congress of the Hispano-Luso Institute of International Law (Merida, Venezuela, 1980); at the International Seminar on Adoption (Caracas, 1996); and at the Inter-American Congress "Towards a New Regulation of the International Contracts" (Valencia, Venezuela, 1996).

Representative for Venezuela at the International Association of Legal Science and the German Society for Comparative Law (Treveris, Federal Republic of Germany, 1961); and at the third meeting of the Joint Venezuelan-Spanish Commission (Madrid, 1974).

Representative for Venezuela at the first Inter-American Specialized Conference on Private International Law (CIDIP-I, Panama, 1975), being Vice-Chairman of the Second Committee; at the second such Conference (CIDIP-II, Montevideo, 1979), being Chairman of the Second Committee; at the third and fourth such Conferences (held, respectively, CIDIP-III in La Paz, Bolivia, 1984, and CIDIP-IV in Montevideo, 1989), being Chairman of the Second Committee; and at the fifth such Conference (CIDIP-V, Mexico City, 1994), being Chairman of the First Committee.

Member of the Committees of Experts that met in Washington, D.C., in 1980 in preparation for the Third Inter-American Specialized Conference on Private International Law (CIDIP-III); in Tucson, Arizona, 1993 in preparation for the Fifth Inter-American Specialized Conference on Private International Law (CIDIP-V); and in Washington DC (1995, 1996) to prepare the Inter-American Convention against Corruption.

Representative of Venezuela at the Hague Conference on Private International Law: thirteenth session (1976-1977); fourteenth session (1980); fifteenth session (1984); special session (1985); sixteenth session (1988); and the seventeenth session (1993); Member of the special working group and Special Commission (April and October 1994, respectively) to study the application of the Convention of 1993 to minors who are refugees; of the Special Commission (second meeting, June 1995) on the protection of minors and incompetent adults; and of the Special Commission on maintenance obligations (November 1995). Elected one of the five Vice-Chairmen at the fifteenth and sixteenth sessions.

Rapporteur of the Special Commission of the seventeenth session of the Hague Conference on Private International Law and, in pursuance of these functions, prepared the preliminary report (1992) and the explanatory report on the Convention on Protection of Children and Cooperation in respect of Inter-country Adoption of 29 May 1993.

Author of the following books: Die Regel "Locus Regit Actum" und die Formen der Testamente, 1955; La Nacionalidad Venezolana Originaria, Vols. I and II, 1964; La Constitución de 1830 y los Venezolanos por Naturalización, 1969; Codificación del Derecho Internacional Privado en América, Vol. I, 1982; Vol. II, 1998; La Nacionalidad Venezolana: I. Antecedentes Históricos, 1983; La Influencia del Matrimonio sobre la Nacionalidad de la Mujer en la Legislación Venezolana, 1983; La Nacionalidad Venezolana: II. Problemas Actuales, 1983; Monografías Selectas de Derecho Internacional Privado, 1984; Ensayos de Derecho Procesal Civil Internacional, 1986; Curso General de Derecho Internacional Privado (Problemas Selectos), 1991; Curso General de Derecho Internacional Privado. Problemas Selectos y Otros Estudios, 1992; Curso General de Derecho Internacional Privado. Problemas Selectos y Otros Estudios, Tercera Edición, 1998; Estudios de Derecho Procesal Civil Internacional, 1998; Escritos Diversos de Derecho Internacional Privado, 1998; Estudios de Derecho Mercantil Internacional, 1998.

Has further published numerous articles on the law of nationality, private international law and international civil procedural law in Venezuelan and foreign journals.

Judge Awn Shawkat AL-KHASAWNEH

(Member of the Court since 6 February 2000)

Born in Amman (Jordan) on 22 February 1950.

Primary and secondary education at the Islamic Educational College of Amman. University education at Cambridge University (Queens' College) history and law, postgraduate studies in international law. M.A. LL.M. (Cantab.).

Joined the Jordanian diplomatic service in 1975. Second Secretary, then First Secretary at the Permanent Mission of Jordan to the United Nations in New York (1976-1980). Ministry of Foreign Affairs with special responsibility for international organizations and international law (1980-1985). Head of the Legal Department at the Ministry of Foreign Affairs (1985-1990). Seconded to the Royal Court (1990). Ambassador (1992). Adviser to the King and Adviser of the State on International Law with the rank of Cabinet Minister (1995). Chief of the Royal Hashemite Court (1996-1998).

