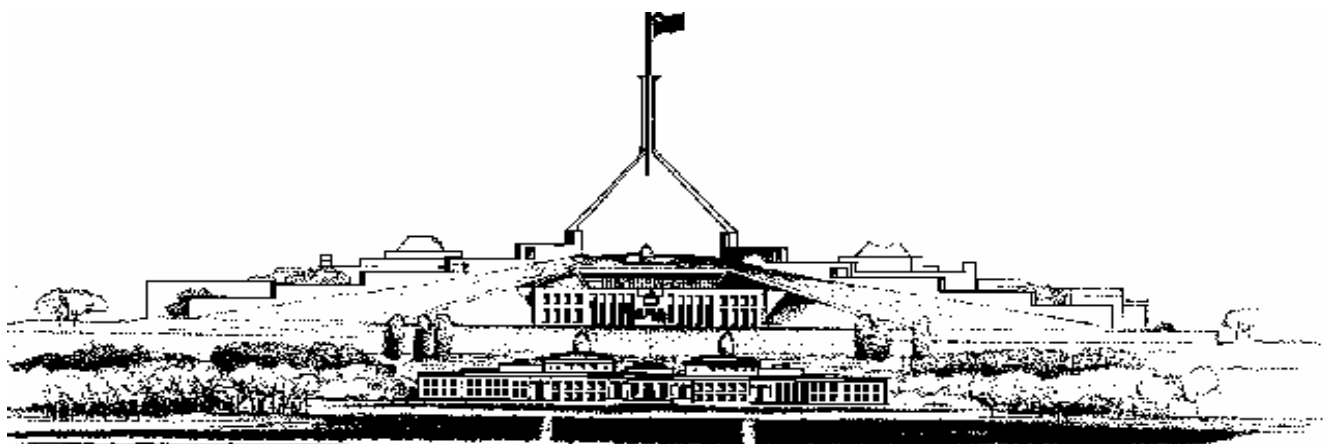




COMMONWEALTH OF AUSTRALIA

**PARLIAMENTARY DEBATES**



# House of Representatives

## Official Hansard

**No. 4, 2008**

**Thursday, 20 March 2008**

FORTY-SECOND PARLIAMENT  
FIRST SESSION—FIRST PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES



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### SITTING DAYS—2008

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

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

**Governor-General**

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

**House of Representatives Officeholders**

*Speaker*—Mr Harry Alfred Jenkins MP

*Deputy Speaker*—Ms Anna Elizabeth Burke MP

*Second Deputy Speaker*—Hon. Bruce Craig Scott MP

*Members of the Speaker's Panel*—Hon. Dick Godfrey Harry Adams MP, Hon. Kevin James Andrews MP, Hon. Archibald Ronald Bevis MP, Ms Sharon Leah Bird MP, Mr Steven Georganas MP, Hon. Judith Eleanor Moylan MP, Ms Janelle Anne Saffin MP, Mr Albert John Schultz MP, Mr Patrick Damien Secker MP, Hon. Peter Neil Slipper MP, Mr Peter Sid Sidebottom MP, Mr Kelvin John Thomson MP, Hon. Danna Sue Vale MP and Dr Malcolm James Washer MP

*Leader of the House*—Hon. Anthony Norman Albanese MP

*Deputy Leader of the House*—Hon. Stephen Francis Smith MP

*Leader of Opposition Business*—Hon. Joseph Benedict Hockey MP

*Deputy Leader of Opposition Business*—Mr Luke Hartsuyker MP

**Party Leaders and Whips**

Australian Labor Party

*Leader*—Hon. Kevin Michael Rudd MP

*Deputy Leader*—Hon. Julia Eileen Gillard MP

*Chief Government Whip*—Hon. Leo Roger Spurway Price MP

*Government Whips*—Ms Jill Griffiths Hall MP and Mr Christopher Patrick Hayes MP

Liberal Party of Australia

*Leader*—Hon. Brendan John Nelson MP

*Deputy Leader*—Hon. Julie Isabel Bishop MP

*Chief Opposition Whip*—Hon. Alex Somlyay MP

*Opposition Whip*—Mr Michael Andrew Johnson MP

*Deputy Opposition Whip*—Ms Nola Bethwyn Marino MP

The Nationals

*Leader*—Hon. Warren Errol Truss MP

*Chief Whip*—Mrs Kay Elizabeth Hull MP

*Whip*—Mr Paul Christopher Neville MP

Printed by authority of the House of Representatives

### Members of the House of Representatives

Members	Division	Party
Abbott, Hon. Anthony John	Warringah, NSW	LP
Adams, Hon. Dick Godfrey Harry	Lyons, Tas	ALP
Albanese, Hon. Anthony Norman	Grayndler, NSW	ALP
Andrews, Hon. Kevin James	Menzies, Vic	LP
Bailey, Hon. Frances Esther	McEwen, Vic	LP
Baldwin, Hon. Robert Charles	Paterson, NSW	LP
Bevis, Hon. Archibald Ronald	Brisbane, Qld	ALP
Bidgood, James Mark	Dawson, Qld	ALP
Billson, Hon. Bruce Fredrick	Dunkley, Vic	LP
Bird, Sharon Leah	Cunningham, NSW	ALP
Bishop, Hon. Bronwyn Kathleen	Mackellar, NSW	LP
Bishop, Hon. Julie Isabel	Curtin, WA	LP
Bowen, Hon. Christopher Eyles	Prospect, NSW	ALP
Bradbury, David John	Lindsay, NSW	ALP
Broadbent, Russell Evan	McMillan, Vic	LP
Burke, Anna Elizabeth	Chisholm, Vic	ALP
Burke, Hon. Anthony Stephen	Watson, NSW	ALP
Butler, Mark Christopher	Port Adelaide, SA	ALP
Byrne, Hon. Anthony Michael	Holt, Vic	ALP
Campbell, Jodie Louise	Bass, Tas	ALP
Champion, Nicholas David	Wakefield, SA	ALP
Cheeseman, Darren Leicester	Corangamite, Vic	ALP
Ciobo, Steven Michele	Moncrieff, Qld	LP
Clare, Jason Dean	Blaxland, NSW	ALP
Cobb, Hon. John Kenneth	Calare, NSW	Nats
Collins, Julie Maree	Franklin, Tas	ALP
Combet, Hon. Gregory Ivan, AM	Charlton, NSW	ALP
Costello, Hon. Peter Howard	Higgins, Vic	LP
Coulton, Mark Maclean	Parkes, NSW	Nats
Crean, Hon. Simon Findlay	Hotham, Vic	ALP
Danby, Michael David	Melbourne Ports, Vic	ALP
D'Ath, Yvette Maree	Petrie, Qld	ALP
Debus, Hon. Robert John	Macquarie, NSW	ALP
Downer, Hon. Alexander John Gosse	Mayo, SA	LP
Dreyfus, Mark Alfred, QC	Isaacs, Vic	ALP
Dutton, Hon. Peter Craig	Dickson, Qld	LP
Elliot, Hon. Maria Justine	Richmond, NSW	ALP
Ellis, Annette Louise	Canberra, ACT	ALP
Ellis, Hon. Katherine Margaret	Adelaide, SA	ALP
Emerson, Hon. Craig Anthony	Rankin, Qld	ALP
Farmer, Hon. Patrick Francis	Macarthur, NSW	LP
Ferguson, Hon. Laurie Donald Thomas	Reid, NSW	ALP
Ferguson, Hon. Martin John, AM	Batman, Vic	ALP
Fitzgibbon, Hon. Joel Andrew	Hunter, NSW	ALP
Forrest, John Alexander	Mallee, Vic	Nats
Garrett, Hon. Peter Robert, AM	Kingsford Smith, NSW	ALP
Gash, Joanna	Gilmore, NSW	LP
Georganas, Steven	Hindmarsh, SA	ALP

### Members of the House of Representatives

Members	Division	Party
George, Jennie	Throsby, NSW	ALP
Georgiou, Petro	Kooyong, Vic	LP
Gibbons, Stephen William	Bendigo, Vic	ALP
Gillard, Hon. Julia Eileen	Lalor, Vic	ALP
Gray, Hon. Gary, AO	Brand, WA	ALP
Grierson, Sharon Joy	Newcastle, NSW	ALP
Griffin, Hon. Alan Peter	Bruce, Vic	ALP
Haase, Barry Wayne	Kalgoorlie, WA	LP
Hale, Damian Francis	Solomon, NT	ALP
Hall, Jill Griffiths	Shortland, NSW	ALP
Hartsuyker, Luke	Cowper, NSW	Nats
Hawke, Alexander George	Mitchell, NSW	LP
Hawker, Hon. David Peter Maxwell	Wannon, Vic	LP
Hayes, Christopher Patrick	Werriwa, NSW	ALP
Hockey, Hon. Joseph Benedict	North Sydney, NSW	LP
Hull, Kay Elizabeth	Riverina, NSW	Nats
Hunt, Hon. Gregory Andrew	Flinders, Vic	LP
Irons, Stephen James	Swan, WA	LP
Irwin, Julia Claire	Fowler, NSW	ALP
Jackson, Sharryn Maree	Hasluck, WA	ALP
Jenkins, Henry Alfred	Scullin, Vic	ALP
Jensen, Dennis Geoffrey	Tangney, WA	LP
Johnson, Michael Andrew	Ryan, Qld	LP
Katter, Hon. Robert Carl	Kennedy, Qld	Ind
Keenan, Michael Fayat	Stirling, WA	LP
Kelly, Hon. Michael Joseph	Eden-Monaro, NSW	ALP
Kerr, Hon. Duncan James Colquhoun, SC	Denison, Tas	ALP
King, Catherine Fiona	Ballarat, Vic	ALP
Laming, Andrew Charles	Bowman, Qld	LP
Ley, Hon. Sussan Penelope	Farrer, NSW	LP
Lindsay, Hon. Peter John	Herbert, Qld	LP
Livermore, Kirsten Fiona	Capricornia, Qld	ALP
McClelland, Hon. Robert Bruce	Barton, NSW	ALP
Macfarlane, Hon. Ian Elgin	Groom, Qld	LP
McGauran, Hon. Peter John	Gippsland, Vic	NP
McKew, Hon. Maxine Margaret	Bennelong, NSW	ALP
Macklin, Hon. Jennifer Louise	Jagajaga, Vic	ALP
McMullan, Hon. Robert Francis	Fraser, ACT	ALP
Marino, Nola Bethwyn	Forrest, WA	LP
Markus, Louise Elizabeth	Greenway, NSW	LP
Marles, Richard Donald	Corio, Vic	ALP
May, Margaret Ann	McPherson, Qld	LP
Melham, Daryl	Banks, NSW	ALP
Mirabella, Sophie	Indi, Vic	LP
Morrison, Scott John	Cook, NSW	LP
Moylan, Hon. Judith Eleanor	Pearce, WA	LP
Murphy, Hon. John Paul	Lowe, NSW	ALP
Neal, Belinda Jane	Robertson, NSW	ALP
Nelson, Hon. Brendan John	Bradfield, NSW	LP

### Members of the House of Representatives

Members	Division	Party
Neumann, Shayne Kenneth	Blair, Qld	ALP
Neville, Paul Christopher	Hinkler, Qld	Nats
O'Connor, Hon. Brendan Patrick John	Gorton, Vic	ALP
Owens, Julie Ann	Parramatta, NSW	ALP
Parke, Melissa	Fremantle, WA	ALP
Pearce, Hon. Christopher John	Aston, Vic	LP
Perrett, Graham Douglas	Moreton, Qld	ALP
Plibersek, Hon. Tanya Joan	Sydney, NSW	ALP
Price, Hon. Leo Roger Spurway	Chifley, NSW	ALP
Pyne, Hon. Christopher Maurice	Sturt, SA	LP
Raguse, Brett Blair	Forde, Qld	ALP
Ramsey, Rowan Eric	Grey, SA	LP
Randall, Don James	Canning, WA	LP
Rea, Kerry Marie	Bonner, Qld	ALP
Ripoll, Bernard Fernand	Oxley, Qld	ALP
Rishworth, Amanda Louise	Kingston, SA	ALP
Robb, Hon. Andrew John, AO	Goldstein, Vic	LP
Robert, Stuart Rowland	Fadden, Qld	LP
Roxon, Hon. Nicola Louise	Gellibrand, Vic	ALP
Rudd, Hon. Kevin Michael	Griffith, Qld	ALP
Ruddock, Hon. Philip Maxwell	Berowra, NSW	LP
Saffin, Janelle Anne	Page, NSW	ALP
Schultz, Albert John	Hume, NSW	LP
Scott, Hon. Bruce Craig	Maranoa, Qld	NP
Secker, Patrick Damien	Barker, SA	LP
Shorten, Hon. William Richard	Maribyrnong, Vic	ALP
Sidebottom, Peter Sid	Braddon, Tas	ALP
Simpkins, Luke Xavier Linton	Cowan, WA	LP
Slipper, Hon. Peter Neil	Fisher, Qld	LP
Smith, Hon. Anthony David Hawthorn	Casey, Vic	LP
Smith, Hon. Stephen Francis	Perth, WA	ALP
Snowdon, Hon. Warren Edward	Lingiari, NT	ALP
Somlyay, Hon. Alexander Michael	Fairfax, Qld	LP
Southcott, Andrew John	Boothby, SA	LP
Stone, Hon. Sharman Nancy	Murray, Vic	LP
Sullivan, Jonathan Harold	Longman, Qld	ALP
Swan, Hon. Wayne Maxwell	Lilley, Qld	ALP
Symon, Michael Stuart	Deakin, Vic	ALP
Tanner, Hon. Lindsay James	Melbourne, Vic	ALP
Thomson, Craig Robert	Dobell, NSW	ALP
Thomson, Kelvin John	Wills, Vic	ALP
Trevor, Chris Allan	Flynn, Qld	ALP
Truss, Hon. Warren Errol	Wide Bay, Qld	Nats
Tuckey, Hon. Charles Wilson	O'Connor, WA	LP
Turnbull, Hon. Malcolm Bligh	Wentworth, NSW	LP
Turnour, James Pearce	Leichhardt, Qld	ALP
Vaile, Hon. Mark Anthony James	Lyne, NSW	Nats
Vale, Hon. Danna Sue	Hughes, NSW	LP
Vamvakinou, Maria	Calwell, Vic	ALP



### **Members of the House of Representatives**

Members	Division	Party
Washer, Malcolm James	Moore, WA	LP
Windsor, Anthony Harold Curties	New England, NSW	Ind
Wood, Jason Peter	La Trobe, Vic	LP
Zappia, Tony	Makin, SA	ALP

#### **PARTY ABBREVIATIONS**

ALP—Australian Labor Party; LP—Liberal Party of Australia;  
Nats—The Nationals; Ind—Independent

### **Heads of Parliamentary Departments**

Clerk of the Senate—H Evans  
Clerk of the House of Representatives—I C Harris AO  
Secretary, Department of Parliamentary Services—D Kenny (Acting)

## RUDD MINISTRY

Prime Minister	Hon. Kevin Rudd, MP
Deputy Prime Minister,	
Minister for Education and	
Minister for Employment and Workplace Relations and	
Minister for Social Inclusion	Hon. Julia Gillard, MP
Treasurer	Hon. Wayne Swan MP
Minister for Immigration and Citizenship and Leader of the	
Government in the Senate	Senator Hon. Chris Evans
Special Minister of State,	
Cabinet Secretary and	
Vice President of the Executive Council	Senator Hon. John Faulkner
Minister for Trade	Hon. Simon Crean MP
Minister for Foreign Affairs	Hon. Stephen Smith MP
Minister for Defence	Hon. Joel Fitzgibbon MP
Minister for Health and Ageing	Hon. Nicola Roxon MP
Minister for Families, Housing, Community Services and	
Indigenous Affairs	Hon. Jenny Macklin MP
Minister for Finance and Deregulation	Hon. Lindsay Tanner MP
Minister for Infrastructure, Transport and Regional	
Development and Local Government and Leader of the	
House	Hon. Anthony Albanese MP
Minister for Broadband, Communications and the Digital	
Economy and Deputy Leader of the Government in the	
Senate	Senator Hon. Stephen Conroy
Minister for Innovation, Industry, Science and Research	Senator Hon. Kim Carr
Minister for Climate Change and Water	Senator Hon. Penny Wong
Minister for Environment, Heritage and the Arts	Hon. Peter Garrett AM, MP
Attorney-General	Hon. Robert McClelland MP
Minister for Human Services and Manager of Government	
Business in the Senate	Senator Hon. Joe Ludwig
Minister for Agriculture, Fisheries and Forestry	Hon. Tony Burke MP
Minister for Resources and Energy and	
Minister for Tourism	Hon. Martin Ferguson MP

# **RUDD MINISTRY—*continued***

Minister for Home Affairs	Hon. Bob Debus
Assistant Treasurer and Minister for Competition Policy and Consumer Affairs	Hon. Chris Bowen MP
Ministers for Veterans' Affairs	Hon. Alan Griffin MP
Minister for Housing and Minister for the Status of Women	Hon. Tanya Plibersek MP
Minister for Employment Participation	Hon. Brendan O'Connor MP
Minister for Defence Science and Personnel	Hon. Warren Snowdon MP
Minister for Small Business, Independent Contractors and the Service Economy and	
Minister Assisting the Finance Minister on Deregulation	Hon. Craig Emerson MP
Minister for Superannuation and Corporate Governance	Senator Hon. Nick Sherry
Minister for Ageing	Hon. Justine Elliot MP
Minister for Youth and Minister for Sport	Hon. Kate Ellis MP
Parliamentary Secretary for Early Childhood Education and Childcare	Hon. Maxine McKew MP
Parliamentary Secretary for Defence Procurement	Hon. Greg Combet MP
Parliamentary Secretary for Defence Support	Hon. Mike Kelly MP
Parliamentary Secretary for Regional Development and Northern Australia	Hon. Gary Gray MP
Parliamentary Secretary for Disabilities and Children's Services	Hon. Bill Shorten MP
Parliamentary Secretary for International Development Assistance	Hon. Bob McMullan MP
Parliamentary Secretary for Pacific Island Affairs	Hon. Duncan Kerr MP
Parliamentary Secretary to the Prime Minister	Hon. Anthony Byrne MP
Parliamentary Secretary for Social Inclusion and the Voluntary Sector and Parliamentary Secretary Assisting the Prime Minister for Social Inclusion	Senator Hon. Ursula Stephens
Parliamentary Secretary to the Minister for Trade	Hon. John Murphy MP
Parliamentary Secretary to the Minister for Health and Ageing	Senator Hon. Jan McLucas
Parliamentary Secretary for Multicultural Affairs and Settlement Services	Hon. Laurie Ferguson MP

## SHADOW MINISTRY

Leader of the Opposition	Hon. Brendan Nelson MP
Deputy Leader of the Opposition, Shadow Minister for Employment, Business and Workplace Relations	Hon. Julie Bishop MP
Leader of the Nationals; Shadow Minister for Infrastructure and Transport and Local Government	Hon. Warren Truss MP
Leader of the Opposition in the Senate and Shadow Minister for Defence	Senator Hon. Nick Minchin
Deputy Leader of the Opposition in the Senate and Shadow Minister for Innovation, Industry, Science and Research	Senator Hon. Eric Abetz
Shadow Treasurer	Hon. Malcolm Turnbull MP
Shadow Minister for Health and Ageing and Leader of Opposition Business in the House	Hon. Joe Hockey MP
Shadow Minister for Foreign Affairs	Hon. Andrew Robb MP
Shadow Minister for Trade	Hon. Ian Macfarlane MP
Shadow Minister for Families, Community Services, Indigenous Affairs and the Voluntary Sector	Hon. Tony Abbott MP
Shadow Minister for Agriculture, Fisheries and Forestry	Senator Hon. Nigel Scullion
Shadow Minister for Human Services	Senator Hon. Helen Coonan
Shadow Minister for Education, Apprenticeships and Training	Hon. Tony Smith MP
Shadow Minister for Climate Change, Environment and Urban Water	Hon. Greg Hunt MP
Shadow Minister for Finance, Competition Policy and Deregulation	Hon. Peter Dutton MP
Shadow Minister for Immigration and Citizenship and Manager of Opposition Business in the Senate	Senator Hon. Chris Ellison
Shadow Minister for Broadband, Communications and the Digital Economy	Hon. Bruce Billson MP
Shadow Attorney-General	Senator Hon. George Brandis
Shadow Minister for Resources and Energy, Tourism	Senator Hon. David Johnston
Shadow Minister for Regional Development, Water Security	Hon. John Cobb MP
Shadow Minister for Justice, Border Protection and Assisting Shadow Minister for Immigration and Citizenship	Hon. Chris Pyne, MP
Shadow Special Minister of State	Senator Hon. Michael Ronaldson
Shadow Minister for Small Business, the Service Economy and Tourism	Steven Ciobo MP
Shadow Minister for Environment, Heritage, the Arts and Indigenous Affairs	Hon. Sharman Stone MP
Shadow Assistant Treasurer, Shadow Minister for Superannuation and Corporate Governance	Michael Keenan MP
Shadow Minister for Ageing	Margaret May MP
Shadow Minister for Defence Science, Personnel and Assisting Shadow Minister for Defence	Hon. Bob Baldwin MP
Shadow Minister for Business Development, Independent Contractors and Consumer Affairs, Deputy Leader of Opposition Business in the House	Luke Hartsuyker MP
Shadow Minister for Veterans' Affairs	Hon. Bronwyn Bishop MP
Shadow Minister for Employment Participation and Apprenticeships and Training	Andrew Southcott MP

### **SHADOW MINISTRY—*continued***

Shadow Minister for Housing, Shadow Minister for Status of Women	Hon. Sussan Ley MP
Shadow Minister for Youth, and Shadow Minister for Sport	Hon. Pat Farmer MP
Shadow Parliamentary Secretary Assisting the Leader of the Opposition and Shadow Cabinet Secretary	Don Randall MP
Shadow Parliamentary Secretary Assisting the Leader of the Opposition, Northern Australia	Senator Hon. Ian Macdonald
Shadow Parliamentary Secretary for Health	Senator Hon. Richard Colbeck
Shadow Parliamentary Secretary for Education	Senator Hon. Brett Mason
Shadow Parliamentary Secretary for Defence	Hon. Peter Lindsay MP
Shadow Parliamentary Secretary for Infrastructure, Roads and Transport	Barry Haase MP
Shadow Parliamentary Secretary for Trade	John Forrest MP
Shadow Parliamentary Secretary for Immigration and Citizenship	Louise Markus MP
Shadow Parliamentary Secretary for Local Government	Sophie Mirabella MP
Shadow Parliamentary Secretary for Tourism	Jo Gash MP
Shadow Parliamentary Secretary for Ageing and the Voluntary Sector	Mark Coulton MP
Shadow Parliamentary Secretary for Foreign Affairs	Senator Marise Payne
Shadow Parliamentary Secretary for Families, Community Services	Senator Cory Bernardi

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*Thursday, 20 March 2008*

**The SPEAKER (Mr Harry Jenkins)** took the chair at 9 am and read prayers.

**TAX LAWS AMENDMENT (2008  
MEASURES No. 2) BILL 2008**

**First Reading**

Bill and explanatory memorandum presented by **Mr Swan**.

Bill read a first time.

**Second Reading**

**Mr SWAN** (Lilley—Treasurer) (9.01 am)—I move:

That this bill be now read a second time.

This bill makes a number of improvements to Australia's tax and superannuation laws.

Schedule 1 addresses a technical inconsistency in the tax law when an amount is misappropriated by an employee or agent after they dispose of an asset on behalf of a taxpayer.

Schedule 2 removes an anomaly in the superannuation guarantee system by extending the superannuation guarantee late payment offset. To reduce the incidence of employers having to pay the same superannuation amount twice, once as a penalty and once the actual superannuation payment has been made, the period within which an employer can make a contribution for their employee after the due date for making the payment and still be eligible to use the late payment offset is extended.

Schedule 3 amends the tax law to ensure that the market value substitution rule does not apply to certain CGT events.

The market value substitution rule ensures capital gains or losses are calculated with reference to the market value of a transaction rather than the actual amount paid. This, in certain circumstances, prevents taxpayers from manipulating the capital proceeds asso-

ciated with a capital gains tax event, to either reduce capital gains or increase capital losses.

The bill ensures the rule will not apply where a share in a widely held company, or a unit in a widely held unit trust, is cancelled, surrendered or brought to an end in other similar ways when an arms-length transaction has occurred.

This will provide consistency with C2 CGT events and result in fairer treatment of taxpayers who may otherwise end up with a tax bill larger than the proceeds of a cancellation of shares.

Schedule 4 provides an income tax exemption for the Endeavour Executive Award and for all research fellowships under this award.

The amendments allow for consistent tax treatment of the research fellowships by making them all tax free regardless of the full- or part-time status of the recipients.

The program is an internationally competitive, merit based scholarship program, administered by the Department of Education, Employment and Workplace Relations. This program brings leading researchers, executives and students to Australia to undertake study, research and professional development in a broad range of disciplines and enables Australians to do the same abroad.

Schedule 5 exempts from income tax the first \$1,000 of eligible early completion bonuses paid by state or territory governments to apprentices where certain conditions are met. For bonuses to qualify for the exemption apprenticeships must be in recognised skill shortage occupations and courses completed within time frames specified in the regulations that will give effect to this measure.

Currently, only the Queensland government pays an early completion bonus to apprentices.

Early completion bonuses seek to alleviate skill shortages in industries that are experiencing strong demand growth by providing an incentive to apprentices to complete their apprenticeships before time. In doing so, this measure will help reduce inflationary pressures caused by skill shortages and improve productivity.

Schedule 6 amends the list of deductible gift recipients in the Income Tax Assessment Act 1997. Deductible gift recipient status will assist the listed organisations to attract public support for their activities. Nine new organisations will be added as deductible gift recipients. Four organisations will have their deductible gift recipient status extended for an additional period of time.

These organisations provide an extremely valuable contribution in various areas of Australian society and I congratulate each of them for their fine work.

I would like to quickly acknowledge each of these organisations by listing the aims of each organisation. In doing so I believe it will become evident why these organisations deserve the support that this amendment will provide them.

The AE 2 Commemorative Foundation Ltd aims to ensure that the Australian World War I submarine HMAS *AE 2*, currently lying in the sea near Turkey, is preserved and its role in the Gallipoli campaign is appropriately recognised.

The Ian Thorpe's Fountain for Youth Ltd focuses on a range of activities such as:

- improving the health and education outcomes of children, especially Indigenous children;
- improving literacy as a step towards improving the health and life expectancy of children;

- supporting Indigenous cultural education; and
- supporting projects that help to establish or sustain viable business projects for Indigenous communities.

Wheelchairs for Kids Inc. manufactures and distributes wheelchairs to disabled children in many developing countries.

The Amy Gillett Foundation aims to raise awareness of cyclist safety through the use of the media. This foundation's efforts to raise awareness involve a range of communication strategies, conducting education, and funding research.

The Spirit of Australia Foundation is an educational organisation that encourages and facilitates research into and the dissemination of knowledge of Australian history and heritage.

The World Youth Day 2008 Trust is an international youth event to be held in Sydney in July 2008.

The Memorials Development Committee Ltd is an organisation established to develop, design and construct two separate but complementary memorials to World War I and World War II in the Anzac Parade memorials precinct of the Australian Capital Territory.

The Council for Jewish Community Security was established to assist in the provision of security and protection for members and institutions of the Australian Jewish community.

Playgroup Australia Inc. is an organisation which works in conjunction with the eight state and territory peak playgroup bodies to promote playgroup participation for all families with young children. It advocates learning through play and supporting parents through playgroups as an integral part of the early childhood experience.

The Dunn and Lewis Youth Development Foundation was established to assist with the

building of a memorial complex dedicated to two victims of the Bali bombing. The complex will provide programs to address chronic issues affecting young people.

The Finding Sydney Foundation is an organisation formed to find the cruiser HMAS *Sydney* and the German raider HSK *Kormoran* and to ensure preservation of the war graves and to commemorate the memory with a virtual memorial.

As the House would be aware, HMAS *Sydney* was finally discovered earlier this week off the coast of Western Australia. The Finding Sydney Foundation will have its DGR listing extended to 1 July 2009 to enable it to help preserve the war graves and commemorate the memory of the men who were lost with these two ships in 1941.

Australia for United Nations High Commissioner for Refugees was established to raise funds in Australia for the UNHCR, and raise awareness locally about the plight of refugees.

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

I commend the bill to the House.

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

**RESERVE BANK AMENDMENT  
(ENHANCED INDEPENDENCE) BILL  
2008**

**First Reading**

Bill and explanatory memorandum presented by **Mr Swan**.

Bill read a first time.

**Second Reading**

**Mr SWAN** (Lilley—Treasurer) (9.09 am)—I move:

That this bill be now read a second time.

Today I present the Reserve Bank Amendment (Enhanced Independence) Bill 2008.

The Rudd government is committed to relieving the financial pressure on Australian working families by modernising the economy, raising living standards, and keeping inflation in check.

Inflation pushes up interest rates, eats away at family budgets, and threatens future prosperity—that is why the government is so determined to deal with it.

We have taken responsibility for modernising our economy so we can sustain growth, create jobs, and get inflation back in check.

That means tackling the skill shortages and capacity constraints that are pushing up costs and threatening growth.

It means boosting our productive capacity—lifting productivity and encouraging more people into work.

By boosting capacity we allow our economy to grow further and support job growth without fuelling inflation.

We moved from day one to tackle the inflation legacy left to us.

As part of this effort, on 6 December 2007 the Prime Minister, the Governor and I outlined the measures we would take to strengthen the independence of the Reserve Bank and enhance the transparency of the conduct of monetary policy in Australia.

The Rudd government committed to enhance the independence of the Reserve Bank by raising the positions of Governor and Deputy Governor to the same level of statutory independence as the Commissioner of Taxation and the Australian Statistician.

This is the purpose of the legislation I am introducing to the parliament today.

The Rudd government also committed to improving the transparency of future Reserve Bank Board appointments and to remove political considerations.

Accordingly, the Secretary to the Treasury and the Governor of the Reserve Bank will maintain a register of eminent candidates of the highest integrity from which the Treasurer will make appointments to the Reserve Bank Board.

The Statement on the Conduct of Monetary Policy, which the Governor and I agreed to in December last year, also incorporates transparency measures including the publication of board minutes and a statement of reasons for the decision following each monthly meeting irrespective of whether there is an adjustment in the cash rate.

Increased transparency helps business people and working families understand the reasons behind monetary policy decisions which have such a real impact on their lives.

These reforms that the Governor and I agreed to last year herald in a new era of independence and transparency in monetary policy in Australia.

The introduction of this bill into the parliament today is a key step to delivering this.

Under the current legislation, the Treasurer has the sole authority to appoint, suspend and terminate the appointment of the Governor or Deputy Governor of the Reserve Bank without any reference to parliament.

This, for example, gives power to the Treasurer to appoint, if they so wish, partisan political candidates or those who have serious questions hanging over their character.

This circumstance could seriously jeopardise the standing of the Reserve Bank and reduce its effectiveness, thereby lowering Australia's long-term economic prospects.

This is not something this government will allow to happen.

Under the legislation being introduced today, the positions of the Governor and Deputy Governor will have their level of statu-

tory independence raised to that of the Commissioner of Taxation and the Australian Statistician.

As such, their appointments will be made by the Governor-General acting in Council.

At the moment, they are simply appointed by the Treasurer.

In addition, and more importantly, the termination of the Governor and Deputy Governor may now only occur if each house of the parliament, in the same session of the parliament, requests the Governor-General to do so.

Grounds on the basis of either incapacity, external employment or bankruptcy must be submitted.

Presently the Treasurer is able to carry out the termination of either of these positions, on the set grounds, without reference to parliament.

The present situation could leave the Governor and Deputy Governor in a potentially vulnerable position.

Alternatively the Governor-General may still suspend the Governor or Deputy Governor on the specified grounds for a temporary period, after which the parliament may decide to either allow reinstatement or to terminate.

At the moment, the Treasurer may make an open-ended suspension without reference to parliament.

These reforms will enhance the effectiveness of monetary policy.

But we on this side of the House will not leave the heavy lifting to the Reserve Bank and higher interest rates.

Our predecessors lacked the foresight to deal with the inflationary pressures before they gathered pace.

They left the RBA to shoulder all the responsibility—they failed to invest in our

productive capacity and compounded the problem through reckless spending.

They left Australian families facing the full brunt of their policy failures—the highest underlying inflation in 16 years and 12 rate rises on the trot.

That is why in January the Prime Minister outlined the government's five-point plan for fighting inflation:

- disciplined fiscal restraint, with the aim of delivering a surplus of at least 1.5 per cent of GDP in 2008-09;
- encouraging private savings through initiatives like the First Home Saver Accounts;
- tackling the chronic skills shortages including 450,000 new training places;
- national leadership to tackle infrastructure, including broadband and Infrastructure Australia;
- encouraging workforce participation through initiatives in Child Care Tax and tax reform.

Inflation has taken a long time to build in our economy and it will take a long time to deal with it but that is why we started from day one.

This is a government that in its first weeks of office released a joint statement with the Reserve Bank, strengthening its independence.