Member of the Jordanian Royal Commission on Legislative and Administrative Reform (1994-1996).

Chairman of the Jordanian National Group on the Implementation of International Humanitarian Law (1998).

Representative of Jordan at 19 sessions of the General Assembly of the United Nations (The Sixth (Legal) Committee) (since 1976). Jordan's alternate representative on the Security Council (1981-1982). Member of most Jordanian delegations to meetings of the Arab League, the Movement of Non-Aligned Countries and the Organization of the Islamic Conference held in the years 1980-1988. Member of, and Legal Adviser to, the Jordanian delegation to the peace negotiations in the Middle East (1991-1994).

Representative of Jordan at the following conferences and committees in the field of the codification and progressive development of international law: Ad Hoc Committee on the Drafting of an International Convention against the Taking of Hostages (1977-1980); United Nations Conference on Succession of States in Respect of Treaties, Second Session (1978); United Nations Conference on Succession of States in Respect of State Property, Archives and Debts (1982). Chairman of the Drafting Committee at the United Nations Conference on Treaties Between States and International Organizations or between International Organizations (1986). Rome Conference on the drafting of a Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation (1988).

Member of the Arab International Law Commission (1982-1989).

Member of the United Nations Sub-Commission on the Prevention of Discrimination and Protection of Minorities (1984-1993). Chairman of the Sub-Commission (1993).

Special Rapporteur of the Commission on Human Rights on the human rights dimensions of forcible population transfer.

Chairman of Commission IV, UNESCO General Conference (1993).

Member of the International Law Commission (1986-1999).

Member of the International Law Association, Committee on Maritime Neutrality (1994).

Member of the Board of Editors, Palestine Yearbook of International Law.

Member of the Council of the Centre of Islamic and Middle Eastern Law at the School of Oriental and African Studies, University of London.

Lectured and participated widely in academic seminars at various universities, including Oxford, Cambridge, London, Geneva and universities in Jordan.

Publications: three reports on the human rights dimensions of forcible population transfers, to the Sub-commission on Prevention of Discrimination and Protection of Minorities (1993-1997); "General Principles and Methods for Executing a New Convention", in Environmental Protection and the Law of War, London, New York (1992); "The International Law Commission and Middle East Waters" in Water in the Middle East: Legal, Political and Commercial Implications, London, New York (1995).

Honours: Istiqlal Order, First Class (1993); Kawkab Order, First Class (1996); Nahda Order, First Class (1996) (Jordan). Légion d'Honneur, Grand Officier (1997) (France).

Australian Defence Force: Cadets

(Question No. 2777)

Mr Laurie Ferguson asked the Minister Assisting the Minister for Defence, upon notice, on 28 June 2001:

- (1) What amount of the additional funding for the Defence Force Cadets announced in the Defence White Paper is earmarked for (a) changes to command and management arrangements, (b) the provision of information technology support and (c) the pilot indigenous project.
- (2) For (a) navy cadets, (b) army cadets and (c) air force cadets, what is the average amount of annual Commonwealth financial assistance per cadet for (i) uniforms, (ii) staff salary costs, (iii) annual camp, (iv) unit running costs, (v) regional and national overheads, (vi) federal police checks, (vii) unit accommodation, (viii) staff training and (ix) other assistance, if any.
- (3) As a result of the White Paper has there been any change in the level of Commonwealth financial support to individual cadet units in respect of the items referred to in part (2); if so, what are the details.

Mr Bruce Scott—The answer to the honourable member's question is as follows:

- (1) (a) \$1.3 million, of which \$0.6 million is for existing staff
(b) \$2.03 million
(c) \$0.845 million.
- (2) (a) (b) and (c) To date, the range of Cadets costs have not been discretely itemised within Defence accounts. The Cadets: The Future Review report estimated the financial, resource and in-kind support for the ADF Cadets to be \$24 million. That amount was accepted by Defence as the baseline for the operating and resource costs for the ADF Cadets, to which an additional \$6 million was allocated in the 2001 Budget.
- (3) Defence sponsorship is delivered mainly through resource support rather than direct financial grants to individual cadet units. The Government's wide-ranging enhancement program, to be implemented over three years, will result in a more cohesive framework and support base for the ADF Cadets. The impact of the enhancement program on individual cadet units cannot be quantified at present.