Together, this bill and the measures the Governor and I have announced represent a new era in the operation of monetary policy in Australia.

This legislation is an important element in our fight against inflation—a fight we intend to win on behalf of Australian families who have worked so hard to make our economy strong.

I commend this bill to the House.

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

## **EXPORT MARKET DEVELOPMENT GRANTS AMENDMENT BILL 2008**

### **First Reading**

Bill and explanatory memorandum presented by **Mr Crean**.

Bill read a first time.

### **Second Reading**

**Mr CREAN** (Hotham—Minister for Trade) (9.16 am)—I move:

That this bill be now read a second time.

The Rudd government went to the last election with one of its major commitments to improve Australia's trade performance.

The introduction of the Export Market Development Grants Amendment Bill 2008 represents a down payment on that commitment. In the first 100 days Labor have recalibrated our approach to trade negotiations to give renewed emphasis to the Doha Round and have commissioned a major review of trade policies and programs.

Further reforms will follow on trade policies and programs in terms of the Mortimer review that I have announced, which will report later this year.

But why is this renewed need to focus on our trade performance so important? It is for this reason: over the past five years world trade has grown at twice the rate of world output. The message is clear: if we want to secure our economic future beyond the resources boom we have to engage in the fastest-growing areas of opportunity. If we want to secure the future for Australia and Australian families we have to engage much better on the trade front, because that is where the biggest opportunities are. We have to pursue the policies that, in turn, will further liberalise trade and open up more market opportunities. If the reality is that the growth in world trade has been double the growth of world output over the past five years without a Doha successful outcome, imagine where

the future opportunities could be if we actually conclude the round. But we have to make that approach to market access, liberalised trade and a more open trading environment at all levels in a calibrated, sensible and structured way, starting with the multilateral round, reinforcing it regionally and bilaterally.

Not only does the global market outcome, the Doha Round, present the best opportunities for the nation; it also sets the framework for further enhancements to trade liberalisation through regional architecture enhancements and bilateral arrangements. But, in addition to the trade negotiations, we also have to pursue policies of economic reform at home and see them through the prism of improving the nation's trade competitiveness. The reason for that is that there is no point securing market access at the border if we as a nation are not competitive enough and productive enough to take advantage of those opportunities. And that is why we have been applying our approach to trade policy through what we refer to as the 'twin pillars' approach—reform at the border, the market access questions; and reform behind the border, continuing to strengthen and make ourselves a more productive and competitive economy.

For the future, if we get the strategy right, the current efforts of the government to reduce the growing level of inflation can be counterbalanced by growth in the export sector to underwrite employment and maintain an overall robust economy. That is what a government seeking to build a strong future for Australian families should do—and we will. But the previous government did not. Instead of capitalising on the opportunities presented through a sustained period of economic growth and the resources boom, under their leadership we in fact squandered the opportunity. In the last six years of the Howard government, despite the resources boom,

total export revenues grew at an average annual rate of only 5.8 per cent, compared to 10.7 per cent in the 18 years following the float of the dollar in 1983.

When you look at the goods component, you see that goods grew under their leadership in the past six years at only 6.4 per cent, compared to an average growth of 10.3 per cent since 1983. Services grew at about one third of their long-term average. Manufacturing export growth collapsed. It rose three per cent a year in those six years, compared to 13 per cent a year since 1983. As a consequence, the Howard government have already bequeathed Australia 70 consecutive months of goods and services trade deficits. No government has presided over such a long period of trade deficits in succession as they did. Our trade deficit for the December quarter, 2007—the last quarter they left us—was at \$6.9 billion, the worst quarterly trade deficit on record. I suppose, to put this picture into greater context again, net exports only made a positive contribution to economic growth in two of the 12 years that they were in office. Compare that to Labor's record when we were last in office, where net exports made a positive contribution to growth in 10 of the 13 years. We have to get ourselves back to that position again.

This was a squandered opportunity by the previous government. How did it come about? It came about because essentially they failed to invest in the drivers of economic growth—in skills, in education, in innovation, in information technology and in infrastructure. Labor's commitment through the education revolution—through increasing skills, training facilities in schools and the number of training places—to innovation and our establishment of Infrastructure Australia is where we are going to start to turn around that neglect.

The previous government also failed to encourage the diversification of Australia's economic base. It failed to add value to our resources and was instead content to rely on just the commodities themselves. I accept that our commodities provide us with a great source of income. I do not argue that we should move away from our commodity base; I simply argue that we should do more with it. We should value add to our agriculture sector and our mining sector not just in terms of product but in terms of services. It is in the area of services and export performance that the previous government also let the nation down. In our domestic economy 80 per cent is contributed by the services sector yet the exports from that sector only contribute one-fifth. There is enormous potential for us here if we focus properly.

That is the reason why we have put so much emphasis on getting the strategy right for the future and have commissioned the Mortimer review to review trade policies and programs for the future, to give us strategic direction and to point to the sorts of settings that we should be establishing to improve our trade competitiveness. The review will be headed by that respected businessman and international trade economist John Edwards. We have put this in place in our first 100 days and we fully anticipate that it will set the framework by which we can improve our export performance for the future.

I go through those policy settings to put the context for this bill because I think it is important to understand. This bill should not be seen in isolation. It needs to be seen as part of that whole picture. The Export Market Development Grants Scheme—which we are amending today and, importantly, putting some funds into—has been an important component of getting businesses export ready and helping them access new markets. It was established by a Labor government and, whilst it was retained by the Howard

government, as I will explain later it was seriously underfunded by them. The previous government had legislation in place requiring a review of the Export Market Development Grants Scheme by 2010. I have brought forward that review as part of the Mortimer review.

This bill introduces a down payment to that review, important changes to the eligibility of the scheme to operate from next financial year and, significantly, new funding—new funding that the previous government knew was needed but never delivered upon.

The Export Market Development Grants Scheme, which enjoys significant support among Australia's business community, has been cut in half in real terms since 1995-96. That was despite a promise made back in 2001 and repeated in 2004 to double the number of exporters. The previous government believed you doubled the number of exporters by halving the scheme that helps them export. That was the stupidity of the previous government. Little wonder that they failed to meet their target by almost 50 per cent—their target of doubling the number of exporters. Every time an election time came along they would roll out the same old policy commitment but they never had the commitment to put the resources in place to make it happen.

If you look at the studies associated with the Export Market Development Grants Scheme, one study conducted in 2000 demonstrated that it returns an additional \$12 of exports for every \$1 of outlay.

The previous government not only halved the Export Market Development Grants Scheme but also abolished another successful trade facilitation scheme. It was called the International Trade Enhancement Scheme. Also they abolished the Innovative Agricultural Marketing Program. These were

both axed by the previous government when it won office in 1996.

A study of the ITES, the International Trade Enhancement Scheme, concluded that it returned \$18 of exports for every \$1 of outlay by the government.

This scheme was available to firms with high export growth prospects that could not access the Export Market Development Grants Scheme either because they did not meet the eligibility criteria or because they had already received the maximum number of grants. They could still get assistance through this scheme, through concessional loans from a revolving fund.

The EMDGS is about supporting significantly small businesses. Of its 4,200 applicants, 75 per cent employ fewer than 20 people and 81 per cent have turnover of \$5 million or less. Around a third of these companies are new to export. You can see the importance of this scheme. It is about predominantly small businesses—businesses that do not have an export culture, businesses that need to become export ready, businesses that need to be helped and facilitated in accessing the markets. Schemes like these address the market failures of shortages of export marketing skills and funds for entering overseas markets. These schemes encourage firms to spend more of their own money in seeking out and developing their export markets. There is a direct link between the money they spend and the export results they achieve.

All recent reviews of the scheme have found that the more these companies spend the more they learn about export marketing and the greater the returns per dollar spent. Quantifiable, positive results flow through the balance of payments from additional exports received and to consolidated revenue from tax collected. These schemes are an investment in our future. They provide op-

portunities for exporters to learn how to market their products and their services overseas by reducing the costs and risks. Austrade research shows that firms that export pay higher wages, provide stronger growth in employment and are more profitable. These are firms worth investing in.

In 1997-08 and in 2004-05 the former government made changes to both the eligibility criteria and the thresholds for the Export Market Development Grants Scheme which made it harder to access, and, as a result, in six of the 10 years following 1997-98 the scheme was underspent. That was the previous government's view of things—strangle it so that they did not have to spend.

Business called for improved access to the scheme. The government ignored those calls. We did not. We have listened to business and, in the lead-up to the election last year, we announced during the campaign a number of improvements to the scheme. This bill today delivers on that commitment. It does, as I said earlier, represent a down payment, a start on improving the scheme to ensure that it better meets the needs of Australian export businesses.

Measures I am announcing today are unashamedly pro-business. It amused me during the campaign that the Liberal Party ran ads accusing me of being anti business. I have never been anti business in my life. Those who have worked with me know that. I think it shows the lengths that they would go to, in their desperation.

Business has been calling for changes to the scheme, and these measures in the bill represent those changes. I will go through them.

The bill increases the maximum grant by \$50,000 to \$200,000. This initiative will increase the amount of reimbursement that exporters are able to claim, recognising that many exporters spend a lot more than the



\$410,000 that will be required to receive a maximum grant. Every exporter faces increased marketing costs in international markets.

The bill also lifts the maximum turnover limit from \$30 million to \$50 million. It returns access to the scheme to medium-sized businesses to continue to capitalise on new export opportunity and develop and expand their export markets, thus making a real contribution to our balance of payments.

The bill also reduces the minimum expenditure threshold by \$5,000 to \$10,000, allowing new exporters early access to critical support for their first steps in exporting.

It allows the costs of patenting products overseas to be eligible for grants, in recognition of the need to protect our valuable intellectual property and investment in R&D.

It increases the limit on the number of grants able to be received by a business from seven to eight, supporting businesses by providing time to become sustainable in the development of new markets and grow their existing markets.

The EMDG scheme will be more accessible to service exporters by replacing the current list of eligible internal and external services with a new 'non-tourism services' category which will provide for all services supplied to foreign residents whether delivered inside or outside of Australia to be eligible unless specified in the EMDG Act regulations. In other words, it will introduce a negative list to the administration of the scheme. This will provide greater equity in access to the scheme for the burgeoning services sector of our economy.

The bill also allows state, territory and regional economic development and industry bodies promoting Australia's exporters to access the scheme. This is a provision that will be warmly welcomed by a number of regional bodies which, for the first time, will

be able to access the scheme and represent clusters, groupings of businesses, under their umbrella.

Finally, business development programs such as this scheme need good governance measures.

In 2006 the then shadow minister for trade, Kevin Rudd, said in a speech on his amendment to the bill that the removal of the performance test, which the government took out in 2006, was bad policy. He said:

The EMDG should reward those exporters who are genuinely trying to promote their businesses, not provide an ongoing source of funding for exporters unwilling to put in the hard yards and unwilling to subject themselves to proper testing on the question of whether, after an appropriate number of grants, they have in fact begun to export.

Accordingly, the bill restores performance accountability by introducing a net benefit test to Australia.

It is one thing to expand the scheme; it is another to fund the increased demands on the scheme.

This government is committed to increase the funding for the scheme by \$50 million for the 2009-10 financial year, when the changes I just referred to will first affect grant payments.

Unlike the previous government, we will fund our commitments.

It is typical of the previous coalition government that two years ago, after all the complaints about the need to make changes to the scheme, when they finally made the changes they took the easy way out: they announced the changes but they did not fund them. In particular, they increased the amount firms can claim for overseas travel by their representatives from \$200 per day to \$300 per day—a 50 per cent increase—but did not fund it. Also, they removed the accountability requirements that I referred to.

This was not only bad policy. I think it is important to understand how much of a shortfall there was in the funding. It was estimated at the time that increasing the daily rate by 50 per cent would cost close to \$9 million per annum and that changing the eligibility requirements would cost almost \$7½ million—\$7.3 million, to be precise. So they introduced changes to the guidelines, in terms of both eligibility and nonaccountability, but they did not fund them.

They did not adequately fund the changes. Even the most conservative estimates in the first year of those changes were that they were going to cost over \$16 million, without any allowance for the growth in claim numbers and value that occurs in the scheme as a result of increased economic activity.

I see that the shadow minister for trade is on the opposition front bench, smiling away. He knows the problem. I read in a newspaper recently that he and the Leader of the Nationals, Warren Truss—what a double; interesting in terms of where the amalgamation might go in the future—said they were hammering the government to put more resources into this fund. What a pair of duds! They knew what was needed but they could not deliver in terms of their own government. This government will deliver because it is not prepared to make commitments to exporters for the future and not fund them.

What they should have done as a government was fund the increase in the daily allowance. The question of this underfunding is one thing, but, when we look at the numbers of underpayments that are now going to occur under this scheme, 27 per cent of the increase in the applications in the scheme occurred because they increased the daily allowance but did not fund it. So they generated demand but no capacity to meet it.

Also, changing the accountability requirements has proved to be a big factor in

the growth in claim numbers, because under the previous scheme there was no requirement for people necessarily to perform. We are going to address that—to reintroduce the accountability.

The legacy that this government left us is a \$27 million shortfall which will affect 900 claimants who have already spent the money in expectation of reimbursement. Here was a government that conned them. It claimed it was making changes to make it easier for them, but it had no intention of funding them. I am getting letters and I am sure everyone around the country is getting letters from people who are now realising what the problem is. I say this: blame the previous government. Blame it for its deceit; blame it because it had no commitment to Australia's export industries; blame it because it misled people whom it encouraged in order to claim it was doubling the number of exporters but whom it was never prepared to back with the finances.

There was not a word about this funding shortfall before the election. That was always kept mum. We could not get it out of Senate estimates because the government clammed up in terms of the procedures. They kept saying: 'We've still got to make a decision. You'll know in due course.' We now know that due course has come and that there will be a serious underpayment in this scheme. That underpayment needs to be sheeted home to the deceit of the previous government, and we will do that.

As I said before—I quote this from the newspaper article—the shadow minister for trade, the member for Wide Bay and the member for Lyne were 'in absolute agreement that we needed more money for this area'. In absolute agreement they were—three of them! There were two Nats and one from the Liberal Party in absolute agreement and they could not carry the coalition room.

The industry minister, the trade minister and the agriculture minister, all of whom knew where this scheme is supposed to be going, took it into cabinet and got rejected. What a group of duds!

There was not a word in public at the time the changes were made and not a word before the election.

If the former ministers were calling for additional funding, their calls must have been falling on deaf ears.

Unlike the former government we are going to fund the changes that we are making to the scheme, not just to improve it but to actually back it with resources.

I am confident that the amendments contained in this legislation will revitalise the EMDG Scheme. It has been a good scheme. It is a scheme that is necessary to get people export ready.

But this bill is not the end of the story on reform and revitalisation of our export performance or schemes that facilitate trade.

The business community can be assured that, through the Mortimer review, every aspect of the Export Market Development Grants Scheme will be examined.

We will continue to look for ways to improve it and we will look at other export facilitation programs that stack up.

And we will continue to deliver these programs as an important part of our whole-of-government approach to trade policy.

Today Labor delivers yet another election commitment—an election commitment to revitalising the EMDG Scheme to drive the direction for improving our trade performance and, unlike those who have gone before, confirm our commitment to increasing funding of the scheme in 2009-10 by \$50 million. I commend the bill to the House.

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

## **CIVIL AVIATION LEGISLATION AMENDMENT (1999 MONTREAL CONVENTION AND OTHER MEASURES) BILL 2008**

### **First Reading**

Bill and explanatory memorandum presented by **Mr Albanese**.

Bill read a first time.

### **Second Reading**

**Mr ALBANESE** (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (9.45 am)—I move:

That this bill be now read a second time.

This bill will modernise Australia's arrangements for air carriers' liability. It does this by implementing the Convention for the Unification of Certain Rules for International Carriage by Air done at Montreal on 28 May 1999, known as the Montreal convention.

In addition, the bill will make amendments to modernise and update various legislative provisions related to scope of carriers' liability.

The Montreal convention updates the arrangements applying to the liability of air carriers during international carriage of passengers and cargo. This includes the liability arrangements for:

- the death or injury of a passenger;
- the loss or damage to a passenger's baggage;
- the loss or damage to a freight shipment, as well as:
- delays to the scheduled arrival of a passenger, baggage or freight.

At the moment, liability arrangements for international travel are usually determined with reference to the Warsaw convention and its amending protocols and treaties. Under the Warsaw system, in some circumstances

the amount of compensation is limited to a cap that was set in the 1920s. This cap has not been adjusted for inflation, and is set in a currency that no longer exists—that being the franc *poincare*, consisting of 65.5 milligrams of gold of millesimal fineness 900.

The Montreal convention modernises these arrangements to ensure that equitable compensation is available to injured passengers. And it is extraordinary that it has taken the election of the Rudd Labor government to introduce this legislation into the parliament.

The Montreal convention removes the cap on carriers' liability, and provides for a two-tier system of liability. Applicants will be able to claim up to 100,000 special drawing rights, equivalent to around \$A172,000, as at 25 February 2008, on a strict liability basis. Up to this limit, the applicant will not need to prove that the carrier was at fault. Damages above the 100,000 special drawing rights threshold are available to the claimant, unless the air carrier is able to prove that the damage was not caused by the negligence or other wrongful act or omission of the carrier, its servants or agents.

Another advantage of the Montreal convention is that it provides for a 'fifth jurisdiction' to hear claims for damages. The 'fifth jurisdiction' allows passengers to bring an action for damages in the country where the passenger resided at the time of the accident, provided it is a country that is serviced by the carrier, and the carrier has premises in that country. This will make it easier for Australians to enforce their legal rights in Australia, rather than having to deal with the legal system in a foreign country.

The Montreal convention has important benefits for business.

It will help business by creating efficiencies in the paperwork associated with the transportation of passengers and cargo. It

does this by allowing simplified electronic records to be used for both freight and passenger air transport. This means that business will no longer have to use the old-fashioned system of paper based waybills, and can instead use improved electronic billing systems.

Finally, the bill will modernise the language associated with some of the legislative provisions dealing with carriers' liability. It will do this by inserting a definition of family member into the Civil Aviation (Carriers' Liability) Act 1959, while removing references to children who are 'legitimate' and 'illegitimate'. The new definition affects who can enforce liability under the act in the event of a passenger death.

The categories of family member who will be able to enforce liability will be expanded. It will now include stepsiblings and wards of the passenger; as well as any foster sibling, foster child or guardian who is wholly or partly dependent on the passenger for financial support. Additional categories of family member will be able to be prescribed by regulation. This will allow the government to quickly implement any future government policy decisions in relation to families.

The bill will implement these changes by making amendments to:

- the Civil Aviation (Carriers' Liability) Act 1959;
- the Air Accidents (Commonwealth Government Liability) Act 1963; and
- the Civil Aviation Act 1988.

The bill introduces a new part IA to the Civil Aviation (Carriers' Liability) Act 1959 to give the Montreal convention the force of law in Australia. Part IA is modelled on part II, but amended to give effect to the Montreal convention. Like other parts of the act, the bill includes provisions which give certain articles of the convention a particular

application to suit Australia's judicial system and legal policy.

The bill will not implement the convention for the purposes of domestic carriage within Australia. Domestic carriers will continue to be governed by part IV of the carriers' liability act, which provides for liability limits of \$A500,000.

The Joint Standing Committee on Treaties has supported accession to the convention. The committee recommended binding treaty action be taken in its report No. 65, tabled on 20 June 2005. The implementation of the provisions of the convention by this bill is a necessary step towards this. It is extraordinary that Australia is currently the only OECD country not to have signed the Montreal convention. The countries most Australians travel to ratified the Montreal convention many years ago. The USA, Japan, China and New Zealand ratified in 2003, and the United Kingdom and most European countries ratified in 2004.

The Montreal convention provides improved consumer protection to international air passengers and cargo consignors when the country of destination or origin is also a party to the convention. It also facilitates important business efficiencies.

Acceding to it will maintain Australia's international standing as a leading nation in international aviation reform. This is reform that is long overdue, and I commend the bill to the House.

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

**PROTECTION OF THE SEA (CIVIL  
LIABILITY FOR BUNKER OIL  
POLLUTION DAMAGE) BILL 2008**

**First Reading**

Bill and explanatory memorandum presented by **Mr Albanese**.

Bill read a first time.

**Second Reading**

**Mr ALBANESE** (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (9.52 am)—I move:

That this bill be now read a second time.

The Protection of the Sea (Civil Liability for Bunker Oil Pollution Damage) Bill 2008 will give effect to Australia's commitment to ratify the International Convention on Civil Liability for Bunker Oil Pollution Damage, generally known as the 'bunkers convention'.

The bunkers convention will come into force internationally on 21 November 2008.

It ensures that compensation will be available for anybody who suffers damage or loss as a result of the leaking of bunker oil from a ship, other than an oil tanker.

Oil tankers will continue to be dealt with under separate legislation.

I will be introducing the Protection of the Sea Legislation Amendment Bill shortly to increase compensation payable from an oil spill from an oil tanker.

Bunker oil is a heavy fuel oil that creates significant pollution impacts and is difficult to clean up.

Some large cargo ships carry several thousand tonnes of bunker oil which, in the event of a spill, risk causing serious harm to wildlife, particularly sea birds, and coastal communities.

This legislation requires ships carrying bunker oil to be adequately insured and changes the onus of proof in regard to compensation bids relating to oil spills.

It complements the high safety standards applied to ships trading on the Australian coast and entering Australian ports.

This legislation is good news for people concerned about the risk to the environment of oil spills.

The previous government signed up to the convention, subject to ratification, on 23 September 2002, but did not introduce legislation to give effect to this commitment.

In 2006, the Joint Standing Committee on Treaties recommended that 'Australia take binding treaty action' in relation to the convention.

I am pleased to today be introducing this important legislation, joining the 20 countries that have already legislated to ratify the convention.

These countries include the United Kingdom, Singapore, Germany, Greece and Spain.

This legislation will mean that victims of bunker oil pollution will no longer have to prove that the shipowner was at fault in order to receive compensation.

Until now, shipowners have only been liable for payment of compensation if it can be shown that the owner was at fault.

This bill will ensure that compensation is available even if the oil spill was accidental.

This provides certainty to those involved in the clean up, as well as affected industries, such as tourism, aquaculture and fishing.

At the same time, the liability of shipowners will not be unlimited.

Liability will be based on the size of the ship. The larger the ship, the more bunker oil they carry; hence their greater liability.

To ensure that shipowners are able to meet compensation costs, the bill requires owners of ships with a gross tonnage greater than 1,000 to be insured.

Compliance will be enforced through the checking of documentation at ports to ensure that they have adequate insurance.

If a ship is found to not have adequate insurance, it may be detained and may not be permitted to leave the port until it has obtained the required evidence of insurance.

Significant penalties will apply to the registered owner and master if a ship leaves port prior to being released from detention.

This bill also provides persons suffering pollution damage with a right of 'direct action' against the insurer.

That is, they can seek compensation directly from the shipowner's insurer rather than being required to submit the claim to the shipowner who, in some cases, may have no assets other than the ship.

This provides greater certainty to victims of bunker oil pollution damage that they will receive prompt, adequate and effective compensation.

Let me give an example of a recent instance in which the convention would apply.

The most significant bunker oil spill in Australia in recent years occurred on 24 January 2006, when approximately 25 tonnes of bunker oil was spilt from the bulk carrier *Global Peace* while it was approaching its berth at the coal loading facility at Gladstone in Queensland.

The spill occurred as a result of the collision between the *Global Peace* and one of its attending tugs after the tug suffered an engine failure.

Fortunately in this case damage was limited to several mangrove areas and only one bird died as a result of the spill.

However, had damage been more widespread, those impacted would have, under this bill, been able to access compensation without having to prove that the *Global Peace* was at fault.

Under existing legislation, they would have faced a lengthy legal process to attempt to establish that the shipowner was at fault.

For the sake of Australia's environment, those that rely on the sea to make a living and those that live in coastal towns, this is important legislation.

It is also important from a global perspective because our participation will add to support of the convention and will encourage more countries to participate.

This is a good reform of the Rudd Labor government, and I commend the bill to the House.

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

**PROTECTION OF THE SEA (CIVIL  
LIABILITY FOR BUNKER OIL  
POLLUTION DAMAGE)  
(CONSEQUENTIAL AMENDMENTS)  
BILL 2008**

**First Reading**

Bill presented by **Mr Albanese**.

Bill read a first time.

**Second Reading**

**Mr ALBANESE** (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (9.59 am)—I move:

That this bill be now read a second time.

The purpose of this bill is to amend three existing acts consequential upon the Protection of the Sea (Civil Liability for Bunker Oil Pollution Damage) Bill 2008, to be known as the 'bunker oil bill'.

The bunker oil bill will give effect to Australia's commitment to ratify the International Convention on Civil Liability for Bunker Oil Pollution Damage, generally known as the 'bunkers convention'.

The convention will come into force internationally on 21 November 2008.

Amendments to the Admiralty Act 1988 will confer jurisdiction on the Federal Court and state and territory Supreme Courts to

hear and determine matters arising under the bunker oil bill.

Amendments to the Protection of the Sea (Civil Liability) Act 1981 will ensure that there is no duplication of insurance requirements between that act and the bunker oil bill.

Amendments to the Protection of the Sea (Powers of Intervention) Act 1981 are intended to ensure that, even if the owner or master of a ship is the subject of a direction under that act, the registered owner of the ship will remain liable for compensation costs under the bunker oil bill and there will be no effect on court proceedings under the bunker oil bill.

I commend the bill to the House.

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

**SYDNEY AIRPORT DEMAND  
MANAGEMENT AMENDMENT BILL  
2008**

**First Reading**

Bill and explanatory memorandum presented by **Mr Albanese**.

Bill read a first time.

**Second Reading**

**Mr ALBANESE** (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (10.01 am)—I move:

That this bill be now read a second time.

**Background**

Sydney airport is Australia's major international and domestic airport, and its operational efficiency is critical to Australia's national economic performance. On average, about 29 million passengers and about 550,000 tonnes of airfreight worth around \$33 billion are processed through Sydney airport every year. International visitors en-

tering Australia through Sydney airport inject about \$2.6 billion a year to the economy.

The Sydney Airport Demand Management Act 1997 is an important piece of legislation for Sydney airport and ensures it operates effectively while also protecting the interests of the local community. The Sydney Airport Demand Management Act 1997 first saw light as a private member's bill that I introduced in 1996, and it led to the former government then putting in place the legislation as it is now.

The Sydney Airport Demand Management Amendment Bill 2008 I introduce today seeks to improve the current legislation. The bill will also enable changes to be made to the subordinate legislation to improve the operation of the slots regime and the enforcement of the movement limit at Sydney airport. A key objective of the current act is to put in place a cap on the number of movements on the runway of 80 in a regulated hour.

The act established a regime intended to control the scheduled movement times of airlines so that no more than 80 movements occurred on the runways in any hour.

The act was also designed to encourage efficiency of operation through the allocation of 'slots' which stage the scheduling of aircraft movements and avoids the congestion that was occurring when airlines clustered their scheduling times.

The bill I introduce today makes no changes to the objectives or intent of the existing act. The bill makes technical changes to support the improved administration of the cap and slot management scheme.

Since the inception of the demand management scheme at the airport, there have been almost three million aircraft movements over approximately 260,000 regulated hours.

#### **ANAO report**

Over 2006, the Australian National Audit Office conducted a performance audit of the demand management system established under the existing legislation. The ANAO report was finalised on 7 March 2007 and it found that, since the inception of the slot management system, there have been 61 occasions when the maximum movement limit was exceeded. Aircraft movement reports tabled in parliament show that the last incidence was at the end of 2001 but increases in traffic are likely to lead to more pressure on the limit.

Airservices Australia has advised they have put in place procedures to strengthen the collection and reporting of data on the movement limit.

The ANAO report highlighted the complex nature of aircraft operations at a busy airport like Sydney. In this context, consideration must be given to:

- the need for flexibility in order to maintain certainty for airline schedules,
- the importance of maximising the efficiency of the airport,
- the need to avoid unnecessary disruption of scheduled services for passengers, and
- the importance of achieving this while implementing arrangements to minimise the impact of aircraft noise on the community around the airport.

#### **Key policy objectives**

The overriding objectives of the existing act remain the same. Those objectives are:

- Firstly, to minimise the impact of aircraft noise on the community by enforcing a limit of 80 aircraft movements per hour. This was first proposed in a private members bill titled 'Sydney Airport (Regulation of Movements) Bill 1996' which I moved on 18 November 1996.
- Secondly, to provide for the orderly and efficient operation of flights into and out



of Sydney airport through a slot management regime that keeps Sydney in step with international scheduling practice. The cap at 80 movements within any regulated hour, as I have mentioned, remains in place.

- And the third objective of the current act is to guarantee access for operators of New South Wales regional services by establishing a ring fence around the slots held by regional operators to Sydney airport at the onset of the demand management regime.

Slots previously held by Ansett Airlines at the time of its demise have also been quarantined. This will ensure equitable access to Sydney slots for airlines entering the Sydney services market for the first time. These protections will remain in place and are not affected by the provisions in this bill.

Overall, these policy objectives are being met and the bill does not change any of the fundamental policy settings designed to protect the local community in Sydney and regional communities that depend on access to Sydney airport.

The amendments are essentially technical and will clarify, strengthen and tighten the regulatory arrangements.

The slot management scheme currently in place in Sydney provides a framework for the equitable allocation of planned aircraft movements within a regulated hour.

Importantly, the slot management scheme also provides a compliance framework for encouraging airlines to operate in accordance with their published schedules.

Congestion problems have been reduced with the introduction of slot management. The slot system facilitates a more even distribution of aircraft movements within hours.

Although of course there will continue to be morning and evening peak periods in response to:

- the operational requirements of airlines,
- curfew restrictions at Sydney and at overseas airports and, of course,
- the travelling preferences of passengers, particularly regional and business travellers.

Passenger numbers at Sydney airport are forecast to grow 4.2 per cent annually to 68.3 million passengers in 2023-24. While a significant share of the growth will be attributed to larger aircraft carrying more passengers, aircraft movements are still expected to increase by 2.4 per cent to 377,650 movements per annum over the same period.

As the pressure builds around the availability of airport slots at peak periods, it has never been more important to clarify and strengthen the regulatory framework for managing this growth.

Given the current economic climate and the growth in global aviation activity, it is critical we manage the pressure on an inner city airport. And it is important we do that without losing sight of the key role a critical piece of national infrastructure such as Sydney airport plays in the Australian economy.

The key change proposed by the bill is to introduce a distinction between aircraft movements on the runway and aircraft movements at the gate. The distinction is significant because the slot management scheme is based on gate movements and the movement limit applies to runway movements.

The amendments proposed by this bill will overcome the flaw identified in the Australian National Audit Office audit that the day-to-day administration of slot allocation and compliance did not technically comply with the current act. More particularly, the term 'aircraft movement' was interchangeably used to describe the two separate but related actions.

The slot allocation regime is a vital planning tool that enables flight schedules at the airport to be managed so as to satisfy a wide range of operational demands reflecting the global nature of airline businesses.

Essentially, the bulk of slots are allocated prior to the commencement of each summer and winter scheduling season in conjunction with airports worldwide.

The slot manager allocates slots to airlines having regard to

- the capacity of the airport to handle particular flights,
- the size of the aircraft,
- the capacity of the terminal to process passengers and baggage,
- whether there is a gate and apron available and, overall, whether the slot can be accommodated within the 80 movements per hour cap.

Consistent with the practice at other slot-controlled airports overseas, slots have been granted for the time a plane is scheduled to arrive at or leave the gate. The airline's compliance for the purposes of the current act has, in practice, been measured against meeting those gate times. However, in strict terms of the current act, compliance should have been measured by reference to the time of aircraft movements on the runway.

The legislation as it stands does not recognise the difference between the need to measure movements on and off the runway for the movement cap and movements on and off the gate for the slot management system. Slots have been, and need to continue to be allocated against scheduled airline movements which align with movements at the gate and not on the runway.

For each gate movement, there will be a corresponding aircraft movement on the runway—either before the gate movement, for arrivals, or after the gate movement, for

departures. The bill will formalise a requirement for the slot manager to have regard to the likely aircraft movement times on the runway when allocating slots, and to ensure the allocation of the slots is consistent with the movement cap.

Curfew arrangements at Sydney airport will remain unchanged.

However, this bill clarifies the relationship between slot allocation and compliance and movements during the curfew period. The ANAO report found that flights delayed into the curfew period were incorrectly assessed for compliance under the act. The proposed amendments in the bill will ensure any movement that is delayed into the curfew period is not exempt from the compliance scheme under the Sydney Demand Management Act 1997. Any penalties under the Sydney Airport Curfew Act 1995 would also apply.

The bill will also allow for the minister to vary the operation of the compliance scheme during exceptional circumstances. The collapse of Ansett and the aftermath of the tragic events on 11 September 2001 are illustrative examples of such exceptional circumstances.

The exercise of the power to modify the operation of the scheme will be subject to the registration, tabling and sunset requirements of the Legislative Instruments Act 2003.

The bill also makes a number of minor technical and other administrative amendments to clarify and strengthen the slot management arrangements. With the passage of this bill, changes will flow through to its associated regulations and the slot management and compliance schemes. My department is currently in the process of developing these regulations.

Changes which will further strengthen and clarify the operation of the scheme include:

- introduction of a regulation requiring the slot manager to provide improved reports and information so as to be accountable for slot allocation and gate movements
- introduction of a regulation that will enable the slot manager to require operators to provide information and impose penalties for failure to comply
- implementation of a new infringement notice regime for 'no-slot' movements, and
- increased penalties under the infringement notice regime applicable to both 'no-slot' and 'off-slot' gate movements

Since the Rudd government came to office we have sought to protect the local community around Sydney airport while allowing for growth in aviation. In particular, we have:

- Reconstituted and reinvigorated the Sydney Airport Community Forum, making the membership more representative of those communities affected by aircraft noise;
- Ensured Sydney airport consults the local community on important runway safety works through a major development plan process;
- Maintained a firm line on the operation of the curfew at Sydney airport;
- Reaffirmed our commitment to the full implementation of the Long Term Operating Plan for Sydney airport;
- Reaffirmed the 80 movement cap at Sydney airport will remain in place; and
- Reaffirmed our commitment to ensure access by New South Wales regional operators to Sydney airport.

The bill I have introduced today is another important reform ensuring the efficient operation of Sydney airport while at the same

time protecting the interests of the local community.

I commend the bill to the House.

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

**FISHERIES LEGISLATION  
AMENDMENT (NEW GOVERNANCE  
ARRANGEMENTS FOR THE  
AUSTRALIAN FISHERIES  
MANAGEMENT AUTHORITY AND  
OTHER MATTERS) BILL 2008**

**First Reading**

Bill and explanatory memorandum presented by **Mr Burke**.

Bill read a first time.

**Second Reading**

**Mr BURKE** (Watson—Minister for Agriculture, Fisheries and Forestry) (10.14 am)—I move:

That this bill be now read a second time.

The Fisheries Legislation Amendment (New Governance Arrangements for the Australian Fisheries Management Authority and Other Matters) Bill 2008 will amend legislation to improve governance of the Australian Fisheries Management Authority (AFMA).

The bill will also provide strong tools to help fight illegal, unreported and unregulated fishing.

AFMA is an Australian government statutory authority set up to manage fisheries on behalf of the Commonwealth. As a body corporate, its functions and powers flow from the Fisheries Administration Act 1991 and the Fisheries Management Act 1991. AFMA also helps administer the Torres Strait Fisheries Act 1984.

The amendments will provide for changes to AFMA in line with good governance practices and the policy document *Governance arrangements for Australian government bodies*.

The legislation will remove the AFMA board and the managing director.

AFMA will remain a body corporate, but its functions and powers will be performed by a commission and a chief executive officer (CEO).

The minister will be able to appoint the same person as both the chairperson of the commission and the CEO, but will also be able to make separate appointments.

Commissioners will have skills and expertise similar to current directors.

However, an important reform introduced by the bill will be to minimise the potential for commissioners to have conflicts of interest.

Mr John Uhrig's *Review of the corporate governance of statutory authorities and office holders* of June 2003 (the Uhrig review) noted that independence and objectivity are important attributes for good governance and, while it is possible to manage perceived and real conflicts of interest, it is preferable to minimise circumstances in which they could arise.

This bill will establish eligibility criteria to exclude anyone who holds an executive position in a fisheries industry association from becoming a commissioner. The eligibility criteria will also exclude holders of a Commonwealth fishing concession, permit or licence and majority shareholders or persons in executive positions in companies holding concessions, permits or licences.

There will be no government representative on the commission.

The amendments will provide for the selection and appointment of commissioners to be conducted in accordance with the Rudd government's policy on merit based selection of statutory office holders.

After an open and transparent process, the minister will make appointments for up to five years.

The commission will have responsibility for domestic fisheries management.

A key change to AFMA's governance will be that the CEO will have responsibility for exercising AFMA's foreign compliance functions and powers.

Allowing the CEO to report directly to the minister on foreign compliance matters acknowledges the need for direct government responsibility for matters that affect our border protection operations and important bilateral and international relations.

The minister will also be able to direct the CEO in the performance of this role.

AFMA will cease to be regulated under the Commonwealth Authorities and Companies Act 1997 and will become a prescribed agency under the Financial Management and Accountability Act 1997 and a statutory agency under the Public Service Act 1999.

In accordance with the terms of those acts, the CEO will be responsible for financial management and human resource matters. The commission will not be able to direct the CEO in carrying out these functions.

These reforms relate to improving governance structures and arrangements.

There will be no significant changes to the day-to-day functions of AFMA.

AFMA will:

- keep its name,
- retain its body corporate status,
- retain its current objectives and functions,
- continue to have its domestic fisheries management functions funded by cost recovery from industry and
- continue consulting with stakeholders, in accordance with existing legislative requirements.

In addition to these important reforms to AFMA's governance arrangements, the bill will strengthen the government's ability to combat illegal, unreported and unregulated fishing in three areas.

First, the amendments will improve compliance with international fisheries agreements and arrangements.

The amendments will make it an offence for Australian persons and corporations to breach an agreed fishing measure of an international fisheries management organisation or arrangement to which Australia is a party.

This bill will make it possible for Australian nationals to be prosecuted in Australian courts for activities onboard foreign vessels in waters outside the Australian fishing zone, where such activities are offences under the Fisheries Management Act 1991.

These amendments are consistent with Australia's international obligations to ensure that our nationals do not engage in illegal fishing.

They are also in line with emerging international calls, that Australia supports, for states to control the activities of their nationals in the fight against illegal, unreported and unregulated fishing.

The amendments will restructure and strengthen the existing enforcement framework in the Fisheries Management Act 1991 relating to boarding and inspection procedures.

This will give effect to Australia's obligations under international fisheries agreements and arrangements to which Australia is a party.

The amendments will maintain Australia's rights and obligations in relation to the implementing agreement for the conservation and management of straddling fish stocks

and highly migratory fish stocks (the United Nations fish stocks agreement).

It will also enable Australia to give effect to the Western and Central Pacific Fisheries Commission boarding and inspection procedures.

The general enforcement framework being put in place by the amendments has been structured to enable Australia to more easily give effect to all future boarding and inspection procedures adopted by other international fisheries agreements and arrangements to which Australia is a party.

Second, the amendments will clarify the ability of fisheries officers to exercise the powers of the Fisheries Management Act 1991 outside the Australian fishing zone following a hot pursuit of a boat that was in the Australian fishing zone or that has been providing support to foreign boats fishing illegally in the Australian fishing zone.

And the third way the amendments will strengthen the government's ability to combat illegal, unreported and unregulated fishing will be to further define and expand the stowage requirements in the Fisheries Management Act for foreign fishing vessels transiting through the Australian fishing zone.

Foreign vessels transiting our fishing zone will be required to have fishing equipment disengaged, secured and stored inboard in a manner that does not allow for fishing gear to be readily deployed. This requirement will make it more difficult for foreign fishers to engage in illegal fishing in Australia's fishing zone.

In summary, these amendments will improve the governance and resource management of Commonwealth fisheries.

And they will support our efforts to combat illegal, unreported and unregulated fishing and bolster Australia's case for continued

leadership in international fora to advocate sustainable access to the fisheries resource.

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

**AUSTRALIAN ENERGY MARKET  
AMENDMENT (MINOR  
AMENDMENTS) BILL 2008**

**First Reading**

Bill and explanatory memorandum presented by **Mr Martin Ferguson**.

Bill read a first time.

**Second Reading**

**Mr MARTIN FERGUSON** (Batman—Minister for Resources and Energy and Minister for Tourism) (10.24 am)—I move:

That this bill be now read a second time.

Under the oversight of the Ministerial Council on Energy, Australia has made substantial progress towards an efficient and effective national energy market over recent years. The government looks forward to strengthening the energy reform program under the ministerial council and delivering the productivity gains available from reform to the Australian economy.

The bill I am introducing today will make minor amendments to Commonwealth legislation that underpins the national regime for the regulation of gas pipeline infrastructure. The efficient regulation of gas infrastructure is a critical step in the transition to a low-carbon economy.

MCE's cooperative legislative regime will apply the National Gas Law and National Gas Rules in all participating jurisdictions to create a harmonised national gas access regime.

This cooperative regime involves the enactment of lead legislation in the South Australian parliament, and the enactment of 'application legislation' in all other participating jurisdictions (with the exception of Western

Australia). Western Australia will pass complementary legislation to give effect to the National Gas Law, rather than applying the National Gas Law established by South Australian law as in force from time to time. The legislation will replace the current cooperative Gas Pipelines Access Law and provide crucial incentives for investment in gas pipelines.

The South Australian parliament will be asked to enact the lead legislation for the regime, the National Gas (South Australia) Act 2008, in the first half of this year. The National Gas Law will be the schedule to that act.

The Commonwealth has already enacted its application legislation in the form of the Australian Energy Market Act 2004. This act was amended in 2007 to apply the National Gas Law in the Commonwealth's offshore jurisdiction. However, the South Australian lead legislation implementing the National Gas Law and Western Australian complementary legislation will be passed in 2008 rather than 2007. This delay has allowed the inclusion of a gas market bulletin board in the regime to increase transparency in our gas markets.

Similarly, the Commonwealth amended the Trade Practices Act 1974 in 2007 to empower several Commonwealth bodies (the Australian Energy Regulator, the National Competition Council and the Australian Competition Tribunal) to perform key functions under the gas access regime and the Administrative Decisions (Judicial Review) Act 1977 to ensure the decisions of Commonwealth bodies under the regime are reviewable under that act. The references in those acts also need to be amended.

Therefore, this bill makes minor amendments to the Australian Energy Market Act 2004, the Administrative Decisions (Judicial Review) Act 1977 and the Trade Practices

Act 1974 to correct references to the South Australian lead legislation and to Western Australia's complementary legislation. These amendments are required to ensure that the Commonwealth's application legislation correctly applies South Australian and Western Australian legislation in the offshore area, and correctly empowers the Commonwealth bodies under the regime.

In summary, the amendments I am introducing today are minor technical amendments to further the smooth implementation of the cooperative energy reform agenda. This bill has the full support of my state and territory colleagues on the Ministerial Council on Energy.

I commend this bill to the House.

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

**CUSTOMS AMENDMENT  
(STRENGTHENING BORDER  
CONTROLS) BILL 2008**

**First Reading**

Bill and explanatory memorandum presented by **Mr Debus**.

Bill read a first time.

**Second Reading**

**Mr DEBUS** (Macquarie—Minister for Home Affairs) (10.29 am)—I move:

That this bill be now read a second time.

I am pleased to introduce the Customs Amendment (Strengthening Border Controls) Bill 2008. It contains amendments to the Customs Act 1901 that will strengthen border enforcement powers for Customs officers and implement three new regimes to allow Customs greater flexibility in dealing with the importation of prohibited imports.

Presently, Customs officers may board a ship or aircraft under the Customs Act for various border enforcement purposes. These purposes generally involve the apprehension

of suspected offenders against the Customs Act, the Criminal Code or any other prescribed act, like the Fisheries Management Act 1991 or the Migration Act 1958.

Personal search powers cannot be invoked until such time as officers on board a vessel can form a reasonable suspicion that it has been engaged in the commission of an offence.

However, there have been an increased number of occasions in more recent times where officers have faced resistance when boarding foreign ships suspected of being involved in illegal activities, and where evidence of illegal activities have been disposed of before they could be secured by the officers.

The proposed amendments in the bill will enable the officers to, immediately upon boarding a suspicious ship or aircraft, search persons on board for:

- weapons;
- items that may have helped a person escape; and
- evidence of the commission of an offence.

The search powers are appropriate because they will significantly reduce the threat of harm to these officers while exercising their powers, help prevent the escape of persons detained on suspicion of committing an offence and help prevent evidentiary material from being disposed of.

Upon finding any of these items, an officer will be able to take possession and retain the item for 60 days until:

- the reason for retaining the item no longer exists;
- until the item is not used in evidence;
- or any extension is granted from the court.

The bill also clarifies the use of the frisk powers for search by creating a single definition that applies to the whole Customs Act.

The bill also implements three new regimes to allow Customs greater flexibility in dealing with the importation of prohibited imports that are low value and low risk and provides Customs officers with additional powers to deal efficiently with prescribed prohibited imports of this sort.

Presently, Customs only has the power to seize imports, and that is a time consuming and resource intensive process.

This bill will enable Customs to establish a tiered response to sanctions for dealing with prohibited imports.

First of all, the bill allows a person to voluntarily surrender certain prohibited imports that have not been concealed.

Secondly, infringement notices might be issued for certain offences including importing certain prohibited imports and border security related offences; and, thirdly, it allows the granting of post-importation permissions for certain prohibited imports, rather than the automatic seizure of the goods.

This bill allows Customs officers to perform their role more effectively and more efficiently and I am happy to commend the bill to the House.

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

#### **CUSTOMS LEGISLATION AMENDMENT (MODERNISING) BILL 2008**

##### **First Reading**

Bill and explanatory memorandum presented by **Mr Debus**.

Bill read a first time.

##### **Second Reading**

**Mr DEBUS** (Macquarie—Minister for Home Affairs) (10.34 am)—I move:

That this bill be now read a second time.

I am pleased to introduce the Customs Legislation Amendment (Modernising) Bill 2008.

This bill contains amendments to the Customs Act 1901 and the Customs Legislation Amendment and Repeal (International Trade Modernisation) Act 2001 to improve the operation of:

- the new SmartGate solution;
- the Certificate of Origin requirements for the Singapore-Australia Free Trade Agreement;
- customs brokers' employment arrangements; and
- the duty recovery and payments of duty under protest.

Customs introduced SmartGate, a so-called automated passenger-processing solution, in August 2007. What SmartGate does is allow air passengers and crew to use an automated clearance process through the immigration point at the border.

This bill will amend the Customs Act to ensure that any false and misleading information provided using the SmartGate solution is covered by the existing offence provisions related to making false and misleading statements to an officer of Customs.

The bill also gives effect to recommendations of the first Ministerial Review of the Agreement by Australia and Singapore in July 2004. They would allow importers to provide less documentation to Customs when claiming preferential rates of duty on imported goods under that agreement.

To recognise the changing employment practices that are taking place in the customs brokers' community, this bill will also remove the present restrictions in the Customs Act which prohibit individual customs bro-



kers from being employed by more than one customs brokerage at the same time.

The bill further amends the Customs Act to limit the time for the recovery of customs duty to four years in all cases, except in the case of fraud or evasion where no time limit will apply. This proposed new regime is a response to the decision of the High Court in *Malika Holdings Pty Ltd against Stretton*, a case decided in 2001, and it is consistent with the existing regime for the recovery of other indirect taxes.

The bill will also clarify the process for making a payment of customs duty under protest. Further, the bill will amend the Customs Act to enable the chief executive officer, in certain circumstances, to offset an amount of unpaid duty on goods against any amount of refund or rebate the owner would be eligible for if the owner pays that duty.

This is a bill which assists the administration of Customs by making a number of provisions which will modernise the relevant legislation and, as I say, improve the administration of Customs in consequence. I commend the bill to the House

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

## COMMITTEES

### Public Works Committee

#### Approval of Work

**Dr KELLY** (Eden-Monaro—Parliamentary Secretary for Defence Support) (10.37 am)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Refurbishment of staff apartments—Australian Embassy complex, Tokyo, Japan.

The Department of Foreign Affairs and Trade proposes to refurbish 43 staff apartments at the Australian Embassy complex in Tokyo, Japan. The Australian government built the existing embassy complex and has occupied it since 1990. The complex comprises the chancellery, apartments and recreational facilities. The proposal is to undertake internal refurbishment of all 43 staff apartments. The works will include upgrading building services and will ensure compliance with current standards and building codes and enhanced amenity for tenants, as well as protecting the government's long-term commercial investment and rental value in the property.

The Australian government owns the embassy complex, which was valued at \$315 million in 2007. The estimated cost of the proposal is \$22 million. In its report the Public Works Committee has recommended that these works proceed. Subject to parliamentary approval, construction is expected to commence in early 2009, with completion in 2010. On behalf of the government, I would like to thank the committee for its support. I commend the motion to the House.

Question agreed to.

### Public Works Committee

#### Approval of Work

**Dr KELLY** (Eden-Monaro—Parliamentary Secretary for Defence Support) (10.39 am)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: HMAS Creswell redevelopment, Jervis Bay Territory.

The Department of Defence proposes to undertake a redevelopment of HMAS Creswell, the Navy's premier training institution. The works now proposed are required to over-

come the limitations of current facilities to provide effective training to Navy officers and sailors to support Navy's capability. The progression of the project will aid in the Navy's recruitment and retention. The main components of the project include new and refurbished living-in, office and classroom accommodation and upgraded engineering services. The project will also provide modernised training and physical fitness facilities to support Navy training requirements at HMAS Creswell. The estimated outturn cost of the proposal is \$83.6 million, plus GST. In its report the Public Works Committee has recommended that these works proceed, subject to the recommendations of the committee. The Department of Defence accepts and will implement those recommendations. Subject to parliamentary approval, the works would be commenced in 2008, with the objective of having them completed by 2011. On behalf of the government, I would like to thank the committee for its support. I commend the motion to the House.

Question agreed to.

#### **Public Works Committee**

##### **Approval of Work**

**Dr KELLY** (Eden-Monaro—Parliamentary Secretary for Defence Support) (10.41 am)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Land Engineering Agency test services relocation, Monegeetta, Vic.

The Department of Defence proposes the relocation of Land Engineering Agency test services from defence site Maribyrnong to Monegeetta proving ground, Victoria. The objective of this proposal is to gain advantages from the co-location of Land Engineering Agency Test Services with its existing

operations at Monegeetta. The proposed project involves a mixture of refurbished and new facilities, including supporting infrastructure. The estimated outturn cost of the proposal is \$35.9 million, plus GST. In its report the Public Works Committee has recommended that these works proceed. Subject to parliamentary approval, construction could commence in late 2008, with completion in 2010. On behalf of the government, I would like to thank the committee for its support. I commend the motion to the House.

Question agreed to.

#### **Privileges and Members' Interests Committee**

##### **Report**

**Mr RAGUSE** (Forde) (10.43 am)—In accordance with standing order 216, on behalf of the Committee of Privileges and Members' Interests, I present the report on the operations of the Committee of Members' Interests during 2007, together with the minutes of proceedings.

Ordered that the report be made a parliamentary paper.

#### **DELEGATION REPORTS**

##### **Asia-Pacific Parliamentary Forum in Auckland**

**Mr HAWKER** (Wannon) (10.43 am)—I present the report of the Australian Parliamentary Delegation to the 16th annual meeting of the Asia Pacific Parliamentary Forum, in Auckland, from 20 to 25 January 2008.

#### **COMMITTEES**

##### **Publications Committee**

##### **Report**

**Mr HAYES** (Werriwa) (10.44 am)—I present the report from the Publications Committee sitting in conference with the Publications Committee of the Senate. Copies of the report are being placed on the table.

Report—by leave—agreed to.

**Foreign Affairs, Defence and Trade Committee**

**Membership**

**The DEPUTY SPEAKER (Ms JA Saffin)** (10.45 am)—The Speaker has received a message from the Senate informing the House that Senator Eggleston has been discharged from the Joint Standing Committee on Foreign Affairs, Defence and Trade and that Senator Payne has been appointed a member of the committee.

**FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS AND OTHER LEGISLATION AMENDMENT (EMERGENCY RESPONSE CONSOLIDATION) BILL 2008**

**Second Reading**

Debate resumed from 19 March, on motion by **Ms Plibersek**:

That this bill be now read a second time.

**Mr ABBOTT** (Warringah) (10.45 am)—I am pleased to continue the contribution that I began last night on this important legislation, the Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Emergency Response Consolidation) Bill 2008. I had made a few remarks about the government's proposals to restore the permit system in this legislation, and I will come back to that point in a moment. I had begun talking about the government's watering down of the former government's proposal to totally ban pornographic material from the remote Indigenous townships of the Northern Territory. The Minister for Families, Housing, Community Services and Indigenous Affairs, in her second reading speech, said:

The 2007 legislation included prohibitions on the possession, control and supply in prescribed areas of pornographic material. This bill addresses a further area of concern expressed by

Aboriginal people in the *Little children are sacred* report about R-rated material available through pay television subscription.

A casual reader of this second reading speech would think that this bill goes further than the legislation introduced into the parliament by the former government last year. In fact, this bill very significantly waters down the legislation introduced last year. The legislation introduced last year totally banned all pornographic material in the prescribed areas, including pay TV porn. This bill effectively allows pay TV porn. In fact, it overturns the former government's restrictions on pay TV porn.

Let us return for a moment to the *Little children are sacred* report. The report made it very clear that pornography, including pay TV porn, was a very important contributor to the degradation of these townships. It said that pornography, including pay TV porn, was readily available to children and that exposure to pornography played an important role in 'grooming'—that was the expression used in the report—children for inappropriate and unfortunate activities.

Unfortunately, this legislation puts a Clayton's ban on pay TV porn, because pay TV porn will only be banned under this legislation if the community asks for a ban, if the minister thinks that a ban is in the public interest and if the pay TV porn channel comprises at least 35 per cent pornographic material.

There is another issue with this bill—and the office of the Leader of the Opposition has been pursuing this with the minister in question. It is a drafting issue—that is, whether the 35 per cent provision in this bill applies to a specific channel or to the entire service. If it applies to a specific channel then there is little doubt that pay TV porn channels would, at least, potentially be coverable by this legislation. But, if it applies to the entire ser-

vice, no existing pay TV porn channel would in fact be covered by this legislation. So the legislation would be completely useless, as opposed to being merely utterly ineffective, in banning pay TV porn from these areas.

As I said at the beginning of my remarks yesterday, I believe that the government is sincere, notwithstanding the stated opposition of some of its members. I think the government at senior levels is sincere in wanting the intervention to work and in wanting to continue to prosecute the intervention. But this legislation is not the way to do it.

I now wish to return to the question of permits, given a recent development in this area. According to the minister's second reading speech, once the bill is passed the government will 'by means of a ministerial determination ensure that journalists can access communities for the purpose of reporting on events in communities'. In other words, under the restored permit system that the government is currently proposing, no journalist will be able to visit a remote Northern Territory township without an express ministerial permit.

I ask members opposite: do they really think it is acceptable to ban the media from wide swathes of our country, except on the issue of a ministerial permit? If a riot breaks out in, Wadeye, Port Keats, for instance, should coverage of those events be dependent upon the issuing of a ministerial permit? Even if the minister in question is totally committed to free speech and utterly committed to the widest possible journalistic access to what is happening in our country, what if the minister is out of the country? What if the minister is tied up with other matters? As we know, when events happen the media have to be there as quickly as possible. And, even though ministerial permits are to be given automatically, the fact is that the requirement for them means that there

will be, in effect, a news blackout in these remote townships and that is just unacceptable.

I noted this morning in the *Australian* newspaper that the award-winning journalist Paul Toohey, who has personal experience in this area, has handed back his Walkley award because the Media Entertainment and Arts Alliance, formerly known as the Australian Journalists Association, has supported the requirement for ministerial permission before journalists have access to these remote townships. I will quote now not Mr Toohey but Mr Warren, the secretary of the union, who said the proposed code—and this is an AJA code meant to work in conjunction with ministerial approval of journalistic visits—was meant to be:

...situational, and attempts to take into account the particular cultural sensitivities presented when operating on Aboriginal land.

I know that Australian journalists are not the most sensitive of people. I know that sometimes they can go blundering—and they are a little bit like Australian politicians in that respect—but the fact is we have got to let them in. If our democracy is going to survive, we have got to let the media know what is happening because, I say in this chamber, evil thrives in darkness. It is precisely because the Australian people have not, by and large, known what has been going on in these remote townships that the terrible things revealed in the *Little children are sacred* report have tragically been flourishing. We have had too much sensitivity and not enough truth in this area and that is why this particular provision of the government's legislation is so objectionable. I say again that I applaud the sincerity of the government in its support for the intervention. I respect the decency, compassion and goodwill of the minister. I know that the Prime Minister really meant it when he said in his *First 100 Days* booklet that one of the achievements of

the government was the banning of pornography in the Northern Territory but, I do regret to say, that is not the effect of this legislation and I do ask members opposite, in the spirit of bipartisanship, to please think again.

I will be moving second reading amendments, and in the committee stage I will be moving some specific amendments to the legislation. I hope the government will consider those amendments, which I believe have been in circulation for some time now. If the government would like to talk to the opposition about a better way to of doing what the opposition has proposed then I would welcome that. If the government would like to take the amendments on notice and consider them in the Senate, I would be prepared to accept that. But what I will not accept, speaking on behalf of the opposition, is an unamended bill because, while the bill does reflect a government which wants to do the right thing, it does not actually do the right thing. In the end, it is the job of an opposition not to say 'me too' to whatever a government proposes but to be constructive and, where necessary, to point out the flaws in what the government is doing. That is what I hope I am doing today. I move:

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

"the House questions the approach reflected in this bill and:

- (1) calls on the Federal Government to impose a blanket ban on all pornographic material in prescribed areas;
- (2) calls on the Federal Government to prohibit the transport of pornographic material through any prescribed area; and
- (3) urges the Federal Government to leave in place the permit system amendments that have enabled access to public land."

**The DEPUTY SPEAKER (Ms JA Safin)**—Is the amendment seconded?

**Mr Randall**—I second the motion and reserve my right to speak.

**Mr HAYES (Werriwa)** (10.56 am)—This government is committed to the intervention in the Northern Territory. It must net the results that were originally intended. This is something a number of us spoke upon in the last parliament. We did work, as much as possible, in a genuine bipartisan way to address issues that had emerged, that were brought to public attention firstly in the report *Little children are sacred* and then secondly in various publications—which have been alluded to earlier in this place—by the Crown Prosecutor in the Northern Territory Nanette Rogers. I will come back to that. The Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Emergency Response Consolidation) Bill 2008 makes a number of necessary amendments to the special measures to protect Aboriginal children in the Northern Territory, following the Northern Territory National Emergency Response Act 2007 and the Families, Community Services and Indigenous Affairs and Other Legislation Amendment (Northern Territory National Emergency Response and Other Measures) Act 2007.

This package of legislation contains provisions for welfare reform and changes to land and housing arrangements and provides law and order thereby improving the safety and wellbeing of children and their families in those Indigenous communities. Schedule 1 of the bill deals with the R-rated content of broadcasting. Schedule 1 amends the Broadcasting Services Act 1992 and the Northern Territory National Emergency Response Act 2007 to require that particular pay television licences not provide TV channels that contain large amounts of R-rated programming in certain areas prescribed under the Northern Territory National Emergency Response Act 2007. The cessation of television ser-

vices would occur only on request of the community and after consultation with the community and an assessment having been done that it would be to the benefit of Indigenous women and children in particular.

Schedule 2 of the bill deals with the transportation of prohibited material. The bill permits prohibited material to be transported through a prescribed area to a place outside the prescribed area. In other words, this addresses material that would otherwise not be prohibited but is prohibited within the prescribed area when the purpose is simply to transport it through that area. Under the measures proposed in Schedule 2, this amendment will ensure that content which is prohibited when it is in the prescribed area would not be capable of being seized by police or other law enforcement agencies.

Schedule 3 deals with the access to Aboriginal land. This bill makes amendments, which come into force from 17 February 2008, to the Aboriginal Land Rights (Northern Territory) Act 1976 to repeal the permit system amendments that gave access to certain Aboriginal lands. I will come back to that in more detail a little later. Schedule 4 of the bill addresses the issue where a roadhouse within a community is in fact acting as a community store. It will be treated for the purposes of the act as being a community store and will be subject to required licensing standards that are prescribed for community stores within prescribed Aboriginal communities. I support each of these amendments. Each of these amendments has been addressed quite thoroughly in consultation with the wider community, but the amendments in addressing those very significant issues achieve the initial intention of the intervention and do not do things which have simply become circumstantial.

The part I really want to address in my contribution today is access to Aboriginal

land. You will recall, Madam Deputy Speaker, that when the former government introduced its legislation for the intervention one of the things that it was absolutely committed to and would not vary was the winding back of the permit system. The member for Warringah has just made an impassioned plea about bipartisanship in this respect. His argument to date has been that we should be opening these communities up—we should be widening the communities—as if that is going to be the panacea for looking after children in rather distressed circumstances, which is what, fundamentally, the *Little children are sacred* report addressed. We believe, as discussed in the last parliament, that the provision of the permit system—the restriction of who can access Aboriginal lands and the fact that you need to establish approvals to go there—is actually a net benefit for Aboriginal communities. It is not about locking things up. It is not about being able to protect perpetrators of crimes against children within a closed community. It does actually have the effect of restricting who can access these communities.

Before coming to this place, as most people know, I spent some time representing the interests of most police in both states and territories throughout the country, and I did take it upon myself to have a discussion with them about the provision of access. I spoke to the President of the Northern Territory Police Association. I also spoke to the Chief Executive Officer of the Police Federation of Australia, Mr Mark Burgess. His organisation represents all of the 50,000 police throughout Australia. Apart from them being very forthcoming with their views about policing in remote Aboriginal communities, I also discovered that they made a detailed submission dealing specifically with the Northern Territory intervention to the Senate Standing Committee on Legal and Constitutional Affairs on 9 August last year. The

submission was made by Mr Mark Burgess, the Chief Executive Officer of the Police Federation of Australia, on behalf of his organisation. He says:

In relation to the long-standing permit system for access to aboriginal communities, the PFA is of the view that the Australian Government has failed to make the case that there is any connection between the permit system and child sexual abuse in Aboriginal communities. Therefore, changes to the permit system are unwarranted.

He goes on to say:

We note that the Government has decided, on balance, to leave the permit system in place in 99.8 per cent of Aboriginal land.

He goes on to say:

Operational police on the ground in the Northern Territory believe that the permit system is a useful tool in policing the communities, particularly in policing alcohol and drug-related crime. It would be most unfortunate if by opening up the permit system in the larger public townships and the connecting road corridors as the Government intends, law enforcement efforts to address the 'rivers of grog', the distribution of pornography, and the drug running and petrol sniffing were made more difficult.

The Police Federation—hardly a maverick organisation; after all, they do represent police officers in the Northern Territory—are specifically saying that they consider this restriction a useful tool in policing. It restricts not only the number of people who come in for activities in relation to children but also, as I understand it, the number of people who want to go in and sign Aboriginal people up to lines of credit. I have been advised that under the current arrangement, whereby there is unrestricted access, a number of second-hand car salesmen are going in and signing people up to debt arrangements. The permit system has been used to keep out people not only who are going to perform criminal acts and prey on the children but also who are going to prey on people in Aboriginal communities generally.

The view that has been advanced on the other side of the argument is that if we do not open up these communities they will not be able to participate in the economic prosperity of the nation. This intervention is not about establishing first and foremost the redistribution of wealth into Aboriginal communities; it is about addressing something very specific and something that shocked everybody when they read the *Little children are sacred* report. We were all taken aback when we heard the responses and commentary of the Crown Prosecutor, Nanette Rogers, on the allegations against and prosecutions of Aboriginal men over their criminal activities with children. That is what this is about. It is not a panacea for all ills within a community; it is doing something as quickly as we can, specifically to address the issue that women and children are at risk. We should not lose focus and broaden this into a wider economic argument. This is something that we have a responsibility for. This is something that we are committed to doing—and I think the commitment is bipartisan. This is something where it is absolutely essential we get results.

We need to bear that in mind and listen to what has been said by the police—the people on the ground who not only arrest the perpetrators of these crimes but go out and collect the information to prepare a brief for the Crown Prosecutor. I think it is only appropriate that we at least pay due regard to the view of the police, as the primary law enforcement agency, on the application of law enforcement in Aboriginal communities. After all, they are there. The police made a detailed submission to the former government. That was not considered.

**Dr Stone**—I think it was, and the police were part of that.

**Mr HAYES**—My colleague over there is saying it was considered. It may have been

considered but the consideration was simply to reject it. The minister at the time, Mal Brough, was single-minded in his approach to this. This was about winding back once and for all the permit system. This was doing exactly what the member for Warringah was talking about in an MPI not that long ago—opening up Aboriginal communities so that they can participate in the broader economic benefits of society. But it is not about doing what we set out to do with this intervention, which is to remedy things for the children and women in those Aboriginal communities.

The shadow minister for environment, heritage, the arts and Indigenous affairs has just indicated that the view of the police was considered. Since then, we have more law enforcement officers on the ground—there is no question about that. The Commonwealth has subsidised the seconding of police from other states and territories, and those seconded police have been distributed to Aboriginal communities in the Northern Territory. I had a discussion only yesterday with Mr Vince Kelly of the Northern Territory Police Association, who said that their position on the subject, if anything, has actually hardened. If the police and, therefore, I would have thought, the Crown prosecutors—all those on the ground who have the task of prosecuting the perpetrators of crimes against children and women in Aboriginal communities—are saying that those restrictions are a very useful tool, it would be madness to run in the face of that advice and say, ‘Everything else is okay up there as long as we can keep this unrestricted access.’

We will have access. It has been widely discussed during the passage of these bills that the minister will allow journalists, Commonwealth officers and others to have access to these lands. But they will be going there for a purpose. We as a community are not about to abrogate our responsibility for

the wellbeing of people in Aboriginal communities for a bunch of journalists—you have got to be joking! That is what we have been asked by the member for Warringah to think about: the role journalism plays when it comes to law enforcement and protection.