CONTENTS

THURSDAY, 9 AUGUST

CHAMBER HANSARD

Absence of Mr Speaker.....	29549
Economic And Fiscal Outlook Report.....	29549
Wool International Amendment Bill 2001—	
First Reading	29551
Second Reading	29551
Workplace Relations Amendment (Minimum Entitlements for Victorian Workers) Bill 2001—	
First Reading	29552
Second Reading	29552
Trade Practices Amendment (Telecommunications) Bill 2001—	
First Reading	29555
Second Reading	29555
Commonwealth Electoral Amendment Bill 2001—	
First Reading	29556
Second Reading	29556
States Grants (Primary and Secondary Education Assistance) Amendment Bill 2001—	
Second Reading	29557
Workplace Relations Amendment (Termination of Employment) Bill 2000—	
Consideration of Senate Message.....	29580
States Grants (Primary and Secondary Education Assistance) Amendment Bill 2001—	
Second Reading	29593
Questions without Notice—	
Workplace Relations: Workers' Entitlements	29603
Economy: OECD Report	29603
Employment and Unemployment: Statistics.....	29604
Trade: Export Performance.....	29605
Employee Entitlements Support Scheme.....	29606
Taxation: Government Policy	29606
Workplace Relations: Workers' Entitlements	29607
Trade: OECD Report	29608
Workplace Relations: Workers' Entitlements	29609
Workplace Relations: Workers' Entitlements	29609
Workplace Relations: Workers' Entitlements	29612
Wool Industry: Stockpile	29612
Distinguished Visitors.....	29613
Questions without Notice—	
Workplace Relations: Workers' Entitlements	29613
Families: Policy.....	29614
Workplace Relations: Workers' Entitlements	29616
Forest Products Industry.....	29616
Workplace Relations: Workers' Entitlements	29618
Minister For Employment, Workplace Relations And Small Business—	
Motion of Censure.....	29618
Personal Explanations.....	29632
Questions to Mr Speaker—	
Questions on Notice	29633
Personal Explanations.....	29633
Questions to Mr Speaker—	
Questions on Notice	29634
Member for McMillan: Misrepresentation	29634

CONTENTS—*continued*

Member for McMillan: Misrepresentation	29637
Seyffer, Mr John: Parliamentary Pass.....	29637
Member for McMillan: Misrepresentation	29637
Seyffer, Mr John: Parliamentary Pass.....	29638
Seyffer, Mr John: Parliamentary Pass.....	29638
Minister for Foreign Affairs	29638
Auditor-General's Reports—	
Report Nos 6 to 8 of 2001-2002	29639
Papers.....	29639
Special Adjournment	29639
Committees—	
Publications Committee—Report.....	29639
Matters Of Public Importance—	
Families: Government Policy	29639
Bills Returned From The Senate.....	29639
Committees—	
Intelligence Services Committee—Extension of Time.....	29639
Public Works Committee—Reference.....	29639
Adjournment	29642
International Maritime Conventions Legislation Amendment Bill 2001—	
Main Committee Report.....	29642
Third Reading.....	29643
Committees—	
Joint Committee on Native Title and the Aboriginal and Torres Strait Islander	
Land Fund—Membership	29643
Adjournment—	
Cabramatta.....	29643
Robertson Electorate: Central Coast Rugby League Team.....	29644
Telecommunications: Telephone Connections	29645
Australian Taxation Office: Product Rulings.....	29646
Nursing Homes: Standards of Care	29647
Employee Entitlements Support Scheme.....	29648
MAIN COMMITTEE	
Statements By Members—	
Cardinia Shire: Out of School Hours Care Program.....	29649
Petrie Electorate: Community Groups.....	29649
Lyons Electorate: Levensdale School	29650
International Maritime Conventions Legislation Amendment Bill 2001—	
Second Reading	29651
Consideration in Detail.....	29658
adjournment—	
Defence Estate Organisation: Contract Management.....	29659
Central Coast Royal Volunteer Coastal Patrol	29661
Roads: Calder Highway.....	29662
Members of Parliament: Entitlements	29663
O'Malley, Mr Des.....	29663
Environmental Information Systems	29664
Moreton Electorate: Wellers Hill State School.....	29665
QUESTIONS ON NOTICE	
Questions On Notice—	
Human Rights: Sterilisation Procedures—(Question No. 2539).....	29667
Greenhouse Gas Emissions—(Question No. 2631).....	29667

CONTENTS—*continued*

Sri Lanka: Ambassador to Australia—(Question No. 2737).....	29669
International Court of Justice—(Question No. 2744).....	29670
Australian Defence Force: Cadets—(Question No. 2777)	29678