I for one have a lot of time for journalists, but I do not think they should be considered the last bastion of protection for kids, women and law enforcement in communities. If that is truly their view, as it was the view of the member for Warringah, what does it mean—that we have failed, that we have already unfurled the white flag and said that we cannot do it? We have the means to do these things and we have the people to do these things. Sure there is an argument that more people are needed and that it may not be just those communities in the Northern Territory that are affected. We know that. We know we are going to have to put more resources in. That is a given.

We have a responsibility to the people in these communities and we should be exercising that responsibility. In doing that, we should be listening to those who are at the front line. I do not know whether many people who are going to participate in this debate have been to any of these remote communities—whether they have been to Rammingin or out to Port Keats. I have.

**Dr Stone**—I spent more time there than you have.

**Mr HAYES**—I have been there. People talk about what can be done about the rivers of grog and the illicit drugs being imported into these areas. One of the things we need is greater access to law enforcement. We have been saying that for some time. I was very pleased that the former government did decide to put more money into seconding police for the Northern Territory. We supported that. But, in supporting those measures, we were not going to say, ‘Let’s use that as an



excuse to wind back the permit system once and for all’—something that the other side always wanted to do—‘to get rid of the issue of access.’

I support the bill and would hope that it will be passed on a bipartisan basis. I hope the other side does not want to enter into an ideological argument about access to Aboriginal lands. I would hope that in this debate people will actually start to think what this is about and what this has always been about—about what was stated in *The little children are sacred* report. This is about the kids and the women, and ensuring they are not subject to crimes in those areas. This is about trying to address those matters. I commend the bill to the House.

**Dr STONE** (Murray) (11.17 am)—I rise to speak on the Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Emergency Response Consolidation) Bill 2008. This bill introduces amendments to consolidate the special measures protecting children in the Northern Territory which the John Howard government enacted in 2007. Amongst the very important elements of the emergency response which we introduced was a prohibition on the possession, control and supply of pornographic material in the prescribed areas. The then minister Mal Brough introduced legislation in September 2007 to ensure that the pornography that was available through paid television was also banned in these prescribed communities. Unfortunately, the parliament was prorogued before this legislation passed through both houses. This was legislation restricting pornography access via pay TV. This remained unfinished business and I am pleased that the Labor government has picked up that unfinished business to address pornography available through paid television. As I will say further along in my remarks, however, we are not pleased that, instead of a total ban on beam-

ing pornography into the communities via pay television, what is being allowed is something quite different: only a ban if more than 35 per cent of that paid television in a week contains pornography and only if the community asks that the banning occurs.

Also in the period of the John Howard government, we introduced legislation to include the licensing of roadhouses, along with of course community stores, to ensure that where the roadhouses were offering food and beverage they could also then be utilised by those who had quarantined welfare and were using a special card to buy groceries and so on. Again, that remained unfinished business when parliament was prorogued, so this bill makes sure that roadhouses are reintroduced as another way for these Indigenous communities to buy their food, drink and other necessities. In fact, we support that particular element of this bill. It simply echoes what we were intending.

This bill also addresses the permit system. We just heard the most extraordinary remarks from the previous government speaker. He was trying to justify the permit system by saying it was okay because the police say the permit system was okay. Unfortunately, if the permit system was so amazingly good, if it so served the interests of the policing in those communities, how come we have some of the worst prevalence of criminal behaviour of any communities in the world in these prescribed communities, under the veil of silence brought down by the permit system?

Another element of this bill introduced by Labor is allowing the pornography that is purchased by someone to be transported through or past a prescribed community. They do not intend that should be a criminal offence. We understood very clearly how that could be used as an excuse in those areas to avoid criminal sanctions and so we intended

that all pornography, including that which is carried through a community, be banned.

Let me go back to the beginning. In April 2007 there was yet another shocking report on the life experiences of some Indigenous Australians, and this report was delivered to the Northern Territory government. The report, produced by the Northern Territory Board of Inquiry into the Protection of Children from Sexual Abuse, was rigorously researched, and it presented a compelling and compassionate case for immediate and comprehensive intervention to stop Indigenous child sexual abuse in some communities. Of course, the facts were not news to the Northern Territory government, and they were also pretty familiar in Queensland, Western Australia, parts of South Australia and parts of New South Wales. So it was not news to the Northern Territory government. The Northern Territory government was more than familiar with the conditions described by the report; they had existed for decades. Unfortunately there had been a failure to act by the Northern Territory government over a very long period of time.

On behalf of the Australian nation, the Howard government stepped in, declared an emergency and introduced special measures and resources so that this time the victims—Indigenous men, women and children—might be saved from a life of abuse and degradation. We knew, because this report and the victims themselves told us, that we had to break the cycle of unemployment, welfare dependency, poverty, poor housing, poor school attendance, alcohol, drug abuse and violence which included one of the most heinous crimes in human society, and that is the sexual abuse of babies and young children. The report described the incessant and relentless exposure to degrading pornography that groomed little children and teenagers by allowing them to come to the view that what they saw and heard on DVDs and on televi-

sion was normal and acceptable human behaviour. There was really no chance for children to avoid this constant exposure, because of the overcrowding in the houses and the lack of privacy.

Some excellent investigative journalism took up the *Little children are sacred* report and helped bring the facts of this appalling situation into the homes and minds of mainstream Australians. The cry went up. How could this situation of appalling living conditions continue—with child rape by adults, child rape by children, incest, physical violence and emotional abuse? How could this have been happening while Melbourne and Sydney were vying to be the world's most liveable city? Quite simply, it was happening and it had been happening for several generations, because a permit system was in place forbidding access to towns and communities in what are now prescribed regions. The permit system was in place in Indigenous communities and it required that you had to apply to a land council or to a local community to get permission to travel through or to stop and stay.

The permit system ensured that, other than the victims and perpetrators of these crimes, only a small band of Northern Territory government officials and the police were aware of the shameful conditions and crimes. We know that little was done about the criminal behaviour and the appalling infrastructure in these places—which the permit system in no way stopped or even slowed down. In fact, many have argued that the 'out of sight, out of mind' situation served the purveyors of grog, drugs and pornography. It gave them an open field—freedom, if you like—and it allowed police inactivity or ineffectual policing practice to continue. Quite self-evidently, we had to do something to lift the veils of secrecy and silence that were allowing such behaviour to be a part of Australia's living conditions.

One of the first emergency responses of the John Howard government was to normalise access to the Northern Territory prescribed communities. We did not say, 'It's open slather now.' We normalised the situation by saying, 'What is acceptable and commonplace in the rest of Australia should apply here.' In other words, when you go to a town or an Indigenous community, where you would expect to go to a shop, an art gallery or a public place, you can do that in all parts of the prescribed areas all through the Northern Territory. Only 0.2 per cent of the whole of the region under the permit system was to become accessible to the traveller: the grey nomad passing up the highway, the journalist, the person who wanted to see if they wished to live in that community too, or perhaps apply for a job, or the person who wanted to stop and buy something at the store. It was only 0.2 per cent of the area that was to be no longer requiring a permit to visit, but we thought that was of incredible importance.

Let me say too that one of the foremost Indigenous leaders in the Northern Territory, Central Australian Aboriginal Labor politician Alison Anderson, is absolutely in favour of removing the permit system for Aboriginal communities, because she believes it works towards shielding predators and exposes women and children to abuse. In commenting today in the *Australian* on a code that the Media, Entertainment and Arts Alliance has tried to impose on journalists, she says that the code is 'absurd'. Today on the front page of the *Australian* there is a report of a most extraordinary situation. Paul Toohey, an award-winning journalist who works for the *Australian*, has handed back his Walkley Award in protest against the journalists union trying to put further constraint on journalists being able to freely report what is happening in these Indigenous communities. Mr Toohey was named Austra-

lian Journalist of the Year in 2000 for his reporting from Northern Australia. He won a Walkley award in 2002 for an article about petrol sniffing in some Indigenous communities. He says that the code shows, surprisingly, a profound ignorance of how journalists work to require them to get a permit from the minister of the day, from the police or some other government agency to be allowed to go into these communities in order to report what is really there.

I think it is absolutely necessary for this government to rethink their plan to reintroduce permits right across the board in these areas. I have to wonder: is it their intention to simply honour the promises made by the member for Lingiari, who when campaigning for his re-election in that area perpetrated such untruths about our permit system changes that had Indigenous Australians out in those regions thinking they were going to have tourists trampling on sacred sites? People in these communities told me personally that they had been told by the member for Lingiari that if this permit system was changed their sacred sites would become camping sites for people in caravans and their houses would be entered by the public without their permission. What nonsense. What untruths they were. But I suppose now this government is trapped and it has to follow through on what the member for Lingiari said during the heat of the campaign. I think the government should pay very careful attention to what the *Little children are sacred* report understood and reported, and that is that the veil of secrecy and the 'out of sight, out of mind' conditions of these communities have perpetuated generation after generation of abuse and substandard conditions.

Obviously our opposition intends to try to have you amend the legislation, to reinstate the 0.2 per cent of area removed from permit requirements so that these different communities can have more commercial opportuni-

ties—and that is a very important consideration too—and will also have their conditions exposed to the greater Australian population and not be left in an apartheid type of situation.

Let me also say that in the *Little children are sacred* report there was a great deal of emphasis on the shocking outcomes of extraordinary exposure to pornography. The inquiry detailed the prevalence and impacts of heavy alcohol and drug use—the violence, the family breakdown and the weakening of the traditional and cultural values in modern Australian society that were to be found in the communities that were investigated. The report highlighted the impacts on unemployment, low school attendance, poverty and dysfunctional behaviour. But at the heart of the report was the prevalence—and, so, the complete and utter degradation endured by many Indigenous Australians—with the pornography affecting small children and those who were grooming those small children, hoping they would become available to them for rape or sexual assault.

We felt that our banning of all pornography was the only appropriate way to address this problem. As I mentioned in my opening remarks, we intended to include paid television pornography broadcasting. That was in the legislation we introduced into the House. We are incredibly concerned that, with the amendment before us, services cannot be declared as banned unless they transmit more than 35 per cent of R18+ program hours over a seven-day period and communities cannot have their access to this television service restricted unless they are in a prescribed area in the Northern Territory. The Indigenous affairs minister is satisfied that the community concerned wants the services restricted, following proper consultation, and it is appropriate to do so.

One of the things that the *Little children are sacred* report emphasised again and again was the powerlessness of the victims in this shocking situation—the mothers, the teenagers, even the men and boys who were themselves victims of rape. They are often not in a condition to stand up and challenge the purveyors of this pornography or those whose business is grooming the children to become their victims in the years ahead. It is a nonsense to say that now we are going to ban the R18+ paid television pornography only if the community steps forward and asks for this material to be banned. How are they going to do that? Are they going to wait for a letter in the mail? Is the minister going to wait until she gets 51 per cent of the community putting its hand up? Does she accept deputations? How is this to be done in a way that is going to protect the victims of the pornography that has caused and is causing such enormous breakdown of traditional cultural practice and that has led to such a sense of hopelessness and low self-esteem, especially amongst the young men? What is being proposed is absolute nonsense.

The idea, too, that it is not a crime to transport the materials through a prohibited area on the basis that the destination for the pornography is ultimately outside the prescribed area just gives those who make a profit from this material an out. We do not think that that is sensible at all. The bill proposed in the House today states that an offence for possession or supply:

... does not apply if the person proves that the material was brought into the prescribed area for the sole purpose of transporting it to a place outside the prescribed area.

So if you do not get caught it is okay but, if you are caught with a bootload of porn, you can always say that it was destined for Alice Springs, or up the road, or back where you came from. We think that that is a nonsense. Why would you allow that to be an accept-

able non-criminal offence when what we are trying to do is save the next generation of victims—children and women, but men too—from this sexual abuse which is destroying their lives?

You must take notice of our amendments, which were introduced in the House by the shadow minister for families, community services, Indigenous affairs and the voluntary sector. We want the government to support a continuation of the permit lifting, which we introduced in the House and which allows 0.2 per cent of the area to no longer be hidden from view—from journalists or from ordinary Australian men and women—so that the apartheid system can be ended. We also ask that the pornography that is to be found in these areas on paid television be banned outright. On the other hand, we do not believe it is acceptable to let those who have a bootload of pornography off the hook if they say, 'Well, we actually weren't going to drop it off here; we are moving down the road.' But we do support the inclusion of roadhouses and community stores that are licensed as having appropriate nutritional food. We support the roadhouses being included in the new arrangements so that better nutrition and more food is available in these prescribed communities.

We do not want to see any watering down of our emergency response at all. I cannot understand how this government, whom we supported in standing up and saying sorry for the stolen generations—this government that plays lip-service to the health and wellbeing of Indigenous Australians—could have before us this amendment bill which waters down the emergency response and exposes the women and children but also the young men to further degradation and violence. *(Time expired)*

**Mr DREYFUS** (Isaacs) (11.37 am)—There is no watering down in this legislation.

I rise in support of the Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Emergency Response Consolidation) Bill 2008, and wish to say straightaway, in response to the repeated suggestions that were made by the member for Murray—suggestions that were also made earlier today and on Monday night in this House by the member for Warringah—that the legislation waters down the Commonwealth response in respect of the present difficulties being faced by Aboriginal communities in the Northern Territory, that those suggestions are wrong.

In particular, I wish to support the restoration of the provisions of the Aboriginal Land Rights (Northern Territory) Act 1976 which are directed at ensuring that Aboriginal people can decide who can enter their land. I want to make four main points. First, these calls that are being made repeatedly by the opposition to persist with the scrapping of the permit system—and that is the phrase that was used by the former minister for Aboriginal affairs, Mr Brough, last year—are being made without the slightest evidence that scrapping the permit system will do anything at all to assist in the elimination of child sex abuse in Aboriginal communities. Not only is there no evidence that the removal of the permit system would do anything to assist with child sex abuse; there is every likelihood that the removal of the permit system would in fact exacerbate the problems, because it would make it more likely and more possible for perpetrators to enter Aboriginal land in the first place.

The second point that I wish to make is that it needs to be understood that the position adopted by the former government, and still being adopted by them in opposition, that the permit system should be scrapped is in fact an ideological position, one which is not in any sense directed to present problems faced by Aboriginal communities in the

Northern Territory. It involves the removal of property rights. It is, to some extent, a smokescreen to talk about the scrapping of the permit system because, properly considered, the permit system is no more than an invitation for people to visit Aboriginal land. I expand on that by making the point that the form of title that exists under the Aboriginal Land Rights (Northern Territory) Act is a communal inalienable title. It recognises the ownership by Aboriginal people of their traditional lands and gives effect to that ownership within the Australian legal system. It is, of course, an absolutely vital aspect of ownership, recognised in all forms of land ownership in this country, that the owner be able to invite onto that land those whom they wish to invite and exclude those whom they wish to exclude. Aboriginal people, in owning the land, as they do under the land rights regime in the Northern Territory, are exercising no more than those ordinary rights of ownership.

It is important to understand that the Aboriginal Land Rights (Northern Territory) Act, as introduced by the Fraser government in 1976 with the support of the then opposition—the legislation of course having been produced following on from the Woodward royal commission, instituted under the Labor government—recognised ownership. It need not have established a permit regime at all, any more than there is a permit regime for the other half of the Northern Territory that is not Aboriginal land. The other half of the Northern Territory that is not Aboriginal land is pastoral lease or freehold title, and no permit system exists for that land. But recognising, quite practically, the form of communal title that the Aboriginal land rights act involves, this parliament in legislating for that regime established a permit system which, as I said earlier, operates as an invitation and a form or a means of seeking permission to go onto Aboriginal land. It is vital

that we recognise that calls for the scrapping of the permit system have nothing to do with expanding access, and they have even less to do with dealing with the scourge of child sex abuse in Aboriginal communities, but have everything to do with attacking, for ideological reasons, the form of ownership of land that the Aboriginal Land Rights (Northern Territory) Act sets up.

It is worth reflecting on the history of the Aboriginal Land Rights (Northern Territory) Act in the Northern Territory and how it is that the present regime exists. One of the great problems in Aboriginal affairs for many years in this country has been that successive governments, when faced with problems in Aboriginal affairs, have forgotten the lessons of the past, forgotten the steps that have been taken and forgotten previous government programs, and have pretended that there is some magic answer ‘here and now’. It is very important that anything that is done by the Commonwealth government in relation to the Aboriginal people of this country not proceed on the basis that nothing was ever done in the past and that there have not been various programs in the past. It is certainly important not to forget the history.

It is a good starting point to recall Sir Edward Woodward’s comments in his royal commission reports. Starting in 1973 with his first report, Sir Edward Woodward said:

I am convinced that an imposed solution to the problem of recognising traditional Aboriginal land rights is unlikely to be a good or lasting solution. Although a result reached, so far as possible, by process of consultation and agreement will undoubtedly take longer to achieve, it is far more likely to be generally acceptable and to have a permanent effect.

There you have, in 1973, Sir Edward Woodward calling for and endorsing the process of consultation. In his final report in 1974, Sir Edward Woodward said this:

One of the most important proofs of genuine Aboriginal ownership of land will be the right to exclude from it those who are not welcome.

That was the basis for the legislation that was ultimately put to this House and enacted in 1976.

I can leap forward to 1999 because the permit system through the balance of the 1970s—and I have direct personal experience, having worked with Aboriginal people in the Northern Territory in 1979 and 1980 at the time that the Aboriginal Land Rights (Northern Territory) Act was being introduced and implemented—and through the 1980s was seen to work well. There were no calls for its abolition—far from it. In 1998, there was a report done in the Northern Territory by John Reeves. I will not go to that report—it is not necessary to do so—other than to say that it is a report which suggested that there might be changes to the permit system and suggested that the changes could involve the introduction to Aboriginal land of the provisions of the Trespass Act in the Northern Territory. The Reeves report was the subject of a detailed inquiry by this House's Standing Committee on Aboriginal and Torres Strait Islander Affairs, which reported in 1999 to this House on it. Appropriately, the committee called before it Sir Edward Woodward, the author of the two seminal royal commission reports of 1973 and 1974. Of course dominated by members of the former government, that committee recommended against changing the permit system. Those last year in government, now in opposition, who are so keen to see the permit system scrapped, have completely ignored what the then government dominated committee said in 1999. This is the committee's record of what it was told by Sir Edward Woodward:

Sir Edward Woodward told the Committee that the permit system is a practical and symbolic extension of granting land rights to Aboriginal

people. For Aboriginal people not to have the capacity to control entry onto their own land, he believed, would have made a mockery of land rights.

The committee went on to say this—and this is in 1999:

Indeed, the vast majority of Aboriginal people told the Committee that they wanted the permit system to remain. It provides them with mechanism to control entry onto their land and it respects Aboriginal tradition to some extent by requiring that permission to visit Aboriginal land is obtained from the relevant traditional owners.

The 1999 report of this House's Standing Committee on Aboriginal and Torres Strait Islander Affairs quoted from many Aboriginal groups, all of whom were in favour of the retention of the permit system. I am just going to quote a couple. The Ramingining Community Council had some very strong views. Ramingining, for honourable members who may not know, is in Central Arnhem Land and located on the Arafura Swamp, where the well-known film *Ten Canoes* was recently made. The Ramingining Community Council told this House's standing committee in 1999:

This is why, when faced with the Reeves recommendation to abandon the permit system, we get very upset. Because we not only want to keep the permit system, but we would like to make the permit system even stronger if we could. To us, it's a matter of survival—of the Yolgnu culture and the Yolgnu people themselves.

Other community groups expressed similar sentiments, and I would commend that report to members of this House. It is the case that the former government was not interested in consultation, not interested in the views of Aboriginal communities.

I do not have to stop with the 1999 report of the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs. One can go to a report by the Senate Standing Committee on Legal and

Constitutional Affairs in 2007. This was a report dealing with the government's legislation from last year. Again, it seems that, in its quest to pursue its ideological agenda, the opposition, just as it did in government, is very happy to ignore the views of Aboriginal people, very happy to ignore the views of anybody that expresses a view that is different to its own. There is some extraordinarily selective listing going on in the speech that we have heard from the member for Warringham and in the speech that we have just heard from the member for Murray, who choose to quote only from voices that agree with theirs and ignore the very, very many voices that have been raised in defence of the permit system and the very many voices that have been quoted in several reports. I will go to the Senate committee report in 2007. It referred to submissions, arguing:

... strongly against the proposed changes to the system. In a general sense, these submissions and witnesses suggested that a number of key measures in the bills, including the removal of land permits, are not related to the 'national emergency'; and their inclusion in this package of bills as a measure to address child abuse is not justifiable.

It is a curiosity that the proposal announced on 21 June 2007 by the former Minister for Families, Community Services and Indigenous Affairs and the former Prime Minister to scrap the permit system sprang not from the *Little children are sacred* report by Pat Anderson and Rex Wild but rather from the ideological agenda of the former government, expressed in a discussion paper—one has to do a bit of detective work on this—published in October 2006 by the former minister. That discussion paper is a very thin document. It falsely claimed:

The permit system is a vestige of the former protectionist system of Aboriginal reserves ...

It was not, as I hope the little excursion into the history of this matter that I have just

made makes clear. The discussion paper called for responses, but the responses to that discussion paper of the former minister for Aboriginal affairs were never made public. One would have to say that that is typical of the dictatorial and secretive approach that the Howard government took to its approach to Aboriginal affairs in the Northern Territory.

As it happens, the inquiry by the Senate Standing Committee on Legal and Constitutional Affairs called for submissions on the legislation and many of the submissions that had been made to the discussion paper of the former minister for Aboriginal affairs in 2006 were resubmitted to the Senate inquiry. It is apparent, if one examines those submissions, that that is what happened, because submitters often said, 'We submitted this to the former minister on his October 2006 discussion paper and we are resubmitting it to you, the Senate standing committee, because it will be of assistance.' I am going to quote from a couple of those submissions. This is the Police Federation of Australia expressing its view to the Senate about why the permit system should not be scrapped:

In relation to the long-standing permit system for access to Aboriginal communities, the PFA is of the view that the Australian Government—

and it is speaking there of the former government—

has failed to make the case that there is any connection between the permit system and child sexual abuse in Aboriginal communities. Therefore, changes to the permit system are unwarranted.

The Senate committee received a whole range of submissions from Aboriginal communities opposing the plan. In view of the time, I will not read out too many of them, but this was the Central Land Council's comment:

Aboriginal people are totally against forced changes to the permit system because the permit system complements their responsibility for country under Aboriginal law and custom and is con-



sistent with the land title they hold under Australian law.

I will read out what the Milingimbi Community Council said, because of the affection I feel for the Milingimbi community, on the central Arnhem Land coast. I worked with the community in 1980. The Milingimbi Community Council said:

The removal of the Permit System is a cause of great concern. The system allows the community to monitor those who live in or visit the community. Milingimbi is very much an 'open' community and legitimate requests to visit are almost always granted. Will the Federal Government guarantee that it will provide the appropriate level of law enforcement to ensure that the removal of the Permit System does not lead to 'rivers of grog' flowing into this community?

Of course, no such guarantee was ever forthcoming from the former government. In another of the submissions, ANTaR said:

No evidence has been provided to support the Minister's claims that scrapping the permit system will help overcome child abuse. In fact, Australia's leading expert on child abuse in Aboriginal communities, Professor Judy Atkinson, considers that scrapping the permit system may actually increase the risk of child abuse by restricting the ability of communities to remove suspected paedophiles from Aboriginal land. Fears have also been expressed that removing the permit system will make communities more vulnerable to grog running.

Those opposite, in the pursuit of their ideological agenda, ignore the evidence about the incidence of this problem. One can say very quickly that there are many Aboriginal communities in other parts of Australia and particularly in Northern Australia—not in the Northern Territory—where, regrettably and shamefully, child sexual abuse has occurred. They are communities in Queensland and Western Australia, where there is no permit system. The permit system as has existed should be properly viewed as an invitation to visit Aboriginal land. As I said, it is not any-

thing other than a mechanism to allow people who wish to visit to seek permission. The existing permit system cannot be linked to the instance of child abuse and, indeed, it is very likely that if it were to have remained scrapped, as those opposite would wish, that would have led to an increase in child abuse.

It is regrettable that those opposite have persisted in conducting the debate in relation to this matter by spreading misinformation. There was a notice of motion in this House on Monday night spreading misinformation about what we are debating. The member for Warringah and the member for Murray engaged in that this morning. It is becoming a hallmark of the opposition. This morning the member for Warringah claimed that journalists will require express ministerial permits to cover events in communities. This is simply incorrect. The proposed authorisation will be a standing authorisation for a class of persons—namely, journalists—to access Aboriginal communities and to report on events. It is going to be a standing authorisation which will be a once-only authorisation to cover all journalists. The particular piece of misinformation from this morning is something that needs to be put directly and immediately to rest.

We had some more of that on Monday night from the member for Warringah, who told this House about a case that had been reported in the *Northern Territory News* in which, the member for Warringah claimed, again incorrectly—(*Time expired*)

**Mr MORRISON** (Cook) (11.58 am)—I rise to support the amendment to the bill, put forward by the member for Warringah, to impose a blanket ban on all pornographic material, to prohibit transport of that material and to leave in place the removal of the permit system. As the title suggests, the Families, Housing, Community Services and Indigenous Affairs and Other Legislation

Amendment (Emergency Response Consolidation) Bill 2008 relates to an emergency response. In considering this bill, we must not lose sight of the urgency that attached to the initial measures which this bill seeks to amend. Some months later, some can lose sight of the urgency: the shock, the dismay, the tragedy that triggered this emergency response. Some can retreat into previous positions—positions they were unable to credibly sustain at the time that these measures were first introduced. The Australian community reached the point where there was universal recognition that previous efforts had failed, that it was time to take a new approach to provide an emergency response. What we have in this bill is a cooling off by the government on their sense of urgency on these matters. We have a retreat and a revision from the government, rather than the resolve that is needed to follow through.

The government's representations on its actions in this bill are deceitful, more Rudspeak from a government convinced of its ability to hypnotise the Australian public. In announcing the introduction of this bill, the government presented itself as 'cracking down on the exposure of R-rated material to children'. In the minister's media statement on 21 February, she proclaims:

The Bill addresses concerns expressed by Indigenous people to the *Little Children are Sacred* inquiry about exposure of children to R-rated material available on pay television.

On 5 March, the truth of this matter began to be revealed. On that day, the *Australian* reported the comments by the member for Warringah that what was actually being offered in this bill was not a championing of the *Little children are sacred* report or the next bold step in the Northern Territory intervention but, as the member for Warringah was reported as saying, Labor 'going soft on the trafficking of pornography'. In relation to this bill, the member for Warringah was fur-

ther reported to say that 'this was never previously articulated by Labor and watered down the bans introduced last year'.

The government has been selective with the truth on this matter. In this case, the devil of this bill is truly and literally in the detail of it. In clause 16, we read the government's changes to provisions relating to the declaration of prescribed areas. This measure previously defined prescribed areas where a blanket ban on pornographic material should be applied in Indigenous communities on an absolute basis—no exceptions, no discussions; a clear and uncompromising ban on pornography in these areas. This was a tough but necessary measure as part of an emergency response to break the hold of this evil influence on our Indigenous communities.

However, in this bill we learn that, in the case of cable television, communities will not be protected from pornography as of right. We learn that under this bill the provisions for cable porn have been watered down. They have been compromised. Under the government's proposals, the community must now agree to accept these restrictions before they can be imposed. In other words, this government is happy to legislate a veto power to give Indigenous communities access to porn whenever they want it, and it has the front to pitch this to the Australian community as cracking down—the next step—and as protecting children. It may be the government's next step, but it is not a forward step in the way that it is currently drafted. This government has come to this place demanding the right for Indigenous communities to have access to pornography. That is what the bill is doing. However the government may seek to dress it up, that is what the government is doing.

We strongly support and encourage measures that enable pay television pornography to be restricted in Indigenous communities. It

is the next step. It is the unfinished business that must be undertaken. But, in the same action, by changing the process for defining how a community is to be protected, to make such protection discretionary is a seriously retrograde step, a classic case of one step forward and three steps back.

This bill sets out criteria by which an Indigenous community's right to porn can be upheld. It says the minister must have regard to the wellbeing of people living in the area—as if access to pornography could actually add to that wellbeing. The minister must have regard to whether there is reason to believe people in the area have expressed concerns about being victims of violence or sexual abuse in the past 12 months or expressed concerns about the risk—placing the onus of proof on the abused and the vulnerable. The minister must have regard to whether there is reason to believe that children living in the area have seen R18 programs during the past 12 months—giving the benefit of the doubt to those who want the porn, rather than the children who may become exposed to that porn. And the minister must have regard to the extent to which people, in particular, women and children living in the area, have, during the past 12 months, expressed the view that wellbeing will be improved if R18+ programs are not provided—again, placing the onus on the abused to speak out to state the obvious about why they should be protected.

The simple question must be asked: why should such considerations and questions even be necessary? On what possible basis can the government walk into this place, parading as moral crusaders for Aboriginal people, and make a case for such issues to be considered? Why are the government seeking to provide a backstop measure to keep pornography in Aboriginal communities? Furthermore, why are they making it harder for those most vulnerable to the impacts of

this evil trade, the women and children who suffer at the hands of abusers, who have also become victims of this insidious material—to keep the porn in Indigenous communities?

Last weekend, in the *Good Weekend* magazine, there was an insightful article that I refer members to. It referred to the victimisation of Indigenous women powerless to speak up about the abuse that takes place in these communities. The article recounted the following testimony:

A non-Indigenous Wik Mungkan speaker told me how a few years ago she was flown to a Cairns court to interpret for a girl who'd been dragged around the community and raped multiple times. In court the girl clammed up, the case was dismissed, and the girl and her assailant flew home to Aurukun on the same plane. "So much goes unreported because of the threats, the price you pay if you tell. There is real fear," she said.

In this parliament, we must be the voice of the voiceless. The voiceless women and children in Indigenous communities are saying, 'Remove this poison from our communities.' They should not be forced to make their case, as this bill requires. They should not have to run the risk of further abuse to make their point. They should expect the protection of this parliament. They should expect that this government should do what it promised—support the Northern Territory intervention, and the spirit of that intervention, not water it down as it seeks to do with the measures outlined in this bill.

Only a month ago, we stood in this place and, rightly, provided a profound and heartfelt apology to Indigenous Australians. On that occasion, the Leader of the Opposition rightly stood here and reminded the House of the prevalence of sexual abuse in Aboriginal communities, and he was derided for doing so. The actions of the government in this bill show that the Leader of the Opposition was right on the money. We cannot allow ourselves on any occasion to enter into a sense

of denial about the reality of these issues. It was the stark reality of these issues that so effectively prompted the government into the emergency response actions that were the original subject matter of the laws this bill now seeks to amend. So today I remind the House of the comments by the Leader of the Opposition, lest we forget as we consider these matters. He said:

... sexual abuse of Aboriginal children was found in every one of the 45 Northern Territory communities surveyed for the *Little children are sacred* report. It was the straw that broke the camel's back, driving the Howard government's decision to intervene with a suite of dramatically radical welfare, health and policing initiatives ... the Alice Springs Crown Prosecutor, Nanette Rogers, with great courage, revealed to the nation in 2006 the case of a four-year-old girl drowned while being raped by a teenager who had been sniffing petrol. She told us of the two children, one a baby, sexually assaulted by two men while their mothers were drinking alcohol. Another baby was stabbed by a man trying to kill her mother. So too a 10-year-old girl was gang-raped in Aurukun, the offenders going free, barely punished. A boy was raped in another community by other children. Is this not an emergency, the most disturbing part of it being its endemic nature and Australia's apparent desensitisation to it?

Yet it seems that these reminders are not enough. Within weeks we have a bill reopening the door for pornography to be let back into Indigenous communities. Increasingly, the studies reveal the link between pornography and abusive sexual behaviour, reinforcing rape myths and desensitising human responses to aggressive sexual behaviour. But, seriously, do we need the research to state what is obvious? I make these comments not to judge, not to moralise, but simply to warn. Pornography is a seductive and evil influence on our community, not just in Indigenous communities. None of us are immune from its ability to entice and negatively affect the health of our own sexuality. It has been a scourge on the lives of millions of

human beings the world over, particularly men. It has destroyed lives, marriages and families. It has exploited our daughters, our sisters and our mothers. It is the enemy of our community. This may be a permissive and free society, but such freedoms are no substitute for virtues that underpin healthy families and strong communities—virtues that should be equally protected in this place.

Those opposite may argue that they are seeking only to consult, with the provisions contained in this bill, and that such a requirement is a necessary and virtuous addition to the emergency measures. But such an argument completely misses the point. We are talking about pornography that is contributing to abusive criminal behaviour, and the government wants to have a chat—a chat! The original measures understood what was required. This bill, sadly, however well intentioned the member for Warringah suggested the government may have been on this matter, does not do this. The government would rather appeal, I believe, to the political correctness that has enslaved Indigenous communities than protect the women and children who have the most to lose from the government's spinelessness on this issue as portrayed in this bill.

We are living in a post-apology world. What took place in this place some weeks ago fundamentally changed the nature of this debate and how we go forward—and, more importantly, what happens practically on the ground and how we respond to that. We are now dealing with the cold reality of the present and the fragility of the future faced by women and children in Indigenous communities. The time for symbols and rhetoric has passed. These women and children should not have to make their case for porn to be excluded from their communities; they should receive that protection as of right.

There should be a blanket ban on pornography in these communities in relation to pay TV—no ifs, no buts. There should be a total prohibition on the transport of such material through prescribed areas—no compromises. There must be a guarantee that the consultation measures outlined in this bill are not a precursor to a further watering down of measures relating to other forms of pornography prohibited in the original bill. I would hate to think that this is some thin end of the wedge. I would hate to think that, and I am not necessarily suggesting it. But if this is the path we are going down, where we are going to now provide serial rights of veto on these important and quite strict measures, then I am seriously concerned for the welfare of those Australians living in these communities. I seek an absolute guarantee from those opposite that this will not be repeated in relation to any other measures—and, in fact, that they would withdraw such a requirement as currently proposed in this bill, as suggested by the member for Warringah.

The bill must also provide, as the member for Murray said, greater clarity on the 35 per cent rule regarding content. This rule should, firstly, ensure a higher benchmark than the current 35 per cent. But, secondly, it must be crystal clear that it applies on a channel-by-channel basis, not as a percentage of the entire package. These things are unclear as currently drafted. They must be made clear, particularly as it is outlined in the explanatory memorandum. These things are not clear; they must be crystal clear—otherwise, the bar will be set so low that anything could get through. And there should be no consultation when it comes to any right of veto on these sorts of requirements.

The other feature of this bill, one that has principally occupied more time of those opposite in speaking on this matter, is the issue relating to the reintroduction of the permit system. I believe that this is another retro-

grade step. And I notice that the government does not believe that Indigenous communities should be given the right of consultation in relation to the re-introduction of the permit system. They have not been given that right on this occasion. They have not been asked, or will not be asked in the course of moving forward on this measure, whether they think it should be reintroduced or not. There is no opportunity for communities to raise their voices, as the government demands in relation to pornography. So it is fine to go out there and consult on the issue of pornography but, when it comes to reintroducing the permit system, there will be no consultation—it is coming back, whether people in those communities like it or not. This ban on access is absolute.

So, we have a government that is happy to leave the door open to porn but shut the door on external scrutiny, economic opportunity and engagement with the positive influences of the broader community. The *Good Weekend* article I referred to earlier quotes linguist Peter Sutton, described as someone who retains a strong kinship tie with the Wik people. The article states that Peter Sutton has said:

... the best thing that could be done for Aurukun was to “endow its children with as much mobility as possible” so that they might “orbit” between Aurukun and the wider economic world as adults.

You cannot orbit if you cannot get lift-off. The permit system is designed to ground Indigenous children and to lock Indigenous people away from view, away from contact, away from opportunity and away from the broader Australian community.

As though it was not good enough to reintroduce the permit system, we read today—as other speakers have observed—in the *Australian* that the Media, Entertainment and Arts Alliance, better known as ‘the union’, wants to apply a further code of conduct for

journalists entering and reporting on Aboriginal communities. This was a code described by the prominent and award-winning journalist referred to earlier as 'working against media freedoms in favour of what is mistakenly believed to be the interests of Aborigines'. The key point here is that the inspiration for this code did not come from the union, as reported today. The inspiration for this bill came from the Rudd government's decision 'to wind back the previous government's changes to the Northern Territory Land Rights Act'. Those opposite say there is no watering down, but there it is. They have acted in response to the Rudd government's decision to wind back.

Sadly, the dominos are falling on the Northern Territory intervention. Whether that is by design or by neglect, we will wait to see—but the dominos are falling. This is a Jekyll and Hyde policy from the government driven, I fear, by marginal agendas that comprise the internal constituency of those who sit opposite, who have found their voice again. Originally, at the time of the introduction of these measures, this voice was drowned out by the voice of common sense, purpose and resolve. As the former member for Longman said, on the introduction of the Northern Territory emergency response bill—and I pay tribute to the former member for Longman for his single-mindedness and his resolve on this issue:

When confronted with a failed society where basic standards of law and order and behaviour have broken down and where women and children are unsafe, how should we respond? Do we respond with more of what we have done in the past? Or do we radically change direction with an intervention strategy matched to the magnitude of the problem?

The previous government responded with resolve. This government, I fear, through this bill, will return Indigenous policy to the autopilot of the failed past. Symbols are not

enough to close the gap. Radical action as undertaken by the former government is what is needed to address a radical problem. The community still supports such a response; in fact, they demand such a response.

I conclude by referring once again to the article in the *Good Weekend* magazine, wherein Aurukun Shire Councillor Jonathon Korkaktain said:

Back in my day, the elders fought for our rights—for money, for beer, for land, so we could live in our own world and be ourselves. We thought that was what we wanted, but it meant that our children could never have more than us—only the same or less. The elders didn't understand that we had to take a step out of our world in order to give our kids a chance of a better life. They need one foot in both worlds. That is the big picture I see. That is our great mistake.

That also is the great mistake of this bill. I commend the member for Warringah's amendments to the House.

**The DEPUTY SPEAKER (Hon. Peter Slipper)**—I take this opportunity to remind the House that the correct means of referring to the occupant of the chair is 'Mr Deputy Speaker' or 'Madam Deputy Speaker', as the case may be, not 'Acting Deputy Speaker'.

**Ms REA (Bonner) (12.17 pm)**—I rise today also to add my comments to the Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Emergency Response Consolidation) Bill 2008. The amendments being proposed in this legislation are very significant in terms of this government's commitment not only to continuing what is an effectively bipartisan approach to the elimination of sexual abuse of children in Indigenous communities but also to ensuring that that approach includes Indigenous communities and restores the respect to Indigenous communities that they deserve, particularly in the Northern Territory.

The previous speaker, the member for Cook, quite rightly said that this is a post-apology world. However, he went on to imply that this was a world where only rhetoric and words were being thrown around. A post-apology world is actually a world in which this government and this community work in partnership with Indigenous communities to ensure that the outcomes for them and their children and for generations to come are much better, greater and more significant than the fairly damning history of the outcomes of those communities in the past.

As I said, these particular amendments are about ensuring that the scourge of child sexual abuse in Indigenous communities is eliminated. It is not about ideological difference and it is not about playing politics; it is about ensuring that this hideous crime is eliminated from these communities—as, indeed, it should be eliminated from all societies. What these particular amendments do though, I believe, is restore respect for Indigenous communities and for the process by which we can eliminate this particular scourge. It restores respect for the inalienable title of Aboriginal land rights through the permit system. It restores respect for the Racial Discrimination Act, which was so clearly dismissed in the original legislation that was introduced by the previous government. And, of course, it restores respect to those Indigenous communities, particularly in prescribed areas, by giving them the opportunity to contribute, to be consulted and to inform the processes that will lead to the outcomes we want.

There are three key elements in this bill and I wish to focus in particular on two, which seem to be obsessing the opposition at the moment. One is the restoration of the permit system and the other is the changes to pornography provisions, particularly those in relation to pay TV licences. Previous speak-

ers on this side of the House have very eloquently outlined the significance of the permit system as it existed in enshrining the respect and the honouring of land title for Aboriginal communities. Clearly, the permit system came out of the land rights acts that have come into force. These acts saw Aboriginal communities and Aboriginal people as having inalienable title over their land; they enshrined the cultural significance of the connection between Aboriginal people and the land upon which they live; and they ensured that they were able to manage, honour and conduct their cultural activities and to survive and develop as a community on the land which they hold so dear.

I refer to the report by the Standing Committee on Aboriginal and Torres Strait Islander Affairs in response to the Reeves report. A particular quote from the Marnngarr Community Government Council reads:

In our culture you have to obtain permission to enter other people's country; you cannot just go where you like. Indeed, I don't think it is much different in any culture; there has to be respect for other people's country.

The similarity of this quote to a quote from a previous Prime Minister of Australia was glaringly obvious. I remember the words: 'We will determine who comes to this country and the circumstances under which they will come.' I am sure the previous Prime Minister in this House would then have to clearly agree with the restoration of the permit system because he obviously so clearly respected the right of those people who belong to a particular country or a particular land to determine the circumstances under which others come into that community.

It is not just a question of cultural significance and it is not just question of acknowledging the significance of the permit system in terms of land rights; it is also a question of acknowledging the practicality of this pro-

posals when it comes to dealing with the emergency response. Many on the other side have said that removing the permit system will increase the level of abuse in these communities, that it is a retrograde step, that it will take the emergency response backwards. I fail to understand how allowing Indigenous communities to have some level of control over the people that come through their communities, over the people who come through their areas of land, can increase child sexual abuse.

But I do not have to ask the question. I would like to quote once again from the Police Federation of Australia, who have said quite clearly in their submissions and their reporting on this amendment that they support the permit system:

Operational police on the ground in the Northern Territory—

the police on the ground, who are actually seeing this legislation enacted—

believe that the permit system is a useful tool in policing the communities, particularly in policing alcohol and drug-related crime ...

If we are talking about eliminating child sexual abuse and if we want to look at the issues that cause that abuse to occur, I do not think anyone in this House would disagree that abuse of alcohol and drugs would have to be one of the leading contenders in the reasons why young children are being sexually abused in these communities and are also subject to terrible violence. I go on to quote:

It would be most unfortunate if by opening up the permit system in the larger public townships and the connecting road corridors as the Government intends, law enforcement efforts to address the 'rivers of grog', the distribution of pornography and the drug running and petrol sniffing were made more difficult.

The Police Federation of Australia are not simply saying the permit system will increase child sexual abuse. What they are say-

ing is that the lack of a permit system will have significant impact on them and on members of those communities being able to deal with this very serious issue.

There has been much made also by the opposition of the amendments to pornography legislation. Their original legislation, by the way, only dealt with X-rated material. There was no reference to R-rated material in the original legislation. This government is introducing restrictions around R18+ material for the first time. I know the opposition will say: 'But we were going to do it. We intended to do it. We were going to go further. We were going to have a blanket ban on R18+.' The reality is it did not happen. It was not introduced in the original legislation so, whatever they say they were going to do, they did not actually put it into action. In some ways, I am quite pleased because the ramifications of a blanket ban on R18+ would be quite significant. I note that members opposite who have spoken on this bill have been very critical of the formula that is introduced in this measure: at least 35 per cent of material must be classified as R18+ before a request can be made to the minister to have that particular channel taken out of a prescribed area.

There are a number of reasons, but one very significant reason, why the government has introduced such a formula, apart from the fact that we know, historically, blanket bans have not necessarily always been the best way to approach an issue. In this case a blanket ban on R18+ material would mean that the television channel that has probably done the most to support, to honour and to inform the general community about Indigenous culture and about the problems facing Indigenous communities in Australia would not be able to be broadcast in those areas of the Northern Territory. I am referring to the channel SBS. If we wanted a blanket ban on



R18+ material, SBS would not be able to go into those communities.

I am a regular watcher of SBS. I find it one of the most incredibly informative television channels that we can watch. I also think that no-one in this House would disagree that, in terms of content that looks at, examines, promotes and informs Australian society about Indigenous communities and Indigenous culture, there could be no better television channel than SBS. I believe that if young Indigenous children, young people in those Indigenous communities, people who are trying to find a way out of the very problematic and difficult situations that they live in, were not able to watch a channel like SBS it would definitely be a retrograde step. There are programs which give them hope, there are programs which give them information, there are programs which celebrate their culture, and—unlike probably any other television station, perhaps with the exception of the ABC—SBS actually allows young Indigenous children to feel that they are part of this community because they can watch their people on television and feel connected to what those programs are trying to achieve. For that reason alone, I believe it is very important that the government continue with the formula that they have developed to deal with R18+ material.

Of course, there has been a lot of comment as well that this is watering down the ban on pornography, because it requires a request from members of those communities. Not only do I think that engaging with, dealing with and forming partnerships with members of those communities is actual a very practical, reasonable and logical step, it is actually a requirement under the Racial Discrimination Act. There is very clear advice that the original legislation, which was introduced by the previous government, could well have been subject to quite successful legal challenges under the Racial

Discrimination Act because they had not actually addressed the special measures provisions, which include time limits and consultation with the particular community where it is proposed to introduce these measures.

Once again, we see the moral high-ground rhetoric from the opposition who believe that we are watering down measures or in some way allowing an increase in child sexual abuse. They have covered it all up without actually respecting or accepting the very practical measures and outcomes that come with these amendments. There are genuine, practical reasons why the government has gone down this path. What it really reflects overall is that this government is much more committed to the outcomes and the achievements of this particular piece of legislation than it is to simply conducting a window-dressing exercise that says: 'Look at us; aren't we wonderful? We are doing something about child sexual abuse in Indigenous communities but, in fact, we are really not going to worry too much about the practical elements which will ensure that outcome.' What it shows is that the original legislation was very hastily put together. It was clearly rushed through this House without any meaningful debate being engaged in. But, most significantly, it was clearly rushed through without any real consultation with those people directly affected by this legislation—that is, the Indigenous communities in the Northern Territory.

I commend this bill to the House because it restores respect to Indigenous communities and addresses the practical realities of some of the issues that are contained within the original legislation. It means that the pornography ban goes further, but not to the extent that channels like SBS are not able to be broadcast. It fundamentally restores recognition of and respect for Aboriginal land rights and the role of the Racial Discrimination Act as a very powerful legal force in this country.

For those reasons, I think this legislation is very worth while and worth supporting.

I am pleased that the government's intention to deal with this very serious problem does not just stop with these amendments. It is clear that, between the original legislation and the initiatives being put forward by the Minister for Families, Housing, Community Services and Indigenous Affairs and the Minister for Health and Ageing, further practical measures will see real outcomes for young people in those communities. There will be 200 extra teachers and three new boarding schools. Education was never even talked about in any real, meaningful way when the previous government first introduced the legislation. What more practical way is there to give young children who are being subjected to some of the most heinous crimes in this community an opportunity to not only live in a safer and more secure environment but also be able to build a better future, which gets them out of the cycle of violence and drug and alcohol abuse that they have seen their parents and grandparents subjected to? What better way is there to give a child a future than to give that child an education? There is no child in this country, whether they are Indigenous or not, who should be deprived of that right. Two hundred extra teachers and three new boarding schools will enable much greater access to secondary school education.

Not only do these amendments address eliminating child sex abuse, they work in conjunction and in partnership with initiatives from this government to see those children move out of that cycle of violence and abuse to somewhere more positive and more productive. Increased access to education will also enable them to be much greater contributors to broader society. Of course, it works in conjunction with the initiatives from the health minister to be serious about health checks, to ensure that health checks

are done and followed up and to ensure that, in particular, women and children in these communities have the sort of health support that they need to lead a better quality of life. It is not just talking about health checks or saying that we are going to do this; there are actually real, practical measures which ensure not only that those health checks happen but also, most importantly, that, whatever the results of those health checks are, anything that needs medical treatment is followed up.

I applaud the minister for introducing these amendments. I believe they go a long way in this post-apology world to restoring respect, to dealing with the issue of child sexual abuse and to giving Indigenous communities some hope that the future will be much better than the past.

**Mr HAASE** (Kalgoorlie) (12.36 pm)—I have listened very carefully, in this debate on the Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Emergency Response Consolidation) Bill 2008, to the comments of and the contribution by the member for Bonner. I am concerned, however, that the member for Bonner perhaps does not have the experience necessary to be authoritative in this regard. In my electorate, of course, 14 per cent of my constituents are Indigenous. I have in excess of 200 Indigenous communities in my electorate, which covers 91 per cent of Western Australia.

The evidence that was exposed in the report *Little children are sacred* brought to light, for all Australia to see, those issues that I have been far too well aware of in my last nine years in this place. I have spent a lifetime in association with Indigenous people and for the last nine years I have worked hard to change some of the circumstances under which they live. You can imagine how impressed I was, and how personally gratifying it was, when the Hon. Mal Brough, as

minister in the last government, finally brought to the House legislation that was going to make a very substantial impact on the lives of those underprivileged Indigenous people. The intervention was going to create, for the first time, a set of circumstances where the predators in communities—often in positions of authority if not of overall leadership—were going to be curtailed in their activities at law. Bans were put in place in relation to alcohol. The system of needing permits to enter and scrutinise communities was lifted. And the question of pornography was addressed, albeit in an incomplete manner.

But the people of Australia must understand that since that intervention there has been a change of government. Prior to the change of government, the Australian Labor Party under the leadership of Kevin Rudd was only too pleased to cooperate with the government of the time in the introduction of the legislation. During the course of the last election that position was qualified to a degree. But we did not expect to have, after the election, a roll-back of the removal of the permit system. We did not expect to have a government that would go soft on the existence of pornography in these communities. We did not expect that we would find a new government that was going to effectively roll back the measures that had been deliberately put in place to save the next generation of Indigenous people in those communities.

So what are we to do? We are now confronted with legislation that flies in the face of the hard work I put in the last nine years, and of the very effective, albeit incomplete, legislation and measures introduced by the Hon. Mal Brough. What are we to do? We know the government has the numbers. We know that the government will push this legislation through. But what do we say to the mothers of the small children in these communities who looked to the government for

the first time with a sense of hope? It was the first time they could look to the government of Australia and say, 'Yes, this government of Australia really cares about us, our immediate safety and the future of our children.' When this legislation is passed, those mothers, those children, will once again despair that they have nowhere to turn to, because members of the government like the member for Bonner seem to be immune to any sense of compassion for these people. I see these people suffering every time I go into any community that is purely Indigenous. I see it too often—

**Mr Dreyfus**—Then why didn't you do something over the last 10 years?

**Mr HAASE**—The interjection suggests: what has happened in the last 10 years? In the last 10 years—

**The DEPUTY SPEAKER (Hon. Peter Slipper)**—Order! The honourable member for Isaacs ought not to interject out of his seat. It is disorderly.

**Mr HAASE**—There is now an attitude, it seems, whereby Indigenous people can perhaps look to the presence of state and territory police to assist them. Maybe they should believe that the once-every-six-weeks patrol into so many of these communities is going to be a solution! I ask you, Mr Deputy Speaker, if you were the perpetrator of these heinous crimes, taking advantage of children or abusing women, would you hang around in the community on the day you knew the state or territory police were to arrive to inquire into these matters? No, you would 'go scrub'. And the victims remaining in the community would surely not be stepping up to those state and territory police officers and saying, 'I am the victim of abuse', because they would know all too well that in the next 24 or 48 hours that police presence would leave, the perpetrators would come back in from the scrub and, if there were even a

whisper that the perpetrator had been 'dobbed', there would be even more frequent abuse and even more violent acts.

So this is not just a solution that has been proposed by a federal government and is hoped to be successful. I know very, very well that what is required additionally here is the greater intervention of state and territory police. They are in abysmally small numbers, on the ground, in permanent residency, within these communities. The levels of permanent police force in these communities is abysmal—absolutely abysmal. And we all expected that—with the introduction of a Labor government federally, this new-found abolition of the blame game and the support of Labor state colleagues—we were going to see an increased police presence in communities, because that is what it is all about. If perpetrators in isolated communities know that they will have no heavy hand of the law curtailing their heinous activities, those heinous acts will simply keep on happening. And if the agencies that go out from these state and territory governments into communities do nothing more than tick boxes, as they have done in the past, where do the victims turn to?

In case there is any doubt about whether the people who know what is going on have a point of view about the permit system, for instance, I will quote from the *Australian* today. I will quote extensively from the article by James Madden because the people of Australia need to know just what is going on under this new Labor government:

AWARD-WINNING journalist Paul Toohey has handed back his prestigious Walkley Award to protest against a push by the journalists' union to make media representatives outline their intentions to authorities before being granted access to Aboriginal communities.

In other words, it's: 'Tell us what you're going to expose in our community and what you're going to report on and if we think it's

going to allow us to continue with what we are doing now we'll give you a permit. If we think you're going to be critical and if we think you're going to tell the wider community of Australia what's going on in our community, we won't give you a permit.' I quote further:

The Media Entertainment and Arts Alliance, led by federal secretary Christopher Warren, last week released an additional "code of conduct" for journalists entering and reporting on Aboriginal communities.

The article continues:

Toohey, who was named Australian Journalist of the Year in 2000 for his reporting from northern Australia and won a Walkley Award in 2002 for a magazine article on petrol sniffing in Aboriginal communities, said yesterday that the MEAA "was now actively working against media freedom in favour of what it mistakenly believes are the interests of Aborigines". "It shows, surprisingly, a profound ignorance of how journalists work. And of how Aboriginal communities work," said Toohey, The Australian's chief Darwin correspondent. "Would the MEAA suggest to correspondents in China that they should first consult authorities before seeking out Tibetan dissidents? What if the journalist wants to do a story about the local police, or corruption in the local council? Since when does the independent media announce its intentions to the state?"

The whole crux of the removal of the permit system is to allow greater transparency to allow the public of Australia to have a greater knowledge of and understanding about what is going in part of their nation. The article continues:

Central Australian Aboriginal Labor politician—a Labor politician—

Alison Anderson yesterday described the MEAA's proposed "code of conduct" as a sham.

Ms Anderson, who favours the removal of the permit system for Aboriginal communities because she believes it works towards shielding predators and exposes women and children to abuse, said the code was "absurd". "Communities

have to be opened up like every other town. And we have to be treated like equals. Journalists don't ask police in country Victoria for permission to speak to someone in that town," Ms Anderson said.

The MEAA, which runs the Walkley Awards, developed this revised code of conduct for journalists following the Rudd Government's decision to wind back the previous government's changes to the Northern Territory Land Rights Act ...

This is a woman who represents Indigenous people. She is not some blow-in from some capital city on the coast, and she knows what is going on. I know what is going on, and I was very confident that the interception moves made by the last minister for Aboriginal affairs, the Hon. Mal Brough, were going to be effective in the long term. I do accept, as the member for Bonner said, that additional work was required, but we were on the right track and for the first time the women and children that are currently being abused—and not just them—had some hope. That hope will be dashed with the introduction of this legislation without amendment.

The whole issue of community life is so poorly understood by the Australian public. Sure, we had the *Little children are sacred* report, which made so many people aware of what was going on. The government of the day acted because of that report. The opposition of the day cooperated and agreed broadly to the content of the legislation. Then we had a change of government and now, as I have just said, hope is dashed.

This government is now going to make it legal for the transportation of R18+ material through the Northern Territory. Why? Is it so that those who are found in possession of this material in communities can simply suggest it was in transit? I just do not know where the legislators are coming from. They are supposing that a community can request to opt out if it does not want material with a greater than 35 per cent R18+ content com-

ing in on, for instance, pay-TV. I wonder if those opposite understand the leadership structure of communities. I wonder if they understand just how any request to opt out would be formulated, how it would ferment in the community and eventually lead to a position whereby that material was banned from the community. Given their belief in that—as they do believe—in formulating this legislation, I think I can infer from that that the tooth fairy and the other one at the bottom of the garden are very real. That is said with apologies to the legislation staff, by the way. They are led by this Rudd government and they have no option but to come up with these crazy ideas that will now see this loophole abused ad nauseam and without interruption. If there is going to be some sort of opt-in/opt-out arrangement, why not maintain the ban for R18+ material and have communities opt in? Let the community leaders of today put their hand up and go through the formal process of opting in for the broadcast of this material in their communities.

Is it perhaps that the opposition, contrary to their constant publicity about overcrowding in housing and the lack of opportunity for children to be segregated from adults—even believing that those circumstances exist—have an idea that this R18+ material will be viewed exclusively by those who are over the age of 18? Maybe they figure that, with the introduction of this legislation, all of the housing problems—the overcrowding and so on—will change. For the life of me I cannot understand how they can possibly believe that in reality—and we are talking about the reality of practical outcomes, as quoted by other speakers. Do they really believe that this material, which is designed and legal for viewing by persons over the age of 18, will only be seen by people over the age of 18?

There is a lot of evidence that says that pornographic material is deleterious. The

Anderson-Wild report concluded that pornography was one of the main factors that led absolutely to family and other violence and then on to sexual abuse of men and women and finally of children. The report noted further that children in Aboriginal communities are widely exposed to inappropriate sexual activity, such as pornography, adult films and adults having sex within the child's view, and this exposure can produce a number of effects, particularly resulting in the sexualisation of childhood and the creation of normalcy around sexual activity that may be used to engage children in sexual activity. It may also result in sexual acting out and actual offending by children and young people against others. In the Northern Territory we have had numerous cases of such action going before the courts. As a result, we have had accusations made and all manner of payback and disruption within the community.

Why not keep the pornography out? Why not accept legislation? Why not write legislation, in the first place, that bans 18+ material, because of the nature of community living, and allows communities to opt in if they are brave enough to put their hand up and say, 'We need a regular diet of pornography, 18+ material'? That would make a little bit of sense. But creating this blanket acceptance of the existence of pornography in communities and then suggesting that communities should go through the process—believing that they possibly could go through the process effectively—to opt out is a nonsense. That is why I cannot accept this legislation and why I support the amendment. We need to show the Indigenous people of Australia that we as a parliament respect the women and young children in these communities. We need to be seen by Australia as doing something that will give hope and a future for these people so they can enjoy additional educational facilities. The last speaker spoke of an in-

creased number of teachers in boarding schools. That is a wonderful initiative, but until such time as kids have a future and they know that they will get a job as a result of education and that they have the support of the people of Australia, and specifically this parliament, they despair. (*Time expired*)

**Mr HALE** (Solomon) (12.56 pm)—It is with a great deal of pleasure that I rise to speak on the Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Emergency Response Consolidation) Bill 2008. I acknowledge the custodians of the land, past and present, on which I stand today. I also acknowledge the Larrakia people whom I represent in my electorate of Solomon. I think we were all shocked at the *Little children are sacred* report. It highlighted to people the problems that had occurred in Aboriginal communities over a long period. What we are proposing is a toughening of pornographic laws in relation to R-rated material. The member for Warringah's allegations are completely wrong. The government remains strongly committed to protecting children from sexual abuse and violence. The previous government's bans were the start, but we needed to get tougher in cracking down on the exposure of children to pornography. That is why we are expanding these bans to R-rated material. Any suggestion by those opposite that the government has watered down pornography bans implemented by the previous government is mischievous and wrong in the extreme.

The member for Kalgoorlie put out his credentials for being able to speak on Aboriginal issues. I will draw him back to something that he said last week about centralising Aboriginal communities but, before doing so, I wish to put out my credentials as a person that can speak with some authority on Aboriginal communities. When I was growing up we moved from Queensland to Man-

ingrida. I grew up in Maningrida. We were there for a bit over 12 months before moving to Katherine, where Aboriginals are a very high proportion of the population. We moved to Darwin in about 1979. It often breaks my heart when I look at old photo albums and see people that we met at Maningrida. Mum used to point to them and say, 'Finished one,' 'finished one,' 'finished one,' 'finished one,' as she went down the page. My father taught David Gulpilil, who used to come in from Ramingining to go to school in Maningrida. It is very sad when you see that many of the boys that dad taught in year 7 are no longer with us. They died in their mid-40s, if not earlier, due to substance abuse on many occasions. My wife happens to be a Larrakia and I have five Indigenous kids living in my house—two are at Melbourne Grammar on football scholarships.

I have a great friend, Stewart O'Connell, and he actually worked on the *Little children are sacred* report. I remember sitting with Stewart on a plane, going down to Alice Springs, and him telling me stories of what they were finding in Aboriginal communities. I remember tears swelling in my eyes as he spoke to me about what they were finding. 'Ampe Akelyernemane Meke Mekarle', when translated from Aboriginal language, means 'Little children are sacred.' I know my five children are sacred.

Removal of permits was not part of the recommendations of that report. There were 97 recommendations and not one was about removing permits. The removal of permits was never discussed with communities during consultations. That acknowledgement comes from a man, Stewart O'Connell, a senior project officer involved in the *Little children are sacred* report. While the other side love to state 'People have said this' and 'Reporters have said that' and 'This reporter said this', here is a quote from a guy who was a senior project officer involved in the

*Little children are sacred* report, working alongside Rex Wild.

Indigenous communities wanted and needed empowerment. With respect to consultation, the best way to find out something about an Aboriginal person is to talk to him. I note that the member for Kalgoorlie is leaving after his contribution. He talked last week about centralising, and I will touch on that before he leaves. The Aboriginal people actually belong to the land, my friend. The problems that we have in Wadeye are caused because 27 clans are centralised in Wadeye—one clan belongs there; 26 do not. An old friend of mine died last year. He was a Gurindji person. Gurindjis belong to the land. They come and pick up their Gurindji brother, take him back to their land and bury him. So, from the perspective of Aboriginal culture, centralising Aboriginal communities cannot be done.

Member for Kalgoorlie, I respect your passion for Aboriginal people, and I will not go as far as having a go at you about that. Aboriginal people fundamentally belong to the land. There was no evidence to say that the removal of permits was going to help. The member for Isaacs asked me, when he interjected previously, 'What have the Howard government done in 10 years?' I would like to tell the member for Isaacs what they have done. The Howard government defunded a range of important programs throughout regional and remote communities. The result of this had a negative impact on the social fabric of many of these Indigenous communities. One example was the Howard government's withdrawal of funding from women's centres. These centres were the glue that held a lot of these communities together. Women's centres provided a safe haven for women and children, counselling and support services. In some communities, they provided Meals on Wheels and services for the frail and elderly. The defunding by

the Howard Liberal-National government of women's centres and other community services of over \$400 million that supported women and families in regional and remote areas was criminal in its design and intent. There can be no doubt that it contributed to weakening these communities and aided those who prey on the vulnerable. Further, the ATSIC budget was slashed by over \$400 million and ATSIC funded services to communities were cut. Abstudy was cut by \$38 million.

**Mr Laming**—Mr Deputy Speaker, I rise on a point of order on relevance. This is a very important bill and it is not a time for taking shots at previous regimes. With respect, we should be focusing on this legislation.

**The DEPUTY SPEAKER (Hon. BC Scott)**—The member for Solomon has the call.

**Mr HALE**—I apologise to the member for Bowman. I was just trying to enlighten my colleague the member for Isaacs. He asked the question. He came and sat here to hear the answer. Abstudy was cut by almost \$39 million and no assistance was given to people by way of away from home study entitlements. We had the stolen generation—the stolen children—report. Most of that was glossed over. Aboriginal input into national policy was reduced and ignored. Aboriginal reconciliation could not go forward. There was no national policy or political will to combat the misinformation. No policies were put in place and we had an increase in racism. That is what the Howard government contributed to Aboriginal communities. Children's services programs were cut by \$800 million, childcare benefits for low-income women were eroded—

**Mr Laming**—Mr Deputy Speaker, I rise on a point of order on relevance. I would ask

you to draw the member to the current bill under debate.

**The DEPUTY SPEAKER**—I am listening to the member for Solomon. The bill is the Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Emergency Response Consolidation) Bill 2008.

**Mr HALE**—Member for Bowman, I will just tidy up on your ex-government's contribution, anyway. I will start again, seeing that you interrupted me. Children's service programs were cut by \$800 million; childcare benefits for low-income women were eroded, resulting in increased fees; there was a withdrawal of children; there were risks of reducing quality and closure of centres; and non-work-related childcare was restricted. It is amazing how the new party of compassion has suddenly become so caring about many of these programs which they tore the money out of. They have suddenly become so caring about working families, they have suddenly become so caring about interest rates and the stuff they did not care about initially.

I want to have a look at other parts of the bill as well. There are different things in this bill, not just pornography and the permit system. The bill is also to do with community stores. We fully supported the intervention, but there was a lack of consultation at the time with regard to community stores. The amendment will ensure that, where a roadhouse effectively takes the place of a community store, it is properly treated as a community store and can be assessed and licensed along with other community stores. In remote Australia a roadhouse may be the main source of groceries for residents of some communities. It is important that these people have access to a reasonable range of nutritional food and some essential goods to support the wellbeing of children and families in their community. Assessment and li-



censing of roadhouses that provide such an essential local service will set a standard for the quality, quantity and range of goods available to local people. Licensing will also enable roadhouses to receive managed income contributions. Assessment for a licence will ensure that the roadhouse has the financial, retail and governance capacity to comply with the requirements of the income management regime. Roadhouses upon which local people are not heavily dependent for groceries will not be subject to licensing requirements.

Schedule 2, the transport of prohibited material, amends the Classification (Publications, Films and Computer Games) Act 1995 to permit the transportation of prohibited pornographic material through prescribed areas. It only applies when the sole purpose is to transport it to a place outside the prescribed area. Amendments will also be made to the police seizure powers and return provisions. This will ensure that prohibited pornographic material merely being transported through a restricted area is not seized and, if seized, will be able to be returned. The previous government introduced bans on pornographic material in prescribed areas. Offences for progressing pornography within a prescribed area and for supplying it within those areas came into effect on 14 September 2007. However, this meant that distributors and travellers transporting prohibited pornographic material through prescribed areas but not supplying it to those areas could not do so lawfully. The pornography bans were intended to be consistent with the alcohol bans which allowed transit. This schedule addresses this anomaly.

It will remain an offence for a person to supply intentionally prohibited pornographic material to persons in prescribed areas. R18+ films, DVDs and videos continue to be permitted in prescribed areas and subject to the restrictions in the NT legislation on underage

purchase or viewing. However, amendments will prohibit subscription television narrow-casting of programs rated R18+ to subscribers in prescribed areas. This is in keeping with the concerns raised in the *Little children are sacred* report about the programming on Austar services. It goes back to that report and to my mate Stewart O'Connell, who actually worked on the report. I do not why we do these reports and then do not listen to their outcomes. I do not know why we ignore 20 warnings from the Reserve Bank—we just do.

Let me finish on bipartisanship—it is that warm and fuzzy thing. Today I went and had a look at the Close the Gap conference in the Great Hall. I always enjoy listening to my Prime Minister speak. I listened to the Leader of the Opposition speak, and he speaks very well also on Aboriginal issues. I sat next to the member for Warringah, which was a pleasure—it always is. I played rugby union with him the other week. I did not see too many other senior members of the opposition there supporting the great cause of closing the gap. If they were fair dinkum about Aboriginal issues, they would not oppose things that they have said about bipartisan support. I remember being here on the day of the apology. I saw the Leader of the Opposition and I listened to his speech. I saw the Prime Minister put his hand out in friendship to the Leader of the Opposition in a bipartisan approach to Indigenous issues. I really do hope that, when it comes to supporting amendments to bills or reviews of the intervention, the opposition use the opportunity for the betterment of Aboriginal people and not as a way of scoring political points with the media. I think I have put that as nicely as I can.

During the election campaign the ALP offered support to aspects of the intervention while undertaking the reinstatement of the permit scheme. A modified version of the

Community Development Employment Program was also one of our commitments. It is not as if we are springing this on people. It is not as if we have come out in the middle of the night, snuck along and decided to push this legislation through. The Australian people knew our position—unlike in 2004 with Work Choices when they were hoodwinked into believing that when you vote for John Howard you vote for the Aussie battler and he will look after you, and then just as the poll is declared after the election—bang!—‘Welcome Work Choices’. We were totally transparent, because on 26 June, the day that the national emergency response occurred, as a country we galvanised behind the Prime Minister.

I am very proud to say that I have only voted Liberal once in my life, and that was in a meeting of a joint parliamentary committee. There were two Liberal members and they could not work out who was going to be deputy chair. I told them that I had never voted Liberal in my life but I had to vote for one of them. And it hurt me to do it. But I got it right; I think I picked the right one. The point that I am making here—and I will get back to the point before I get interjections from over there—is that we need to continue to be bipartisan on this. It is not about scoring political points. I am sure there will be mistakes made. We have got 200 years of mistakes behind us but we—and I address particularly the member for Kalgoorlie and the member for Solomon—need to be walking forward on this. It upsets me that with something as important as closing the gap I did not see enough colleagues from the other side. We can fight about Work Choices and we can fight about ideologies on business and how we approach all sorts of things—and we can scrap as much as we like; I love it as much as anyone—but on this issue it is time to stop the rot. On 24 November the Australian public chose to go with the

Labor Party. They chose to go with Kevin Rudd as their new leader to go forward on all issues. It was a unanimous vote of confidence in Kevin Rudd’s mandate and in the front bench that we enjoy sitting behind now. So please—I hope the members here present take this back to their party room—do not muck around with this. It is not about mucking around and scoring points; it is about doing something for Indigenous people. It is about time that we as a parliament got that right, because I am sick of seeing too many of my friends buried before they are 40.

**Mr LAMING** (Bowman) (1.16 pm)—The Families, Community Services and Indigenous Affairs and Other Legislation Amendment (Emergency Response Consolidation) Bill 2007 is really the first litmus test of the Rudd government’s regime in 2008 and a litmus test of how much they support the intervention. I do not think there will be any point scoring today from either side because this bill is simply too important. If Indigenous communities were fully functional and working well, we could actually enjoy the intellectual banter that goes with discussing whether or not permits work. But we do not have that luxury. We will talk today about permits and pornography, and the community stores part, I think, is relatively non-controversial.

Before I begin, let us have some context. We would not even be having this debate were it not for the intervention that was proposed last year. I put it to those on the other side of the chamber that this would never have occurred under a Labor government—not in 10 years or in 20 years. It would probably never have happened. We have had this Coombs experiment for two centuries, where Indigenous people are seen as fundamentally different and have to be treated as such, and that is precisely what the essence of the permit system is. I think we would be wrong to devote most of our debate, as the

member for Isaacs did, to the permit system. As someone who has had some experience in Central Australia, but certainly not an immersion for decades, cases can be made for and against. I think it is a little superficial to tie permits, as the member for Isaacs did, completely to the issue of land rights. If you pick up a telephone today and phone an intervention community and ask, 'How's it going without permits?' they will say, 'No different,' or, 'Kinda not different,' or, 'Haven't noticed anything.'

When the member for Isaacs asks where the evidence is that removing permits does not exacerbate the problem or where the evidence is that it will lose it, he simplifies this debate. To say that we could have a double blind clinical study about the removal of permits is ridiculous. We do not have that. We have experience that associates permits with problems, with 'the big men'—the elites—controlling movement in and out of communities. I wanted to take the member for Isaacs to task because the notion that child abuse filters in from the outside and can be stopped with permits is a little bit simplistic. The report itself, *Little children are sacred*, actually points out that it is the figures of authority, often within clan and family groups, that are most commonly involved. I do not want to draw too much attention to that, except to say that we are wrong to say that permits protect Aboriginal people by creating a separate culture for them that protects them from the evil outside. The great fear with the permit system is that will do some good and some bad. It keeps some evil out, but it also locks other evil in. I will give you a practical example of that. If I want to sell used cars in an Indigenous community, the first thing I do is give a car to 'the big man' and I say, 'Don't give a permit to anyone else who is selling motor cars.' It is that simple. That is a very simple example of how you can lock in corruption using the permits system.

I will not lock myself in on this debate and devote minutes and minutes of my limited time to permits, because I am prepared to accept that permits being returned will not have an enormous impact on the intervention as we know it. Make no mistake: I am completely committed and dedicated to seeing this intervention work. We have got one chance to break the cycle that Noel Pearson has described—that is, the cycle of destruction that we have talked about so many times. It starts with not turning up to school and it leads to illiteracy and to two per cent graduation levels. It leads in remote communities to just a handful of students going on to high school each year. They cannot train, they are bored and of course that then leads to alcohol, cannabis and the DVDs—because there is nothing else. You all know that, but the cycle is a self-reinforcing one. After decades of trying these left-wing apologist approaches, we know that nothing has worked and we need a change. That is why there was surprisingly high support for the intervention from a number of unusual circles. We deserve to give this a go and it may well be our last chance for another decade. It has come decades too late for Indigenous Australia. This may just be another policy for you and me, but it has come decades too late. I am completely committed, as are all the members on this side of the chamber, to making sure that this intervention is given a fair go. I do not necessarily want to say, at such an early point in the new government's office, that their shoulder is not to the wheel, but I suspect that over there, in the government party room, the embrace of the intervention is not that warm. I am sure that you will announce a review in 12 months. It will be an output review, where you count the number of heads treated, the number of people who have gone through the health clinic and the number of cases referred. That is an outputs analysis; it is not an outcomes analysis. You

will be quite happy, I suspect, to see the intervention roll along and to give it lip-service, but where you have to make concessions for your left-wing core constituency you will do it—and that is what this bill is about today.

If you want any evidence of that, let us look at the third part of this bill, which is the legalisation of the transport of pornography through communities to bring it in line, ostensibly, with the laws on alcohol. If your shoulder were to the wheel on the intervention you would acknowledge, from page 201 and page 209 and page whatever of the *Little children are sacred* report, that supply of this material has a genuine role in normalising sexual behaviour and leads to the expectation that precocious sexuality is okay—there is not a causation but a correlation. Grooming children for sex is an example, and it is all in the report. It is a concern and we should not be making it any easier.

This is not about treating communities differently; this is about listening to the mums who are saying: ‘We live in multifamily households. We have 30 people. It is overcrowded. But there is a telly on the veranda and here is a chance to broadcast or not broadcast R18+ and you are rolling it back.’ These changes are genuine rollbacks for whatever well-meaning reason—such as that you should be able to carry some pornography through in the boot, along with the alcohol, because you are driving somewhere else. But that opens up an opportunity for every person who is holding a DVD to say, ‘I’m just transporting it,’ and the police will go on their merry way. That is in effect what you have done.

It is okay for the member for Bonner to read out the Police Federation report saying, ‘Permits kind of helped us.’ I will give you another report that says the opposite. We have a fifty-fifty argument on permits. As I

have said, I am prepared to concede on that but not to have it completely locked in, as the member for Isaacs did, with a historical battle for land rights. You misunderstand the permit system if you think that is what it is all about. Go and talk to Central Australian communities. They have not been trampled by grey nomads and tourists not respecting traditional land. Surely you need only visit a Central Australian community to know that, the minute you arrive with ill intent, the whole community knows. They say: ‘Who is that bloke? Where is he from?’ They are sitting under a tree and they are watching. There is a raft of laws to intercept these people if the community wishes. It is not that hard to do. You do not need the permit system to do it.

I leave the permit system by saying it is a fifty-fifty argument, but in my heart I have the sense that the government is making concessions to its core constituency rather than worrying about what is going to reinforce and provide a floor to the intervention. I am not saying that returning permits will undermine the intervention, but I have concerns that it does create some small threats in certain situations.

I want to focus on practicality because I think Minister Macklin’s office is not fully around the issues of enforcing the 35 per cent and how that will be rolled out with pay TV provision of narrowcasting. Just go to a Central Australian community: the dishes are everywhere; the penetration is high. People who want to subscribe to adult channels are inbound customers—that is, they contact the provider and say, ‘Beyond my normal package, I would like to have either a one-off or a monthly fee to have access to the R18 channels.’ Of course, we know, as the member for Bonner pointed out, that SBS may well be caught up in this. That is true. Then let us get a more creative solution through legislation than this ridiculous 35 per cent level. Effec-

tively, you are allowing providers to create a channel with 30 per cent R18+ pornography, which does not hit the minister's screen, and making it 'opt out'. You are putting communities in an extraordinarily difficult place, having to negotiate community-wide on blocking the provision of R18+. What is the government proposing—that the community phones up the provider and says, 'Cancel the following subscriptions'? Is it going to somehow change what is broadcast in by satellite? Is it going to scramble a pin number? I do not know how it is going to do it. The problem is, when I read the explanatory memorandum, I see that the government does not know how it is going to do it.

Keep in mind that this intervention, proposed last year, was only rolled out over the two or three months before the election. It is disappointing to hear the member for Bonner say, 'You never did anything about R18+.' We gave the second reading speech in September and, had the election not been in November, we would have had a 100 per cent ban. Let it be recorded here: there would have been a 100 per cent ban on R18+. I have no problem with World Movies and SBS. We need a creative way for those mainstream channels to find their way into communities. It is not with a pathetic 35 per cent level.

Who is going to enforce it? Who is going to negotiate it? Who is going to get an entire community together when the big man wants to watch it? As the member for Kalgoorlie said, we should have an opt-in system. When the community is strong enough they can get together and say: 'You know what, the intervention is working. It is yielding dividends, and two or three people would like to expand their subscription on pay TV. We have no problem with it. We have no problem with the local teacher doing it, the local councillor doing it and Mr and Mrs X doing it.' And they opt in. It would have been far more sen-

sible in this sensitised environment to have done it that way. But the government has not. Again, there has been a concession to the left-wing core constituency which believes they have to have everything that the mainstream have, without remembering that these are very different conditions where it is almost impossible to prevent minors from watching R18+.

I do not think anyone on this side is being a moral crusader about this. But we are saying that, if the government's heart were in the intervention and its shoulder were to the wheel, this kind of amendment bill would not be put up within months; the first piece of Indigenous legislation would be these rollbacks. How can the other side of the chamber defend allowing pornography to be carried through communities? It is a loophole the size of a jumbo jet servicing bay for anyone who possesses the material. Mums are trying to stop it. They are saying: 'What do we do to break the cycle and stop this material being bartered, traded, handed round and swapped for grog?' And the government just cannot jump quickly enough into legalising it. That is disappointing.

It is disappointing that the government has not fully thought out exactly how pay TV will manage the 35 per cent. I can assure you it has already gone to the Standing Committee on Legal and Constitutional Affairs. It is going to be looked at in the Senate. We will go through this like a dose of salts. The explanatory memorandum is not even clear on how this is going to occur. My great fear is simply this: the penetration is already large, anyone can order extra channels and the odds of hitting 35 per cent are almost zero. Sure, you can block a current adult channel, but you cannot block others and you certainly cannot reconfigure channels to broadcast this current material. In the end, you are undermining the intellectual essence of this intervention.

Noel Pearson described it so well. He described the cycle of positive social norms. I do not see pornography anywhere in that cycle. I am not talking about puritanical black-bans; I am saying give these 97 communities—and those four communities in Cape York—a chance for something good to take root. Just give it a chance. It starts with saying, 'Let's negotiate amongst ourselves about what is okay.' The TVs are not switched off in these communities. They go all night. There is nothing else to do. The telly is on the veranda sometimes. They are all there with the dogs that they love and the blankets, and whatever the big man wants to watch is on the telly. Let us be realistic about this. You are not sitting in a family living room—except that you are, because the veranda is the living room. So there is no way of controlling that kind of access, even when the community wants to. A nice analogy is 'cooking out of one pot'. Half of us are diabetic, but in goes the salt and in goes the sugar. There is no way of teasing this out. This is not mainstream Australia. Just keep that in mind.

These guys want solutions to superimposed Western challenges. Their traditional law of self-regulation on a community does not always work. It is not that easy. You do not simply say to people that are 14 and 15, 'Go to bed; you cannot watch this,' because they will say that is not their role in the skin group; it cannot be done that way. We need to bear that in mind when a community says, 'We want to do it a different way.' That really was the essence of the intervention. At school: 'Let's have less than three unexplained absences. If you don't, you'll hit the screen. You'll have to come in and have a chat to a family commission.' I remind the government that their own Queensland Labor government actually brought in family commission legislation on 28 February. They had the guts to follow up. Where are you leaving

them now? They actually came through and made provisions to link up state services with Centrelink, so that there could be conditional income management and, where needed, welfare quarantine. It is the only way to get the fuel out of the system.

If you return CDEP, it will not be able to be quarantined and will be unconditional—just as royalties are unconditional. As long as someone can continually get their welfare, you are simply fuelling that destructive cycle involving school non-attendance, illiteracy, boredom, cannabis, alcohol, domestic violence, child abuse, unrestrained gambling and taking a cut—distribution through the black economy—all leading back again to unhealthy kids and not being able to attend school. It is that cycle we are trying to break. It is not rocket science. Here you have four communities in Cape York doing it and getting started, and this is the signal from the new government: let's get permits back in quickly because we owe that to the people who came down on Sorry Day and made a big song and dance about it, but left behind all the guys that—

**Mr Melham**—It was an election commitment.

**Mr LAMING**—Yes, absolutely. It was an election commitment to half the community and the other half said it makes no difference at all. I am prepared to concede that, but I am not very impressed with this other tack-on legislation around pornography. You can make a wonderful intellectual debate about this, but we are talking about practicalities. In a practical sense, it is just not the debate that we can have the luxury of having. Let us make something very clear: breaking the cycle has not been easy. Levels of governance have waxed and waned. We have CDEP councils trying to keep everyone busy, active and contributing. We still have a two per cent school completion rate. We have benchmark

completions in these remote communities that are in single figures. This is an enormous challenge and federal and state governments have to have complementary legislation. You cannot sit over that side, say you support this intervention and not talk to state governments and bring forward that legislation. I know that the minister has been over to Western Australia, but it has to be more than that. It has to come from here or nothing is going to change. As Bill Neidjie said:

This earth, I never damage. I look after. Fire is nothing, just clean up. When you burn, new grass coming up. That means good animal soon, might be goanna, possum, wallaby.

That is the self-reinforcing, positive cycle of community negotiated, positive social norms. That was the additional positive cycle that communities lived by for tens of thousands of years. They have stepped forward, they have embraced the intervention. It was not well negotiated. It came out of a report that was dropped that really did not penetrate state governments. With the greatest of respect, and well away from the funding issues, there was never any galvanising desire to take control of it.

I want to highlight state education departments as the most guilty. These state departments of education apologised and found excuses for kids not going to school: 'Three unexplained attendances in a semester, impossible to achieve in an Indigenous community. Indigenous people are not the same as the mainstream. They couldn't possibly achieve that. Literacy, no, they don't even speak English by the time they get to school. They can't possibly learn it at school. You're asking too much.' The rest of the world can, but they apologised for Indigenous children and said: 'It's their third language. You could never expect to teach them literacy and numeracy. Intensive programs are a waste of time.' They apologised about the privacy of school attendance data. They would not even

provide it to the Commonwealth. Queensland is the only one that has done it. Go back to talk to your state colleagues and say, 'Don't you think the provision of school attendance data might be useful, so it can be linked in with welfare reform and quarantine?' You have a battle on your hands. Talk to those ideologues in your state education departments. Queensland is the only one that did it because we have a premier with the courage to crack heads together. After the disastrous stories that came out of Torres Strait last year, she said: 'Enough. What do we have to do to make it work?' Today, I fear that you have let down your own colleagues in Queensland. I do not think it is a positive signal to the state governments, whom we were hoping would follow.

In 2007, there was not a sheet of paper between the Prime Minister and the Leader of the Opposition. I sat over there and saw the then opposition walk in here and take a seat and there were genuine ashen faces that day when the now Prime Minister Kevin Rudd said, 'There will be bipartisan support.' I was so impressed on that day. I think Mal Brough is a great man, but, you know what, there was another person sitting over there who said, 'Unconditionally, we will support it.' I expect a new government to say there might have to be a few small changes. But my great fear, and I hope that it does not come to pass, is that there was not a sheet of paper between those two men—and there should have been. I would hate to think it was just rhetoric to get elected. If that is the case, we are going to see more roll back. I will be watching CDEP to see it drop back into communities without it first being reformed. You will be dropping it back just to get the money flowing again, unconditionally, so that drunks can come up and kick the council building and break windows and say, 'Gimme cash now.' You are going to have 17-year-olds, virtually illiterate with nothing to do, going straight to

CDEP as a career of choice. You are going to be using it for cheap labour in councils, hospitals and schools. These guys will not have real jobs with real pay, they will be on a welfare pedestal—as Noel Pearson calls it. I hope that we do not get to the situation where further roll backs start to reflect what we are going to vote on this afternoon. I hope that you look very carefully at this measure and fix up the provisions and support an amended bill. (*Time expired*)

**Mr MELHAM** (Banks) (1.36 pm)—At the outset, I indicate that I will not be using my full allocation of time because I understand that the member for Herbert wants to say a few things before question time. Also, in view of some of the contributions to this debate, I am going to cast aside the speech that has been prepared for me by my staff. It is a good speech, but some of the best speeches are never delivered and this will be one instance.

I want to make a couple of points. Let us not kid ourselves. The intervention in the Northern Territory was not commenced as a bipartisan intervention. There was an attempt to blindside the then opposition. There was a press conference shortly before question time on the day the intervention was announced. The Northern Territory government was also not told about the intervention prior to the announcement, but certain Indigenous leaders were. It was not about being well intentioned. I have to say to you, Mr Deputy Speaker, I was quite cynical about the intervention at the time. I was not happy. It was not because I did not believe in interventions into the states and territories—and I will come to that in a moment. But my view was certainly strengthened when I saw a post-election interview with a senior cabinet minister, who pointed out that the government did not get the political bounce that they expected from the intervention in the Northern

Territory. That said it all; and that is a matter of public record.

What was also dishonest was that the then Prime Minister and the then Indigenous affairs minister said that they were not able to intervene anywhere other than the Northern Territory, in terms of Aboriginal affairs, because the Territory was technically still answerable to the Commonwealth. That is not true. I said at the time, and I repeat: as a result of the successful constitutional referendum of 1967—the Aboriginal referendum, the so-called races power—the Commonwealth has the power to intervene anywhere in Australia in relation to Indigenous matters. And my view is that they should intervene, because I think that constitutional referendum gave the Commonwealth a moral authority. Ninety per cent of people voted in favour of the Commonwealth's having powers to make laws in relation to Indigenous people. If people are not satisfied with the races power in the Constitution as a basis for intervention in states and territories, then we also have the special measures under the Racial Discrimination Act, which give the Commonwealth the power to intervene anywhere on Australian soil. We are not limited by the Surveyor General's powers.

In relation to that, I believe the Commonwealth should intervene and that this intervention is, on balance, a welcome intervention, because hopefully it will make the lot of Aboriginal people in the Territory better. In terms of long-term solutions, the intervention is not going to be restricted to young children, and nor should it be. This whole intervention is based on the notion that there is a crisis in Aboriginal communities and that, if we do not intervene, the sky will fall in. The sky has been falling in for a long time in Aboriginal communities, and the white population and governments of both political persuasions have looked the other way. The figures that I want to quote to this parliament



are telling. They are: 24 per cent of Aboriginal men survive to the age of 65, and 35 per cent of Aboriginal women survive to the age of 65. That is a disgrace. That is an indictment on this nation, it needs to be addressed, and I note that the current minister is addressing it.

I am quite happy that the former Prime Minister, Mr Howard, and the former Indigenous affairs minister, Mal Brough, both lost their seats at the last election. That is what the Australian public thought of them and their intervention in the Northern Territory, amongst other things. It was a powerful signal. But we need to do this with a bipartisan approach. We need to do this with the alternative government and involve them. I have been in this place for 18 years, and I was a shadow minister for 7½ of them. I have always tried to engage the government so that if there was a change of government we would have long-term security in relation to policy, because there is nothing worse than changes when there is a change of government. It sends the wrong signals. But in this instance, let us not kid ourselves. Particularly in relation to the permit system, the markers were laid by the then Labor opposition as to what we would do if we came into government.

Prime Minister Rudd has been very specific in saying, 'We are going to honour our election commitments,' and this legislation is, for the most part, an election commitment that we gave. It was a falsehood to say that abolishing the permit system was what was required for the intervention. It was never mentioned in the *Little children are sacred* report. The Northern Territory Police Association pointed out the folly of abolishing the permits and giving people free flow. You try to get onto the property of the Packers or the Murdochs without permission. What is wrong with Aboriginal people having to be asked for permission for others to go onto

their property, onto their land? It is discriminatory to say, 'Because you're black, we're going to come in anyway.' That was not even part of the *Little children* report. It was an add-on, because it was reflecting the then political bent of the then government. The opportunity was used as an add-on.

Yes, there is roll-back, but I think we were telegraphing to the electorate and to the then government where we were going to go in relation to most of what is in this legislation. And that is all this is. It is a pursuit of the election commitments. The intervention has occurred; I applaud it. But I do not think an intervention is going to succeed without the cooperation of Aboriginal people, without the cooperation of the elders and the women in the community, and without the cooperation of the Northern Territory government. I said in the last parliament that the thing that annoyed me the most about the way the then government chose to intervene in the Northern Territory was that \$250 million was allocated for administrative costs for the Commonwealth. I would have liked to have used that \$250 million for achieving results instead of creating another bureaucracy on top of bureaucracies that already exist. There are little things like that that worry me a little bit.

I do not think the opposition have got anything to complain about, because most of their intervention has remained intact and in accordance with the support that the then Leader of the Opposition gave when we were ambushed with this proposal in question time, when it was put on the table. I have got to tell you: if we had been in government at the time of the intervention, there are aspects of the intervention that are in place now that I would have fought tooth and nail against—and I do not believe they would be in place. That is the test of this government: a commitment was given to support the intervention, and most of the tinkering and the

changes that have taken place were telegraphed by the Labor Party before the election.

We went to the election with an honest intent and we delivered on that intent. That is what this amendment bill is all about. So I commend the amendment legislation to the House. I do not think that the opposition have much to complain about other than the fact that they got beat well and truly at the last election. As I said, this is not an ambush; this was telegraphed, and it is a delivery of our election promises. There is some marginal difference between us in how we approach it, but most of what the now opposition introduced has remained intact. Point to one sentence in the *Little children are sacred* report that talked about permits. It was not there; it was not in the recommendations; it came out of right field, so you cannot complain about it being abolished.

**Mr LINDSAY** (Herbert) (1.45 pm)—This is not about the opposition and it is not about the government. The Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Emergency Response Consolidation) Bill 2008 is about disadvantaged people—and children. That is what we have to continually think about, front and centre. I come to this parliament with some experience in these matters. In my electorate, off the coast of Townsville I have Palm Island, an Indigenous community of about 4,000 people. I have been going there for 12 years. Every time I go there my heart goes out to the people because I know and understand that, with the way things are, nothing is going to change in their lives. In 100 years they will be the same—a dysfunctional, hopeless community. It has to change. We have to make sure that we do things that improve the lives and the lot of Indigenous Australians. Later in this speech I will argue one of the ways where I

see that that can happen, and it will relate to the provisions of the bill.

Let me tell you about a stark contrast. In late January I was able to go to Vanuatu. Vanuatu has an Indigenous population; they are Melanesian. I was able to go into the Melanesian villages and rub shoulders with the people of Vanuatu. Do you know what I found? I found no permit system—anybody could go into the village. You were welcomed with open arms. There was no pornography. The villages were clean and tidy. The villagers built their own homes and took care of them. Apart from a bit of kava, there was no alcoholism. People were healthy and everybody had a job. The result of all that was that people were happy and lived long and fruitful lives. Why can't we be like that in Australia? That is what the parliament has to think deeply about.

The world is not black and white. We should not be hung up about whether what we are doing is politically correct or against the Racial Discrimination Act. We should be thinking: does it give the right outcome? In relation to the two major matters in this bill, it does not give the right outcome.

I am a great believer in openness in our society. People complain to me about sexual material on the shelves of newsagents these days and they say, 'My kids can see; do something about it; ban it.' I say: 'No. As a parent I taught my kids not to go anywhere near that material. You can do the same.' But it is not the same in Indigenous communities for a whole raft of reasons. That is where the world is not black and white. That is why we should maintain this ban on R18+ material going into Indigenous communities, where dreadful, dreadful sexual assaults and domestic violence are going on against kids. We should do something. We should be positively proactive.

**Mr Windsor**—It is happening in Moree now.

**Mr LINDSAY**—The member for New England indicates what is happening. In relation to the permit system, why shouldn't there be openness? The member for Banks was right. You would never get onto the Packer or Murdoch properties, but that is not what is being proposed here. What is being proposed is access to the communal areas of the communities. That is right and proper. I remember that on Palm Island some years ago the community made a big deal about not allowing other Australians onto Palm Island. Fortunately, that changed and, fortunately, the people of the north were able to see the sorts of things that needed to be addressed. So I think that the provisions in this bill are wrong, in the interests of Indigenous Australians.

Seven years into the new millennium, the health of Australian citizens is remarkably uneven. The member for Banks alerted us all to that. He told us that, with the life expectancy of Indigenous men, only 24 per cent were expected to reach the age of 65. That is the unevenness of the health problem in this country. I ask: why? I put the proposition to the parliament that we should focus on the question of why health—as opposed to health care—has special moral importance for social justice in health improvement activities. Some would say that that is a very small distinction, but it is not. People's health—and not the response and the care that you give—is what we should be focusing on. The focus should be as much on intellectual health and moral health as it is on physical health. Across the world, eminent physicians are coming to the conclusion that the patient comes first and last and that we should be looking at what drives the health of the patient, rather than at the particular disease. In Indigenous communities we see diseases such as alcoholism, domestic vio-

lence and so on. We should be focusing on the health of the patient in globo.

I encourage my colleagues in the parliament on both sides to relook at this bill. I ask the government to rethink their position and to think about the good people of Vanuatu and the good people of Indigenous Australia. I ask them to withdraw this bill from House.

**Mrs MIRABELLA** (Indi) (1.53 pm)—I rise to speak on the Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Emergency Response Consolidation) Bill 2008. This bill amends the 2007 legislation of the same name which was introduced by the former coalition government. Whilst the name of the bill is the same, there are some important points of difference which highlight the importance of holding firm on all aspects of the Northern Territory intervention and not succumbing to the lure of watering down aspects of the intervention that suit the whims of the left wing of the Labor Party.

The four schedules of this bill are focused on amending various acts in the areas of pay TV services throughout the Northern Territory, the transmission of pornographic material in communities in the Northern Territory, the reintroduction of elements of the permit system and allowing the community stores' services to be extended to some roadhouses. Clearly the most important aspects of this bill relate to the provisions that water down previous aims of cracking down on access to pornography and, disturbingly, the creeping reintroduction of the permit system.

Sadly, it has been well documented that internet pornography is a means of encouraging children for sex that we know today as grooming. This is an insidious practice and, sadly, one that is not uncommon in today's society. The *Little children are sacred* report clearly highlights the nature of the problem and I implore those who have not read the

section on pornography in this heartbreaking report to do so. It seems that, in the aftermath of the parliamentary apology to Indigenous Australians, everyone was an apparent expert on the decade-old *Bringing them home* report which Noel Pearson stated 'does not represent a defensible history'. Yet very few had bothered to confront the harsh realities contained in the much heavier and disturbing *Little children are sacred* report dealing with issues of the here and now. This report condemns the stream of freely available pornographic material in Indigenous communities and the report states:

... that pornography was a major factor in communities and that it should be stopped. The daily diet of sexually explicit material has had a major impact, presenting young and adolescent Aboriginals with a view of mainstream sexual practice and behaviour which is jaundiced. It encourages them to act out the fantasies they see on screen or in magazines. Exposure to pornography was also blamed for the sexualised behaviour evident in quite young children. It was recommended that possible strategies to restrict access to this material, generally and by children in particular, be investigated.

So, with significant guts and determination displayed by the former Prime Minister and the Minister for Families, Community Services and Indigenous Affairs, the previous government's bill prohibited the provision of all R18+ television in the prescribed areas of the Northern Territory intervention. Some members would be aware that, as part of the *Little children are sacred* report, it was noted that Austar pay TV services were readily available and, sadly, they were readily available to children. Customers could contact Austar and receive the service of sexually explicit programs unhindered. This particular bill imposes restrictions to pay TV broadcasters who allocate only more than 35 per cent of total broadcast hours to R18+ rated programs and those which are subject to a written declaration by the minister. I have

looked hard and deep but I cannot find any reference to the Labor Party saying this would be their policy prior to the last election. I am happy to be enlightened on this matter, but I very much doubt that I will be.

I have to say that the push to water down the Howard government's ban is a matter of great disappointment. I also remain concerned about Labor's so-called endorsement of the ground-breaking intervention into the Northern Territory. Yes, Labor did say that they would review the intervention one year after its inception, and I accept that, but that should not give the new government licence to water down aspects of the intervention that they have previously purported to support and support very strongly on a bipartisan basis. The opposition will move a number of important amendments. We vigorously oppose the reintroduction of the permit system, which the current Minister for Families, Housing, Community Services and Indigenous Affairs seems to want to bring back. Surely, she has read the comments of Warren Mundine, the most senior Aboriginal in the Labor Party, when he said:

The permit system didn't stop crime. In fact, if you look at all of the reports that have come out in the last few years, crime has flourished under the permit system, so it's a fallacy to say that it helps law-and-order problems. It really embedded these problems because some powerful people were able to get away with things without being watched.

The opposition seeks to retain its blanket ban on all R18+ pornography. This is not a paternalistic return to past practices but an absolutely modern necessity and a necessary move to complete the suite of policies to ensure that Indigenous Australians are given the best chance we can give them in creating a very safe environment which is far from the reality in many remote Aboriginal communities. Cleaning up the main social contributors to Aboriginal disadvantage is the

best way we can go in achieving these aims. The objectives of the previous government's intervention into the Northern Territory were noble and they were purportedly supported by both sides of the House. This extraordinary about-face is not only disturbing to many Australians who supported and welcomed the intervention but also a disappointment to many women in the Aboriginal community—many women elders who said thank goodness someone has finally done something to stop the destruction of lives of young children and the sexualisation of young children as young as two and three. I condemn this bill and urge those on the other side to reconsider their position in supporting the watering down of the measures contained in the intervention.

**The SPEAKER**—Order! It being 2 pm, the debate is interrupted in accordance with standing order 97. The debate may be resumed at a later hour.

#### MINISTERIAL ARRANGEMENTS

**Mr RUDD** (Griffith—Prime Minister) (2.00 pm)—I inform the House of the absence today of the Assistant Treasurer and Minister for Competition Policy and Consumer Affairs. The Treasurer will take questions in his absence. I might add that the Assistant Treasurer's absence is owing to his wife, Rebecca, expecting their second baby. On behalf of the House I wish he and Rebecca well. I also inform the House of the absence of the Minister for Youth and Sport, who is attending the funeral of Clyde Cameron today. In her absence, the Deputy Prime Minister will be taking questions relating to the youth portfolio and the Minister for Health and Ageing will be taking questions relating to the sport portfolio.

#### QUESTIONS WITHOUT NOTICE

##### Fuel Prices

**Dr NELSON** (2.00 pm)—My question is to the Prime Minister. I refer the Prime Min-

ister to the fact that, since the day of his election until today, the price of petrol has increased six per cent in Perth, seven per cent in Brisbane, Sydney and Melbourne and nine per cent in Adelaide. When will the Prime Minister deliver on cheaper petrol for Australian families?

**Mr RUDD**—I thank the honourable member for his question. On the overall challenges facing working families regarding the cost of living, petrol is right up there—it has been going through the roof—and so is the cost of groceries, rents and mortgages and, on top of that, the cost of child care. Therefore, our challenge as a responsible government, in touch with working families, is what you can do to assist the overall family budget. First of all, you can deliver on tax cuts—and that is what we intend to do as at 1 July. The second is to make sure that, when it comes to child-care costs, you make that easier for families as well. That is why we are committed to increasing the rebate from 30 per cent to 50 per cent.

When it comes to the other costs impacting on the overall family budget, we have taken action since coming to office to ensure that we have a cop on the beat on petrol prices right across the country. After 12 years of inertia on this subject, I find it remarkable that those opposite could raise a clamour of discontent on it. The cop on the beat, the petrol commissioner, will come into force very soon. The Chairman of the ACCC, Graeme Samuel, has indicated through his correspondence with the major oil companies that he is watching carefully what the companies do in the days ahead. On top of that, I refer particularly to reports in today's papers about alleged practices on the part of certain petrol retail outlets. I am very, very concerned about whether these activities are consistent with the application of Australia's proper competition laws and arrangements. Therefore, if complaints are to be made

about what happens in the upcoming weekend, let me tell you that the ACCC will be there to receive those complaints, to make sure that maximum downward pressure is placed on petrol prices so that Australian motorists are not slugged an additional dollar other than they should be paying for petrol—and that after 12 years of inertia.

### **Indigenous Communities**

**Mr HALE** (2.03 pm)—My question is to the Prime Minister. Will the Prime Minister inform the House what steps the government is taking to close the gap between Indigenous and non-Indigenous Australians?

**Mr RUDD**—I thank the honourable member for Solomon for his question. Here in this parliament barely a month ago we engaged in an important symbolic act: an apology to the stolen generations. As a consequence of that apology, we as the government have been seeking, through a new attitude of mutual respect, mutual obligation and mutual responsibility between Indigenous and non-Indigenous Australia, to embark upon a national program, Close the Gap—closing the gap between Indigenous and non-Indigenous Australians. The national apology was a necessary first step. Bridging the gap between Indigenous and non-Indigenous Australians could only begin when there was an attitude of mutual respect between us. Having achieved that, in part through the actions undertaken in this chamber, we can now embark upon a critical piece of national action in closing the gap in adult life expectancy, infant mortality, health attainments in general for Aboriginal people and children as well as education outcomes.

Currently the 17-year gap which exists between Indigenous and non-Indigenous life expectancy is unacceptable for a country as wealthy as ours. That is why today the government signed a statement of intent to ensure that we bring down this gap within the

next generation, consistent with the ‘closing the gap’ arrangements which have been put together by various Aboriginal advocacy groups over the course of the last year. These are by way of our national goals, our national aspirations and our national targets. The challenge now is: what practical action now ensues? That is why the government has already funded \$260 million to assist further with child and maternal health services and also to improve literacy and numeracy outcomes in the early years for young Indigenous kids across our country.

Today, in signing the statement of intent, I confirmed two further courses of action on behalf of the government. The first relates to how we tackle the challenge of chronic diseases. Chronic diseases are contributing hugely to the current life expectancy gap between Indigenous and non-Indigenous Australians. Within that, 20 per cent of this health gap is because of smoking. The incidence of smoking in Indigenous Australia is roughly double that in non-Indigenous Australia. This is a huge contributor to the problems with overall life expectancy. That is why \$14.5 million over four years will be funded for a very practical program to bring down the smoking rates and particularly to work on other forms of tobacco intervention and tobacco control within communities.

Secondly, there will be \$19 million to strengthen the Indigenous health workforce. The Indigenous health workforce is in the front line of helping local families in Indigenous communities improve their overall health standards. As the Minister for Health and Ageing and the Minister for Education would be aware, there is a real challenge across the country—it has been there for a long time—about how you boost the number of trained Aboriginal doctors, nurses and those in the allied health professions. This \$19 million is of fundamental importance in ensuring that we get the right number and

distribution of doctors and nurses from Indigenous communities trained and deployed. This will be done with the active support of the Indigenous Doctors Association and we will be working in close partnership with them.

In this overall challenge of closing the gap, we would like to thank Tom Calma, the Aboriginal and Torres Strait Islander Social Justice Commissioner, for the work that has already been done. On top of that, we acknowledge the strong advocacy from Catherine Freeman and Ian Thorpe, who have taken this on as part of their mission for the country in the years ahead. I congratulate them on their efforts, using their sporting profiles to get behind this very important program.

Closing the gap now becomes the hard bit. The national apology has occurred. We have built a bridge of respect between Indigenous and non-Indigenous Australians. That still has a way to go. Close the Gap forms the practical framework for action for this government in the years ahead. We have to be serious about it. The announcements of funding commitments today represent one small but practical step in the direction of ensuring that all Australians have equal life opportunities.

**Dr NELSON** (Bradfield—Leader of the Opposition) (2.07 pm)—On indulgence on this matter, the alternative government, the opposition, strongly supports the pledge, the aspiration behind it and the initiatives that have been announced by the Prime Minister but also believes that it will be necessary to defend and extend the Northern Territory intervention to make it a reality.

#### **DISTINGUISHED VISITORS**

**The SPEAKER** (2.08 pm)—I inform the House that we have present in the gallery a former member for Kennedy, the Hon. Rob Hulls, who is more likely to be in attendance

today as the Deputy Premier of Victoria. On behalf of the House, I extend to him a very warm welcome. He is accompanied by the Parliamentary Secretary for Education and member for Eltham, Steve Herbert.

**Honourable members**—Hear, hear!

#### **QUESTIONS WITHOUT NOTICE**

##### **Fuel Prices**

**Mr HARTSUYKER** (2.08 pm)—My question is to the Prime Minister. I refer to the Prime Minister's comments that the newly appointed cop on the beat, the petrol commissioner, Pat Walker, would be watching pump prices closely this Easter. However, I also refer to the Assistant Treasurer's comments in this House on Tuesday that the petrol commissioner, Mr Walker, will start work on 31 March, some nine days after Easter. In view of this confusion, will the Prime Minister advise whether the cop on the beat, the petrol commissioner, will be safeguarding motorists' interests this Easter, or is this just another example of Labor's spin rather than substance?

**Mr RUDD**—The ACCC, through Graeme Samuel, has already indicated what course of action he has embarked upon. First of all, he has written to the oil companies, acting in a manner which is effective under existing Australian competition law, to ask them this simple question: to justify to him whether excessive petrol prices in variation of the Singapore base price are in any way sustainable over the Easter period. The ACCC Chairman, Graeme Samuel, asked for replies from the petrol companies as of a couple of days ago—I think the night before last. The ACCC will have its own telephone hotline service operating over the Easter period to take incoming complaints from the public as to whether they experience exploitation at their particular local petrol outlet. That is what I call effective action on the ground.

Does this guarantee that there will not be any exploitation in any given location? Of course not. But does it represent a positive advance in where we have come from after 12 years of inaction? Let me tell you it does. Once this period is through, of course the petrol commissioner will assume office. There would be no petrol commissioner were it not for the pre-election commitment of this government. One has been appointed, with considerable experience of these matters in the state of Western Australia. He will assume office soon and with powers underneath him unparalleled relative to those which the previous government ever extended to anybody to assist working families suffering from the impost and impact of unfair prices at the browser.

#### **Indigenous Health**

**Mr BIDGOOD** (2.10 pm)—My question is to the Minister for Health and Ageing. What is the minister doing to close the gap in life expectancy between Indigenous and non-Indigenous Australians?

**Ms ROXON**—I thank the member for Dawson for his question. I know he takes a great interest, as most members over this side of the House do, in what we are doing to close the life expectancy gap for Indigenous Australians. The Prime Minister has already taken the House through some of the details of the initiatives that have been announced today, but I think that it is important to go through how these initiatives are meshing with the other initiatives of the Rudd Labor government to make absolutely clear that our vision for Indigenous Australians in a modern Australia is that they have equality of health status, educational status and life expectancy. We are going to do everything we can, whether it is through the health portfolio, the education portfolio, the community services portfolio or elsewhere, to make sure that we turn the ambitious statement of intent

that was signed today by the government, by the opposition and by Indigenous leaders into a reality.

We know that the announcements today are targeting and complementing announcements that we made during the election and have already started rolling out. We of course have a \$260 million package on the table for early childhood education and health. We know that this is going to make a huge difference to Indigenous babies who are being born today and that that will have a long-term impact on the life expectancy gap.

But the announcements made today by the Prime Minister, particularly our investment in cutting smoking rates, are targeted towards adult Indigenous people. We know that we need to cut the smoking rates of everybody who is smoking today. We need to try to bring the smoking rates in Indigenous communities down to those rates that we experience across the rest of the country. We know it is going to need a targeted strategy. The strategies that have been successful but that still need to be repeated in the broader community have largely gone over the heads of the Indigenous community. They have not been targeted in a way that the Indigenous community have been receptive to. This financing will make it possible for us to make sure that the message about smoking and the damage it can do to your long-term health actually is heard by the Indigenous community.

We really look forward to working with Indigenous health specialists. Those who are involved in social marketing targeted towards particular groups will be able to devise a very sharp message which we hope will make a difference for Indigenous communities. I might also highlight something that our partners in the Indigenous health sector are very supportive of but which does put an obligation on them as well. Part of this initia-



tive is to ensure that health workers in Aboriginal health services are also able to quit smoking and will lead by example. This is a particularly difficult issue for many health workers. As anyone in the House who has been a smoker would know, quitting is difficult for everyone. But we need to be able to turn around and make a big impact in Indigenous communities, and we will need those health workers to lead by example. We are setting aside a specific part of our funding to ensure that we assist them in that process of quitting and setting that example to the community.

I want to also make clear that we are making both short-term and long-term investments. The long-term investment in an Indigenous workforce is going to be a really important part of our solution for the future. If, across all of our electorates, Indigenous health services cannot find Indigenous people to work as nurses and doctors, we know that we will continue to have these complex problems. So, as for investing in the workforce, we know it will take a long time but it must be done if in 10, 20 and 30 years time we are going to meet these targets and actually change the status and life expectancy of Indigenous Australians across the country. Our vision as a government is to close that gap. That is what we want to become a reality, and some of the down payments that have been announced today are very important steps to turning that statement of intent into a reality.

#### **Beijing AustChina Technology**

**Mr ROBB** (2.15 pm)—My question is to the Prime Minister. I refer the Prime Minister to his previous statement regarding Mr Ian Tang of Beijing AustChina Technology that ‘I am not really across what he does’. Now that the Prime Minister is aware of Mr Tang’s sponsorship of 16 Labor Party trips, including his own world trip, can the Prime

Minister now advise the House of his understanding of what Mr Tang does?

**Mr RUDD**—The company concerned obviously has dealt in the past with technology trade, as would be suggested by its title. I notice also, on the question of what the company does, what the shadow minister for foreign affairs himself said today. When asked, ‘What about this company?’ Mr Robb said:

That’s not the point. We, we, we don’t know about this company. We know nothing really about this company.

*Mr Hockey interjecting—*

**Mr RUDD**—And I have answered that part of the question. On the question of this particular company, it seems that the previous government knew a lot indeed about this company. I have here a letter from the Australian Embassy in Beijing to the mayor of Beijing which is along these lines—this is from 2007, I understand:

I am writing in regard to the Beijing Friendship Store redevelopment project located on Jianguomen. The project has significant investment by an Australian company, AustChina Investment and Development Pty Ltd.

**Mr Hockey**—Mr Speaker, I rise on a point of order. We know the Prime Minister’s office has asked Mr Tang for all correspondence with the previous government; that is fine. But what we are doing is asking this Prime Minister what he believes this company does.

**The SPEAKER**—The member for North Sydney will resume his seat.

**Mr RUDD**—This letter from the embassy to the mayor of Beijing continues:

I understand that the project may be experiencing some delays and the Australian Trade Commission (Austrade) office of the Australian Embassy, Beijing, would appreciate any assistance that the office of the Mayor of the Beijing Municipal People’s Government is able to provide so that

the project can move forward in line with project timelines.

It goes on:

The Australian government has maintained an ongoing interest in this high-profile project in the centre of Beijing. As you may be aware, the Australian Deputy Prime Minister, the Hon. Mark Vaile MP, visited the project during his December 2006 visit to Beijing. The project—

and this goes to the question—

involves the provision of products, services and facilities supplied by both Australian and Chinese companies to what will be a landmark project of cooperation between Australian and Chinese businesses.

That is a letter from the Australian Embassy in Beijing seeking the cooperation of the municipality of Beijing in support of this particular company and invoking the Deputy Prime Minister as a keen supporter of the project, he himself having visited the project at that time. Of course, the honourable member said in his statement this morning that his government knew nothing of this particular company. I would suggest that letter suggests that his government in fact knew quite a lot about this company and what it was doing. The question was: what did the company do? I have referred to what the company did.

*Mrs Mirabella interjecting—*

**The SPEAKER**—The member for Indi will withdraw that.

**Mrs Mirabella**—Mr Speaker, I withdraw that.

**Mr Hockey**—Mr Speaker, I rise on a point of order. The question was very specific. It asks the Prime Minister: what is his understanding of what Mr Tang does?

**The SPEAKER**—The honourable member will resume his seat. The Leader of the House on the point of order?

**Mr Albanese**—Mr Speaker, that is the 48th point of order moved by the Manager of Opposition Business.

**The SPEAKER**—That is not a point of order.

**Mr Albanese**—They are frivolous—and you asked that it be drawn to your attention at the time.

**The SPEAKER**—I will decide if it is frivolous or not. The Prime Minister is answering the question.

**Mr RUDD**—So we had the then Deputy Prime Minister visit this project in support of the company concerned, the company about which the member for Goldstein is now objecting so vociferously. Remember of course that the then Deputy Prime Minister is from—which party?

**Government members**—The National Party!

**Mr RUDD**—He is in office at the time in a party which have received \$155,000 in donations from the company which they are objecting about. But the member for Goldstein says the government—referring to himself—knows nothing about this company. This letter says that in fact the government was actively intervening on behalf of this company in relation to a specific project in Beijing, the company having directly donated to the party to which the then Deputy Prime Minister belongs. But let us just leave the National Party alone for a bit. Let us move on to the Liberal Party. Remember that the member for Goldstein said, ‘We know nothing about this company.’ The National Party say they know nothing about this company, so what about the good old Liberals? Here we have another interesting letter which is along these lines to the Executive Director, Beijing Australia Technology Ltd:

Thank you for your letter of 13 June. The government is a strong supporter of the ICT industry and has introduced a number of initiatives to encourage development of the ICT industry.

It goes on to say:

Companies such as Beijing AustChina Technology Ltd greatly facilitate this task—

that being the company they are complaining about—

by representing Australian companies trying to gain access to the enormous Chinese market and by promoting Australian ICT products and services. This benefits not only individual firms but also the Australian economy. I look forward to Beijing AustChina Technology Ltd achieving great success in its endeavours and would encourage you to continue your close working relationship with the government.

It is signed: 'Richard Alston, Minister for Communications, Information Technology and the Arts.' So there we have a couple of interesting pieces of correspondence, which, Mr Speaker, I am happy to table.

**Mr Hockey**—Are they tabled? Let's table them.

**Mr RUDD**—I just said I was happy to table them, Joe. I am sure you and the member for Goldstein will find these pieces of correspondence particularly interesting. On top of all that, there are multiple additional letters from Austrade. I am happy to table this one as well from 2002, saying what a fine company this Beijing—

**Mr Andrews**—Mr Speaker, I rise on a point of order and it goes to relevance. The Prime Minister, reading out letters from the past, which he has dug out over the last 24 hours, is not answering the question of what he knew about this company.

**The SPEAKER**—Without wishing to enter into the debate around this question, I would think that if the Prime Minister is reading from documents—wherever they have come from—as the basis for his knowledge of the company that is an acceptable response to the question.

**Mr RUDD**—Thank you, Mr Speaker. The Liberal government's paeans of praise for this company go on. We have one from 27

March 2006 to Mr Ian Tang himself, again from the Australian Embassy in Beijing, advising Mr Tang what a wonderful job that company was doing. I table that one as well. From all of these documents we see a clear pattern. Whether it be the National Party, which is the recipient of \$155,000 worth of political donations and whose Deputy Prime Minister in government was in Beijing actively supporting the project of Mr Ian Tang, or whether it be the Liberal Party, through the communications minister, Senator Alston—given the technology focus of another part of this company's operations. All along they have been actively supporting this company's operation and, through Australia's agencies in China—namely, the Australian Embassy and Austrade—they put on the documentary record not just the nature of this company's activities but how much this government actively supported it. Therefore, I think we have a case of someone's credibility—namely, the member for Goldstein—collapsing in a heap.

Let me go through what the member for Goldstein has said this week. On Tuesday of this week he said that my particular crime against humanity was that I had travelled to the Sudan in the company of a representative of this company. That was untrue. He went on to say that, while I was in Sudan, I was there representing the commercial interests of this company in the technology field. That was untrue; I was visiting western Darfur. Then today he had the audacity to go on the national media and say, 'We don't know about this company.' Honourable Member for Goldstein, the government of which you were a part knew a flaming lot about this company. The National Party-Liberal Party got 155 grand on the kick. I would suggest that we have here a modest case of double standards. If there is a fundamental problem of supported commercial travel, let the member for Goldstein come to the dispatch

box now and announce on behalf of the opposition that they do not wish to receive any supported travel of a commercial nature in the future.

### **Economy**

**Mrs D'ATH** (2.25 pm)—My question is to the Prime Minister. Will the Prime Minister outline some of the causes behind the cost of living pressures many Australian working families face at present and the government's response?

**Mr RUDD**—When we look at the challenges faced by working families right across the nation, these families are being impacted by developments in the global economy and in the national economy. Across the global economy, the rolling impact of the subprime crisis means that we have had an increase in the cost of credit arising from the increased cost of lending, particularly between financial institutions. The US Federal Reserve recently sought again to act on this matter in its decision the other night to reduce its rates by 75 basis points. The Fed having reduced its benchmark interest rate for the sixth time since August, rates have fallen from 5.25 per cent to 2.25 per cent in that time. This is of direct consequence to every family in the country. The sheer size of the American economy and the impact of American actions on global financial markets means that the wash-through effect in terms of the private credit markets and the cost of home mortgages is going to be felt across the world. That is why we have an active interest in this parliament—as has the government—in monitoring very closely all actions being taken by the United States regulatory authorities, their monetary authorities, in their response to the ongoing impact of the subprime crisis.

The inflation challenge that we face in this country compounds the difficulties which our own regulatory authorities face. For the

benefit of the House, I repeat: when the government was elected, interest rates in this country were the second highest in the developed world, courtesy of the previous government; and, secondly, we had inflation running at a 16-year high. This compounds enormously the task of those charged with the responsibility of economic and public financial management in this country. High inflation complicates the task of economic policy, particularly at a time of global economic uncertainty. That is why it is important that we embark upon a responsible course of action to deal with these challenges, to ensure that we have a budget balance and a budget surplus—hence the target that we have announced—to ensure elsewhere on the demand side of the economy that we are boosting private savings and also to pick up the slack left by those who have preceded us by investing in the supply side of the economy when it comes to skills and infrastructure. Of course, where the rubber hits the road with these global economic developments and the uncertainty of global financial markets, as well as the domestic inflation challenge, we have this real problem on our hands—namely, housing affordability for working families. The *Age* newspaper today reveals that, for the first time since records began in the early 1980s, rental vacancy rates are at a new record low of 0.9 per cent in Melbourne.

### *Opposition members interjecting—*

**Mr RUDD**—I notice those opposite find this very amusing. Those around the country who are experiencing an enormous shortage of affordable rental accommodation at the moment are not finding it amusing at all. It is very tough out there. In our caucus room the other day we dealt with a frightening number of stories of many people participating in auctions to obtain access to rental premises. The impact on working families' disposable

income is huge. The most recent data, published in the *Age* today, adds to that.

As members, at least on this side of the House, are aware, this problem is not confined to Melbourne; it is right across the country. The Real Estate Institute of Australia reports that rental vacancy rates have now slipped below three per cent in every capital in the country. So it is no wonder that average rents for three-bedroom homes have risen by 82 per cent since 1996. Housing affordability, in all its categories, including rental accommodation, has fallen through the floor over the last decade.

If you look at the ratio between household income and the cost of purchasing a new home on the one hand, and the relationship between household income and the cost of rents on the other hand, you will understand why working families are under so much financial pressure. The Real Estate Institute of Victoria states what is required by way of action. I quote from the CEO of the REIV, Enzo Raimondo, who said about today's alarming figures:

... it increases the urgency for governments to take action to increase public and private investment in rental stock.

That is precisely the course of action which this government has embarked upon. Rather than ignoring the housing problem, rather than not having a minister for housing, rather than not having a department of housing—which was the case on the part of those who preceded us—and rather than not having a housing policy at all, part of our \$1.6 billion-plus programs on housing goes right to creating, over time, 100,000 affordable rental properties, charging, we hope, some 20 per cent below market rents by encouraging private sector investment in this field.

There is an acute shortage of affordable rental stock across the country. We have policy lined up to act in this area. Those oppo-

site were inert on this issue. I say to those opposite: it is important that we see for the first time, as we break for the prebudget recess, one positive policy from the opposition on what to do with the housing affordability crisis which their inaction on inflation and interest rates has left for working Australian families.

#### **DISTINGUISHED VISITORS**

**The SPEAKER** (2.31 pm)—I inform the House that we have present in the gallery this afternoon the Hon. Geoff Wilson, Queensland Minister for Mines and Energy. On behalf of the House I extend to him a very warm welcome.

**Honourable members**—Hear, hear!

#### **QUESTIONS WITHOUT NOTICE**

##### **Beijing AustChina Technology**

**Mr ROBB** (2.31 pm)—My question is to the Prime Minister. Prime Minister, I refer you to a meeting you had with Mr Tang just after the election. I ask again: what is your understanding of what Mr Tang does?

**Mr RUDD**—Mr Tang's company deals with those matters which are the subject of such copious documentation—namely, the letters from your government to the Chinese government and from your government to Mr Tang's company—describing not only the activities of the company in detail but registering your active support in every aspect of the operation of that company in the Beijing property deal. In terms of meetings with the company concerned, it would be very interesting if those opposite, given that they were in government during this period, would detail their meetings with Mr Tang, including the then Deputy Prime Minister's meeting with Mr Tang in China and in Australia.

##### **Iraq**

**Mr BRADBURY** (2.33 pm)—My question is to the Minister for Foreign Affairs.

Will the minister advise the House of the Australian government's approach to Iraq? Is consistency of public policy important in this matter? How is Australia engaging with the United States administration on its approach?

**Mr STEPHEN SMITH**—I thank the member for that question, on the five-year anniversary of the commencement of the Iraq war. The Australian government is committed to improving the capacity of the Iraqi government and the wellbeing of the Iraqi people. We are currently giving consideration to additional non-military assistance for Iraq, including humanitarian relief and training in critical capacity-building areas. For example, Australia is already delivering training in law administration and the rule of law to Iraqis, in partnership with the Iraqi and United States governments and the United Nations.

So far as military support is concerned, members would be aware that the government has confirmed its election commitment that Australian troops in southern Iraq, the Overwatch Battle Group, will be withdrawn in the middle of 2008. This is being done in consultation with our allies—the United States and the United Kingdom—and the Iraqi government. These plans continue to be on track.

I was asked about consistency. The government have always been absolutely consistent in our approach to Iraq and that election commitment. Regrettably, this clarity and consistency has not been evident elsewhere. Before the election the previous government, the now opposition, said that such a withdrawal—the implementation of such an election commitment—would be an enormous victory for terrorism. Before the election the then Minister for Defence, the now Leader of the Opposition, said that such an implementation of an election commitment would be a 'disaster of mammoth proportions'. Regret-

tably, there is no longer any consistency or clarity on the part of the opposition—as we now find, for example, reported in the *Melbourne Age* on 7 December last year:

Opposition Leader Brendan Nelson has backed Labor's plan to withdraw Australia's combat forces from Iraq by June, breaking from his past insistence that it would be dangerous to set a timetable for troop withdrawals.

There is no consistency there but also no clarity. In the same report, some of Dr Nelson's new frontbench team appeared to be caught off guard by the move. New shadow foreign affairs spokesman, Andrew Robb, yesterday urged caution over 'Labor's plan for a premature withdrawal of troops'. He argued that arbitrary dates for withdrawal did not take proper account of whether the Iraqi government could prevent a return of genocide. So before the election it is 'Troops stay there'; after the election, so far as the Leader of the Opposition is concerned, it is 'Troops out,' but not if you are the shadow spokesperson for foreign affairs. This goes right to the heart of the matter. Neither the Leader of the Opposition nor the opposition themselves actually know what they stand for. They have, again, completely lost their way. They do not know what they stand for.

One element of the question was: how is Australia engaging with the United States on this matter? We are engaging very well with the United States administration on this matter. We have made it crystal clear that that will be our approach, irrespective of which United States administration we are dealing with. So far as we are concerned, our relationship with the United States, through our alliance, transcends whatever administration might be in power in the United States, whether it be Democrat or Republican. Regrettably, that is not the view of members opposite. In February 2007 the then Prime Minister, John Howard, said:

If I was running al-Qaeda in Iraq, I would ... pray, as many times as possible, for a victory not only for Obama, but also for the Democrats.

**Mr Secker**—Mr Speaker, I rise on a point of order. It goes to standing order 75. This speech is full of tedious repetition.

**Mr STEPHEN SMITH**—In February 2007 the then Prime Minister, John Howard, said, effectively, to the Australian people and to the American people that the Democrats are the terrorist candidates, and this was backed up 110 per cent by the Leader of the Opposition. The following day he came to the dispatch box and backed up the Prime Minister, saying that so far as the then Australian government was concerned—the Liberal and National parties—Obama and the Democrats were the terrorist candidates. The Labor government will deal professionally with whatever administration is in charge in the United States, unlike the Liberal and National parties, who say that the Democratic Party in the United States is the candidate of the terrorists. And some of those opposite talk about judgement in foreign policy matters!

#### **Beijing AustChina Technology**

**Dr NELSON** (2.39 pm)—My question is to the Prime Minister. I refer to the failure of the Prime Minister and his ministers to provide any comprehensive explanation for their numerous free trips to China at the expense of Beijing AustChina. I note that the Prime Minister has said, 'I'm not really across what he does,' of the activities of its Chief Executive Officer, Mr Ian Tang. I note that the Australian government is being pressured by the Chinese government to make decisions to allow Chinese government controlled companies to acquire a larger and larger share of Australia's natural resources. What steps has the Prime Minister taken to satisfy himself and the House that Beijing AustChina, given its range of activities, has no connections

with the Chinese government or any of its associated entities?

**Mr RUDD**—The first part of the honourable member's question we have answered. On the second part of the honourable member's question, which concerns how individual applications for foreign investment in Australia are to be treated: they will be treated by the normal Foreign Investment Review Board processes, which would involve, of course, judgements to be made in the national interest. In the case of foreign government owned entities, judgements will be made against the new guidelines which were released by this government in recent times. The reason for doing that is that we have a growth of sovereign wealth funds. National interest needs to be defined. It has been in our guidelines. The previous government failed to do that.

#### **Petrol Prices**

**Mr CHEESEMAM** (2.41 pm)—My question is to the Treasurer. Is the Treasurer aware of reports of anticompetitive behaviour by some petrol stations in recent days? What is the government doing to ensure consumers are not being ripped off at the petrol pump over this Easter long weekend?

**Mr SWAN**—I thank the member for his question. This Easter will be the first time that the ACCC has had formal power to monitor petrol prices—the very first time the ACCC has had these formal powers. It is very important, because there has been some alleged activity by some petrol stations over the last few days. There are serious allegations that consumers are driving into petrol stations that are advertising cheaper unleaded prices only to find that the pumps are out of order and that they are forced to buy more expensive petrol. I can report to the House that over recent days almost 50 inspectors from the ACCC and state governments have been out there to ensure that activity such as

that is not occurring and there will be inspectors on the beat over the Easter period. We now have a watchdog with teeth, and they will be out there. Today I urge Australians who feel they are being ripped off by any of the practices that were mentioned before to call the ACCC on 1300302502.

Those opposite might think that financial pressure on Australian families is a laughing matter. Could you have a better example of a group of people who are more out of touch than those over there? This is the crew who have a spokesman for Treasury who said when he was questioned about the highest inflation in 16 years, 'Mission accomplished.' He was proud of it. What did he say when productivity hit zero? He said: 'Don't worry. Mission accomplished.' What did he say when there were eight interest rate rises in three years? He said: 'Don't worry. Mission accomplished.'

**Mr Hockey**—Mr Speaker, on a point of order: we really want to hear what the Treasurer is saying. I ask that you ask him to speak into the microphone, because we actually cannot hear half of what he is saying over here.

**The SPEAKER**—The member for North Sydney raises one aspect of his ability to hear the Treasurer. Another aspect would be that he could only hear his own voice and those of his colleagues who are interjecting. So I am quite happy to ask the Treasurer to speak into the microphone if in fact those on my left are going to listen to him in silence.

**Mr SWAN**—Competition in petrol retailing is a very serious issue. It goes to the core of the financial pressures on Australian families. I am sorry that the rabble over there does not appear to understand. This Easter, the ACCC have said they will not hesitate to prosecute and fine those involved in misleading conduct, and that can happen now be-

cause this government has given the ACCC some teeth.

**Dr Nelson**—Mr Speaker, on a point of order: could I ask the Treasurer to come back and repeat the phone number?

**The SPEAKER**—Has the Treasurer completed his answer?

**Mr Swan**—Yes.

#### **Beijing AustChina Technology**

**Mr IAN MACFARLANE** (2.45 pm)—My question is to the Prime Minister. Given that the chief executives of many major Australian companies and the CEOs of representative organisations based here in Australia are complaining that they are unable to gain appointments to meet with the Prime Minister, the Treasurer and ministers, can the Prime Minister explain why Mr Ian Tang, a businessman who lives in China, has been able to meet, apparently at will, with the Prime Minister—

*Government members interjecting—*

**Mr IAN MACFARLANE**—Well, they are complaining to us that they cannot get in.

**The SPEAKER**—The member for Groom will ignore the interjections and the ministers will cease interjecting.

**Mr IAN MACFARLANE**—I will repeat the latter part of the question. Can the Prime Minister explain why Mr Ian Tang, a businessman who lives in China, has been able to meet, apparently at will, with the Prime Minister, the Treasurer and other cabinet ministers since the election?

**Mr RUDD**—The government takes seriously its relationship with the Australian business community. The core of the question from the member is the extent to which this government has been having extensive contact with the Australian business community. I would say, if I looked along the ranks of the front bench, the number of senior Australian business leaders who have been to see



us about all manner of matters since the election only three months ago is huge. The Deputy Prime Minister and Minister for Employment and Workplace Relations has engaged in extensive consultations with the business community on the transition bill on industrial relations—which I think the opposition supported yesterday, but I am still a bit unclear about the precise outcome of the vote. The Treasurer is in active consultation with the business community, both with the financial community and elsewhere. And so it goes on, through the minister for finance, the industry minister, the minister for agriculture and other ministers including the minister for resources, the minister for trade and the minister for infrastructure. The minister for infrastructure has been meeting with members of the business community right across the country, who have been scratching their heads as to why those opposite could possibly have conceived of opposing a body such as Infrastructure Australia. Our contact and engagement with the Australian business community is fundamental business for the government. We have been actively engaged in that consultation since the election. I have to say that one of the common refrains that we have received is, ‘After 12 years in office, we never got the sort of access we have to this government to the previous government.’ The simple reason for that is the opposition were completely preoccupied in seeking to attend to matters not relevant to the economy, matters not relevant to Australia’s long-term economic wellbeing—just themselves.

#### **Economy**

**Mr BUTLER** (2.48 pm)—My question is to the Minister for Finance and Deregulation. Will the minister advise the House of recent outcomes of government economic and financial management in Australia? Do these outcomes enjoy continuing support?

**Mr TANNER**—I thank the member for Port Adelaide for his question. It has become clear over the first session of this new parliament that there are some members of the opposition who do not accept the government’s critique of the record of economic and financial management of the former government. In fact, some members of the opposition still hold dear to the nostrum that the former government was Australia’s best ever economic and financial manager.

*Opposition members interjecting—*

**Mr TANNER**—It is very good to see that some of you stand for something! We, of course, do not agree with them. We think there are one or two facts that kind of get in the road of this assessment, like: 10 interest rate increases in a row; inflation at a 16-year high, government spending increasing at 4½ per cent real; money squandered on things like \$457 million in government advertising in the space of the 16 months; grants soaring from \$450 million in 2002 to \$4.5 billion in 2007; huge blowouts in defence spending; enormous increases in Public Service employment, particularly at the SES level; millions squandered on regional rorts; productivity growth down to zero; a current account deficit above six per cent; and so the list goes on. But some in the opposition discount these inconvenient facts and hold true to the belief that the former government was the best economic and financial manager that Australia has ever seen—like the true die-hard and ultimate Howard supporter, the member for Warringah, who last night demanded that the Rudd government honour the former Liberal government’s promise to spend \$9 million upgrading the Brookvale Oval, the home of the Sea Eagles. He finished his speech with these immortal lines:

We are all Australians. We all deserve a share of government largesse.

That tells you everything you need to know about the Howard government. But at least the member for Warringah stands for something; at least he has got a position. On the recent economic and financial management performance of governments, at least some in the opposition actually take a stand. Sadly, we cannot say the same about the Leader of the Opposition. No-one could ever accuse him of being a true believer about anything. When he is asked the big questions about economic and financial management, he refuses to answer. He pleads the fifth; he takes the fifth. Does he support Work Choices? He will not say. Does he believe that government spending needs to be cut? He will not answer the question. It was put to him at the Press Club the other day, and he would not answer. Does he believe there is a need to tackle the spending blowouts in defence? He could not possibly comment.

The moment of truth is coming for the Leader of the Opposition and it is coming quicker than he believes. In fact, it is coming this weekend. There is a matter of enormous significance, of enormous importance to many Australians, happening this weekend. The question he has to face up to is: which footy team does he barrack for? He has told the Australian people over the years that he barracks for two teams—the Swans and the Saints. He barracks for both—just as he is in favour of Work Choices when he is in the boardrooms in Sydney but is against Work Choices when he is out in regional Queensland; just like he opposed an apology to Indigenous people in December and supported it in February; just like he spent half his adult life in the Labor Party and half in the Liberal Party—

**Mr Hartsuyker**—Mr Speaker, I rise on a point of order. The point of order is on relevance.

**The SPEAKER**—The member for Cowper will resume his seat. I recognise the member for Menzies.

**Mr Andrews**—Mr Speaker, on a point of order: this is not only irrelevant; it is pathetic.

**The SPEAKER**—I was going to give the member for Menzies the opportunity to be the winner of today's lottery; regrettably, the way he has couched his point of order makes it a bit difficult. But I would remind the minister to get back to the substance of the question. Whilst I am sure the member for Warringah is flattered that the minister actually listened to his speech in the adjournment debate last night, I think that questions like this, where we have discussion about other members of the House, are not really helpful.

**Mr TANNER**—The moment of truth is arriving about what the Leader of the Opposition stands for on a number of issues. What does he stand for on industrial relations and on economic management? What party does he want to belong to? What is he going to do about the amalgamation?

**The SPEAKER**—The minister will resume his seat. I call the member for North Sydney.

**Mr Hartsuyker**—I am the member for Cowper, Mr Speaker.

**The SPEAKER**—The member for Cowper, sorry.

**Mr Hockey**—Do I have the call?

**The SPEAKER**—I am not going to give the member for North Sydney the call—but I have to admit that there is a voice that recurs in my nightmares! I call the member for Cowper.

**Mr Hartsuyker**—Mr Speaker, I would ask you to draw the minister back to the question.

**The SPEAKER**—The minister will bring his response to a conclusion.

**Mr TANNER**—I will bring my contribution to a conclusion, Mr Speaker. The moment of truth arrives on Saturday night at Telstra Dome because the Swans are playing the Saints. Who is the Leader of the Opposition going to barrack for?

#### **Economy**

**Mr TURNBULL** (2.55 pm)—My question is addressed to the Prime Minister. I refer to the Prime Minister's repeated refusal on radio this morning to directly answer the question: 'Will your first budget be aimed at helping the Reserve Bank slow down the Australian economy?' Will the Prime Minister guarantee Australian families that his first budget will not contribute to a slowdown of the Australian economy?

**Mr RUDD**—The challenge we have is inflation running at a 16-year high. It is a fact. Those opposite may rail against the fact, they may find it politically uncomfortable, but it is a fact. It is not a production of ALP publications; it is a production of national statistical data. The challenge for responsible government and responsible economic management is: what do you do about this 16-year high inflation record? That is, if you leave it unattended to, it continues to do what inflation has been doing for some time, which is punish working families by causing upwards pressure on interest rates. That is the economic equation: if you leave inflation unaddressed it rolls through to interest rates pressure, which rolls through to working families.

Here is where the rubber hits the road for those opposite. By failing to act on inflation so consistently, they sat there and allowed interest rates to go up time and time again and thereby punished working families. That is what happened as a consequence of the previous government's inertia on inflation. Our response to dealing with the inflation challenge is to look at the total equation on

the supply side and the demand side. On the demand side of the equation, if you make sure that through responsible budget management you have a decent budget surplus by way of a target then you bring down public demand as part of the overall demand equation. We are mindful of the fact that, when it comes to private consumption and private demand, we are delivering tax cuts. That is why it is important for us to show restraint as far as the overall architecture of public demand is concerned. Furthermore, the government continues to examine measures which assist in boosting private savings on the way through. That is half the inflation equation.

The other half is dealing with the supply-side measures. And it is there, after 20 warnings from the Reserve Bank of Australia, that those opposite failed to act on skills and failed to act on infrastructure, resulting in all sorts of capacity constraints. Frankly, if you have a situation where you have demand exceeding supply over a long period of time, you get inflation and interest rate pressures go up. We will act responsibly on this, as those preceding us did not.

#### **Council of Australian Governments**

**Mr SIDEBOTTOM** (2.58 pm)—My question is to the Minister for Education, the Minister for Employment and Workplace Relations and the Minister for Social Inclusion. Will the minister update the House on the progress of the Council of Australian Governments productivity working group since COAG met in December last year? Will the minister outline to the House what she hopes COAG will achieve when it meets in Adelaide next week?

**Ms GILLARD**—I thank the member for Braddon for his question. At the last election the Rudd Labor government argued that an education revolution was necessary to boost the productivity of our economy and lift

workforce participation. We argued for productivity at work, with a fair and balanced workplace relations system, and we argued for the building of productivity for the future, with an investment in education and training, which had suffered 12 long years of neglect, including under the leadership of the Leader of the Opposition and the Deputy Leader of the Opposition.

Of course, we know that people who acquire skills and qualifications beyond the basics of schooling will earn more, they will contribute more, they will have longer working lives, and they will have access to more opportunities. And we know that investment in the early years and help for parents with childcare costs and schooling costs are very important to making sure people have the access to education that they should have. We have committed to investing billions of dollars in schools and in the development of trade training centres.

We are keeping our commitments in education, as we are keeping our commitments across government, because the Rudd Labor government believe in honouring our word—something not known to members opposite, who invented the term ‘non-core promise’. We have concluded that a different way of approaching reform is necessary if we are to deliver an education revolution right around the country. We need to have Commonwealth-state cooperation if we are really to make a difference.

Last December, the Prime Minister held a meeting of the Council of Australian Governments, and it agreed to make sure seven working groups drove the new reform agenda for the Commonwealth and the states. I chair one of those seven working groups, the productivity working group. It has met three times since the December COAG meeting. It has noted that in February 2007 the Productivity Commission found

that early childhood education, education generally and skills and workforce development could boost participation by 0.7 per cent and productivity by up to 1.2 per cent by 2030. In percentage terms, this may sound fractional, but in dollar terms it is truly startling. This corresponds to an increase in GDP of around 2.2 per cent, or around \$25 billion in today's dollars—an amazing dividend from investing in productivity and participation by investing in education, from the education of our youngest children right through the spectrum of education.

Of course, we know when we look at the country today that educational opportunity and educational disadvantage are associated with local communities. We can all think, across this great nation, of communities that continue to experience disadvantage despite more than a decade and a half of economic growth, communities where, on current statistics, we know that, unless we act to make a difference, it is far less likely that children will successfully complete school and it is far less likely that they will have a successful working life. Indeed, it is quite likely that they will slip into disadvantage or have a working career with only a marginal attachment to the labour force, with periods of either unemployment or underemployment or cycling through unskilled jobs.

We do want to make a difference to that disadvantage. We have been working on making a difference to that disadvantage in the COAG productivity working group that I chair. We know that we are not well served by the lack of consistent national data on the distribution of disadvantage and its impact on schools. I hope and I expect that next week's COAG meeting will agree to an unprecedented new agenda for raising educational outcomes and boosting productivity and participation in this nation. The agenda to be discussed at COAG will form the basis for the development of funding agreements

and national partnerships designed to lift productivity and participation.

I would like to take this opportunity, on the parliament's last sitting day before the COAG meeting, to thank my colleagues in the states and territories for the effort and commitment they have shown in contributing to this agenda.

#### **Workplace Relations**

**Mr CIOBO** (3.03 pm)—My question is to the Minister for Small Business, Independent Contractors and the Service Economy. I refer the minister to his government's guarantee yesterday that no worker will be worse off under Labor's new IR laws. I also refer the minister to the Deputy Prime Minister's comments:

... there's a balance in industrial relations, between the interests of employers and employees—we want that balance in the dead centre. That's what we've delivered.

In the interests of keeping this balance, will the minister now guarantee that no small business will be worse off under Labor's new IR laws?

**Dr EMERSON**—I thank the member for his first question to me. The Rudd Labor government is committed to supporting small business in this country. We took to the last election a range of policies that we will implement and implement in full. They include the provision of one-stop-shop advisory services to small businesses. They include revisions to the Trade Practices Act that will ensure that small businesses get a fair deal and can operate in an open, competitive environment with more powerful businesses. Our policies also extend to the area of industrial relations. In the industrial relations area we have witnessed, under the previous government, the accumulation of enormous amounts of red tape. For example, as at November last year, 150,000 agreements were

awaiting approval from the Workplace Authority.

**Dr Nelson**—Mr Speaker, I raise a point of order. The question to the minister is: are Australian workers going to be worse off as a result of his government's policies—yes or no?

**The SPEAKER**—Order! I call the minister.

**Dr EMERSON**—That is why this government, the Rudd government, will ensure that small businesses can not only survive but thrive in an open, competitive economy, not choked by the red tape that was tied around their necks by members opposite when they were in government.

**Mr Ciobo**—Mr Speaker, I raise a point of order. It took the Deputy Prime Minister six attempts to make a guarantee. I asked: yes or no?

**The SPEAKER**—That is not a point of order.

**Dr EMERSON**—The red-tape burden on small business has been enormous. It has been a result of 10 years of squandered opportunity from the members opposite. Back in 1996, before this member came into the parliament, the then government commissioned a report from the late Charlie Bell on reducing business red tape.

**Mr Hartsuyker**—Mr Speaker, I rise on a point of order. I ask you to draw the minister back to the question. The question was in relation to IR laws.

**The SPEAKER**—The minister will not overly broaden the question. The minister will get back to the question.

**Dr EMERSON**—Thank you, Mr Speaker. I am speaking directly about the red-tape burden imposed by Work Choices, the legislation that dare not speak its name. All those opposite in here are really and truly champions of Work Choices. For politically

convenient reasons they have now said that Work Choices is dead. But what is the truth?

**Mr Dutton**—Mr Speaker, I rise on a point of order in relation to relevance. The minister was asked to give a guarantee that requires a yes or no answer.

**The SPEAKER**—Order! The member for Dickson will resume his seat. That is the fourth point of order in a two-minute answer. The minister will direct his remarks to the question.

*Mr Dutton interjecting—*

**Dr EMERSON**—As a result of Work Choices this regulatory burden was dramatically increased. The Rudd Labor government is reducing—

**Mr Dutton**—Yes or no: that is the answer—you give a guarantee or you don't!

**The SPEAKER**—Order! The member for Dickson is warned!

**Dr EMERSON**—the red-tape burden through a comprehensive program of micro-economic reform, cutting red tape and ensuring through the Council of Australian Governments that we have a seamless economy, as called for by the Business Council of Australia, which is in the interests of small business. By reducing that regulatory burden, by simplifying life for small businesses, by rewarding effort, risk-taking and entrepreneurship, we will ensure that small businesses are made better off in this country so that they are not weighed down by this compliance burden that was imposed by this mob opposite.

A decade after the report to which I referred was first commissioned, a second report was commissioned. That was produced by Gary Banks, the head of the Productivity Commission. And what did the Business Council of Australia say as a result of the 10 years of neglect of this mob? It said that they had presided over the 'creeping re-regulation

of Australian business'. So, don't come into this chamber asking, 'What's Labor going to do about easing the burden on small business?' when for 10 years you did nothing. You re-regulated the Australian economy. You reversed the reforms of the Hawke and Keating governments.

**The SPEAKER**—Order! The minister will direct his remarks through the chair.

**Dr EMERSON**—Shame on you for reversing those reforms, re-regulating the economy—

**The SPEAKER**—Order! The minister will conclude his answer.

**Dr EMERSON**—Small business can thrive and survive and go well in this country.

**Mr Forrest**—Mr Speaker, I rise on a point of order. I am mindful of the injunction that you gave us several weeks ago to raise points of order when the occasion provided the opportunity. I have heard you on several occasions draw attention to the need to address remarks through the chair. I think we have just seen a classic example of why the founding fathers wrote the standing orders as they are.

*Government members interjecting—*

**The SPEAKER**—Order! The member for Mallee has the call.

**Mr Forrest**—Mr Speaker, I do not make a lot of contributions in this place, but when I do I expect them to be heard

*Government members interjecting—*

**The SPEAKER**—Order! And I am listening carefully. Members on my right will cease their discussion.

**Mr Forrest**—The idea of addressing remarks through the chair is a standard meeting procedure and it is designed to remove the opportunity to create rancour. If all of us in this place are determined to raise the stan-

dards of this place, we have just seen a classic example of why that should apply. There can be nothing more rancorous than the royal use of 'you,' particularly when associated with a pointed finger.

**The SPEAKER**—The member for Mallee will resume his seat. I have great sympathy with the points that he is making. If he is saying that the member for Rankin was rankling, he is correct. The only thing that I could have done that I did not do was jump out of the chair and throttle him. But, in all seriousness, the comment and the point that the honourable member for Mallee makes is well made and all of us should take cognisance of it.

*Mr Tanner interjecting—*

**The SPEAKER**—I just say to the minister for finance that there is a better game on Saturday night that I will be watching on television.

### Water

**Ms HALL** (3.11 pm)—My question is to the Minister for the Environment, Heritage and the Arts representing the Minister for Climate Change and Water. Will the minister inform the House of the dangers of reckless spending that has occurred in recent years on water?

**Mr GARRETT**—As the House is aware, Labor is actively engaged in cutting wasteful spending from the previous era and particularly in exercising the necessary disciplines in response to the economic circumstances that the country faces. But, in the lead-up to the last election, the member for Wentworth had ministerial responsibility for the Community Water Grants program. This program provided community organisations, schools and Indigenous communities with the opportunity to apply for grants worth up to \$50,000 for water saving, recycling and treatment projects. Round 1, announced in March 2006, had approximately 5,000 appli-

cations from across Australia. The member for Wentworth approved 1,750, amounting to a cost of approximately \$61 million. Round 2 funding, announced in late 2006 and early 2007, was approved for 1,611 projects totalling \$66.7 million. But in May last year the member for Wentworth announced \$200 million to help communities save water, and the funding was proposed to extend the program until 2012-13. Round 3 grants were announced on 22 October last year, during the federal election campaign. With his eye firmly on the federal election day, the member for Wentworth funded 4,661 Community Water Grants projects, worth \$174.8 million over the next year. This was six years of funding in one financial year—clear evidence that the member for Wentworth is incapable of balancing any budget. A funding blow-out of this nature represents almost double the combined amount of funding approved for round 1 and round 2.

So let us be clear. The member for Wentworth took it upon himself to try to assist the re-election prospects of the former Howard government by extending the Community Water Grants program for six years and then spending all that money in the period leading up to the federal election.

**Mr Turnbull**—Mr Speaker, I rise on a point of order that goes to relevance. The minister was asked about wasteful spending on water. He has identified not one of those projects as being wasteful.

**The SPEAKER**—The honourable member will resume his seat.

**Mr GARRETT**—This country cannot afford old-style reckless spending anymore. But last week the House heard about the performance of the member for Wentworth in unilaterally rejecting expert scientific advice to fund the rain-making technology being touted by the Australian Rain Corporation to the tune of \$2 million. As the House heard,

the minister instead wrote back to the Prime Minister and then insisted on heaping \$10 million of taxpayers' hard-earned money on this private enterprise—but that figure was five times more than the member for Wentworth was advised of and this was at a time when inflation was brewing.

But today I can reveal that, one year earlier, the member for Wentworth wrote to a scientific expert, telling him that intentional weather modification simply does not work. That correspondence states:

By and large, these trials have produced results that were inconclusive at best. Furthermore, the American National Academy of Science also concluded, on October 2003, that convincing scientific proof of the efficacy of intentional weather modification efforts were still lacking.

The letter continues:

The CSIRO has largely abandoned its active research effort after more than 30 years due to inconclusive results.

It further says:

The CSIRO has concluded that cloud seeding is unlikely to be effective during winter and spring over the inland plains of southern and eastern Australia and similarly inconclusive during summer over eastern and north-eastern Australia and immediately in the north of Perth.

Mr Speaker, can you imagine how much of taxpayers' money the member for Wentworth would have spent on this project if he had actually believed in it?

**Mr Turnbull**—I ask the minister to table that document.

**The SPEAKER**—That is usually done at the end of the response. If the minister has not concluded, he will resume his response.

**Mr GARRETT**—As I said before, Australia simply cannot afford any old-style reckless spending any more. The member for Wentworth had no plan to fight inflation. Worse, he dismissed the inflation problem that families were confronting every day as

just a fairy story. But, when it came to reckless spending, the member for Wentworth was the key part of a government under which spending grew faster in the last four years than at any time in the last 35 years. When it comes to reckless spending, the member for Wentworth is the best friend inflation ever had.

### Fuel Prices

**Mr KATTER** (3.18 pm)—My question is addressed to the Minister for Resources and Energy. The minister would be aware that oil majors do not buy petrol at the spot market quoted world price. They own the oilwells or have long-term contractual prices. Is the minister aware that the price for oil three years ago was \$42 a barrel while the bowser price was 101c and, since no oil companies were going broke, the cost of production, distribution and retailing was below 100c? Since then, as the cost of production, distribution and retailing has not changed, the oil companies should now, at 150c, be making a 50c a litre greater profit than then. Since government in Australia does not approve of price fixing, could the minister assure the House that he will keep an open mind and consider proposals being formulated for government—by the carbon and energy council—to provide ethanol to all Australian motorists at United States bowser prices of 80c a litre and Brazilian bowser prices of 74c a litre? I ask leave to table a photograph of a very handsome fellow in a big hat, filling up his Brazilian Holden motorcar at 74c a litre.

**The SPEAKER**—Order! The member, having asked his question, will resume his seat. Is leave grant for the tabling of the document?

Leave granted.

**Mr MARTIN FERGUSON**—I thank the honourable member for Kennedy for his question but, unfortunately, I am not given the leniency that he is given, in terms of



time, to answer that very detailed and lengthy question. Having said that, I say that, like the member for Kennedy, the government is seriously concerned about alternative fuels, and ethanol is one option. But our responsibility is to put in place an alternative fuel strategy that is not only environmentally smart but also economically smart. I say that because we, as a nation, are potentially on the verge of having serious problems in terms of the import of oil and refined products. By way of example, in 2006-07, Australia's annual oil and refined products net deficit was \$4.8 billion. Unfortunately, this deficit is potentially set to grow to \$28 billion by 2017.

For that very reason, in addition to ethanol, the government is trying to explore a range of alternative fuels in association with also giving proper consideration to vehicle technologies as the potential means of reducing Australia's oil reliance and, in doing so, also paying proper attention to the issue of reducing greenhouse emissions in Australia. In that context, I thank the honourable member for the question. We will give serious thought to his ideas, because we always welcome practical ideas from the member for Kennedy.

#### **Wheat Legislation**

**Mr CHAMPION** (3.22 pm)—My question is to the Minister for Agriculture, Fisheries and Forestry. What is the government doing to consult fully on its draft wheat legislation? Why is such consultation required?

**Mr BURKE**—I thank the honourable member for Wakefield for his question. I note his interest in having wheat growers in his electorate who are involved both in selling to the domestic market and in selling as exporters. There is a serious danger for wheat growers post 30 June. If the current legislation remains in place, there is serious uncertainty and a disastrous economic

mechanism that gets left by the old legislation post 30 June this year. The only way that certainty can be delivered for wheat growers is for us to be given an opposition position—their attitude—on the draft legislation. The problem we have here is that the shadow minister in the other place who is represented here by the Leader of the Nationals has been unwilling to put forward a position on behalf of the coalition. This leaves wheat growers with no level of certainty at all.

I acknowledge the comments from the member for O'Connor in an article by Michelle Grattan in the *Age* today in which he said he was sure the government will accept technical amendments. Certainly we are serious about having discussions on that. That is the reason why we have put forward an exposure draft. That is the reason why we have an independent expert group that has put out a discussion paper—to make sure that those technical amendments can go through a constructive conversation. I also acknowledge that there was a genuine attempt yesterday by the opposition to try to resolve this issue. They held their joint policy committee meeting. They held what they call the opposition infrastructure rural and regional affairs committee. Senator Heffernan sat there as the chair, but the problem was the Nats did not turn up. They sat there waiting to arrive at a joint position, to have the conversation, and the Nats did not bother to turn up. It reminded me of the comment made by the member for Mallee only today in question time when he said, 'I do not make a lot of contributions in this place.' Unfortunately, that is a pattern.

**Mr Hartsuyker**—Mr Speaker, a point of order on relevance: I would ask you to draw the minister back to the question.

**The SPEAKER**—The minister has the call.

**Mr BURKE**—Normally we have a process where we are able to have a conversation with the shadow minister and know that that represents the opposition position. I do not know if they did not attend the meeting because they were off checking out their Kirribilli conference that they have got planned. Normally we have a process: the Democrats have a spokesperson, so we consult with them; the Greens have a spokesperson, so we consult with them; the opposition has a spokesperson, Senator Scullion, and we consult with him. Unfortunately, the National Party have been unable to put forward a position on behalf of the opposition.

*Mr Hockey interjecting—*

**Mr BURKE**—Please! We just have had from the Manager of Opposition Business that Senator Scullion is not even a member of the National Party.

**Mr Hockey**—I did. I said he is.

**Mr BURKE**—But guess what—

**The SPEAKER**—Order! The minister will resume his seat. I call the Manager of Opposition Business on a very quick point of order.

**Mr Hockey**—Mr Speaker, I am very happy to clarify this. I will speak slowly for the minister for agriculture. The Deputy Leader of the National Party is Senator Scullion.

**The SPEAKER**—That is not a point of order. The minister will ignore the interjections. The Manager of Opposition Business will not interject—

*Mr Hockey interjecting—*

**The SPEAKER**—and he will withdraw that remark.

**Mr Hockey**—I withdraw.

**Dr Nelson**—Mr Speaker, on a point of order: could you bring the minister back to the substance of the question, please?

**The SPEAKER**—Order! The minister is going to the substance of a carefully crafted answer about why it is necessary to have discussions about the draft legislation and the importance of the need to have a position.

**Mr BURKE**—Normally we would go to Senator Scullion for the position on behalf of the opposition. Senator Scullion is a member, and runs as a member, of the Country Liberal Party and yet he is the Leader of the Nationals in the other place.

**The SPEAKER**—We have that point. The minister will return to the point.

**Ms BURKE**—Without the capacity to negotiate directly, I have written today to every member of the opposition in both houses and offered them all individual briefings. We cannot deal with one person to provide a position on behalf of the opposition so that we can say to wheat growers that there is certainty for the new crop. We cannot provide that until the opposition declares a position. If the only way we can go forward is to allow public servants to provide confidential briefings—and we will not release who accepts them and who does not—for every member of the coalition, then that is available and we will go forward with that. The Leader of the Opposition could fix this now by standing up and declaring that the Liberal Party, at least, will take a sensible economic decision—what they know is a responsible, competitive position—and give wheat growers certainty. If the National Party is not willing to do it, some leadership should be offered and there is one person who can offer it.

#### Small Business

**Ms JULIE BISHOP** (3.29 pm)—My question is to the Prime Minister. Now that the Deputy Prime Minister has given Australians a guarantee that no worker will be worse off under Labor's workplace relations

laws, will the Prime Minister give that same guarantee to Australia's two million small-business operators?

**Mr RUDD**—No working families in this country will be worse off as a consequence of the industrial relations laws that we have advanced here in this parliament—in contrast to those which were advanced by those opposite. The second point is this: I back entirely every remark made by the minister for small business. The absolute regulation avalanche that the previous government had descend on the heads of small business is a matter of national disgrace; you should be condemned for it.

#### **Australia 2020 Summit**

**Ms CAMPBELL** (3.30 pm)—My question is to the Prime Minister. Will the Prime Minister update the House on the Australia 2020 Summit?

**Mr RUDD**—This government is committed to building a modern Australia capable of meeting the challenges of the 21st century. That means securing a future for the nation and securing a future for working families. What we have done in prosecution of that agenda is decide to pull together the nation's brightest and best in what we have called the 2020 Summit. We on this side of the House, unlike the government which preceded us, do not have the view that politicians have some monopoly on wisdom. When you roll across the country and speak to small businesses; large businesses; people in the regions; people in rural communities right across the nation; non-government organisations; academics—a term which seemed to be treated with absolute derision by the previous government; and those out there in the think tanks, you find they are all people of good mind and good heart who are concerned, with passion, about the future of our nation in an uncertain world. We welcome their ideas. We believe it is time to shake the national tree

and invite all the talents and abilities from across the nation—including those opposite, led by the Leader of the Opposition—to participate, to bring forward new ideas and to together help shape the nation's future.

We are not in the business of saying when you go out and consult the whole nation that there are right and wrong answers. If you wish to enliven people's participation in the national debate, you have to be welcoming of it and not say that these views are welcome and those are unwelcome. People of good mind and good heart should be encouraged to come forth to the nation's capital and participate. That is what we intend to do. That is why the summit will be on 19 and 20 April. So far we have decided to convene a gathering of 1,000 of the nation's brightest and best. We have already got in excess of 8,000 nominations from across the country. Nearly 1,000 individual policy submissions from people out there right across the country have already been lodged with the 2020 website, [www.australia2020.gov.au](http://www.australia2020.gov.au).

This, therefore, is going to make for a difficult challenge for the non-government committee which has been appointed to select 1,000 of our nation's brightest and best to come forward. That committee will bring together 10 working groups, each of about 100. The leadership of those committees should be a matter of note and record here in the parliament. We have Warwick Smith, a former Liberal minister, teaming up with the Deputy Prime Minister on economic infrastructure, the digital economy and the future of our cities. We have Dr David Morgan—most recently of Westpac and, prior to that, of the Reserve Bank—teaming up with the Treasurer on future directions for the economy. We have Roger Beale AO and the minister for climate change on population, sustainability, climate change and water. We have Tim Fischer AC teaming up with Tony

Burke on future directions for rural industries and rural communities.

*Opposition members interjecting—*

**Mr RUDD**—I would have thought that those opposite may have a positive contribution to make on these matters, not least of which perhaps on the future direction of our wheat industry.

*Mr Pyne interjecting—*

**The SPEAKER**—Order! The member for Sturt!

**Mr RUDD**—Maybe that is the forum where we will hear a view from those opposite. Professor Michael Good will team up with the health minister, Nicola Roxon, on a long-term national health strategy. Tim Costello will be teaming up with the housing minister—we have one; our predecessors did not—Tanya Plibersek on strengthening communities, supporting families and social inclusion. Dr Jackie Huggins will be teaming up with the minister for Indigenous affairs on options for the future of Indigenous Australia. Cate Blanchett will be teaming up with the Minister for the Environment, Heritage and the Arts on building a creative Australia.

*Mr Pyne interjecting—*

**The SPEAKER**—Order! The member for Sturt.

**Mr RUDD**—John Hartigan from News Ltd will be teaming up with Maxine McKew on the future of Australian governance, and Professor Michael Wesley from Griffith University will be teaming up with the foreign minister on Australia's future security and prosperity in a rapidly changing world.

*Mr Pyne interjecting—*

**The SPEAKER**—Order! The member for Sturt is warned!

**Mr RUDD**—This is an exciting agenda for the nation's future.

*Mr Pyne interjecting—*

**The SPEAKER**—Order! The member for Sturt is warned!

**Mr RUDD**—We believe in being positive in our engagement with the nation's expertise, not rejecting of it. That is why we want the nation's brightest and best to team up with us. That is why we have decided to embrace an approach which is demonstrably bipartisan, inviting two former coalition ministers to be party to this overall exercise. The overall program that we have put together will also be supported by a youth summit, which will be convened by the Minister for Youth on the previous weekend, when we will have 100 of our young people come to Canberra. It will be co-chaired with Hugh Evans, formerly of Oaktree. The really exciting thing is that, across the nation in the few weeks leading up to then, we now have more than 500 schools holding their own school summits—500 schools, from Christmas Island to Esperance to Geraldine and down to, I am told, a little town called Snug in southern Tasmania; I like the sound of a town called Snug. Those young people in their school summits will be feeding into the youth summit. The youth summit will be feeding into the 2020 Summit.

This will be a great event for the nation. We believe in harvesting the nation's talents and abilities to bring forth the best ideas for the nation's future, given the huge challenge that we in Australia face. Once the summit has convened, if we can from its gathering shake out of the tree another dozen good ideas for the nation's future, it will be a well-invested weekend. By year's end, we will respond to each and every one of the submissions which have been made to us by the good people of Australia and those participating in the summit. This is a good exercise in open government. I am surprised that those opposite react to it with such cynicism. Is it another case of flip, flop, flap? The Leader of the Opposition, who has been ob-

jecting vociferously about this and who, within 30 minutes of my announcing this some time ago, stood up and said he welcomed it, now two months later says he doesn't really welcome it. We have seen a bit of that today. We are very excited about what can come forth out of this. We will not solve all the nation's problems, but we intend to engage the good people of Australia, and all their talents and abilities, to make sure that we help craft a modern Australia, capable of meeting the challenges of the 21st century and securing a future for working families.

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

#### VALEDICTORIES

**Mr RUDD** (Griffith—Prime Minister) (3.37 pm)—Mr Speaker, on indulgence, could I take this opportunity to extend to all members a wish for a happy and, for those of the Christian faith, a holy Easter, and a good time with their families, one and all.

#### HMAS SYDNEY II

**Mr SNOWDON** (Lingiari—Minister for Defence Science and Personnel) (3.37 pm)—On indulgence, I just want to inform the House of arrangements which have been made in relation to HMAS *Sydney II*. Since the announcement of the discovery of HMAS *Sydney II*, many relatives of those lost on the *Sydney* have been in touch with the Royal Australian Navy seeking further information. The HMAS *Sydney II* website and information line are now up and running. A registration form where relatives can register their contact details is now available online at [www.navy.gov.au](http://www.navy.gov.au). The website contains fact sheets and weblinks to the Finding Sydney Foundation website and the Sea Power Centre Australia. A national memorial service will be held in Sydney at St Andrews Cathedral at 11 am on 24 April. Relatives can also register their details by ringing a new toll-free number which I spoke about

earlier in the week. That number is 1800005687. I advise members also that the German embassy has advised us that the German government concurs with a plaque being laid over the site of the HSK *Kormoran* early in April.

**Mrs BRONWYN BISHOP** (Mackellar) (3.38 pm)—On indulgence, can I say on behalf of the opposition how pleased we are that the memorial service is taking place and that the arrangements are in place for people to register. In talking with people who were affected by the finding of HMAS *Sydney II*, I have heard that it has revived many memories of their childhood and there has been a lot of turmoil in discussions between family members—pleasure has been experienced in knowing that the ship has been found but many memories have been very difficult to come to terms with—and I think the memorial service will be one where truly there can be some closure for people, and we congratulate the government on putting that in place.

#### PERSONAL EXPLANATIONS

**Mr HAASE** (Kalgoorlie) (3.39 pm)—Mr Speaker, I seek to make a personal explanation.

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

**Mr HAASE**—Yes, mischievously, Mr Speaker.

**The SPEAKER**—The member may continue.

**Mr HAASE**—During an address to this House prior to question time, the member for Solomon quoted me as suggesting that the population of Indigenous communities be 'centralised'. It is not a term I used nor is it a philosophy I believe in. In a previous statement in this House, I simply raised the issue of questioning the sustainability of some communities.

**Mr TURNBULL** (Wentworth) (3.40 pm)—Mr Speaker, I seek to make a personal explanation.

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

**Mr TURNBULL**—Yes.

**The SPEAKER**—Please proceed.

**Mr TURNBULL**—In question time, the minister for the environment claimed that I had only approved Community Water Grants in coalition electorates. That is not true. They were approved across the country. The Prime Minister's electorate of Griffith received 29—

**Mr Albanese**—Mr Speaker, I rise in a point of. That was not claimed at all—they were too busy interjecting to listen to the minister for the environment—so: fixed!

**The SPEAKER**—The chair is in the difficult position where I cannot arbitrate on what was actually said. The member must indicate where he thinks he was misrepresented and once having done that he cannot debate it.

**Mr TURNBULL**—As I was saying, the water grants were approved in electorates across the country, including the Prime Minister's—

*Mr Albanese interjecting—*

**Mr TURNBULL**—I am just stating the fact. I have stated how I believe I was misrepresented—

**The SPEAKER**—It might clarify this issue if I invite the Minister for Environment, Heritage and the Arts to indicate whether that was part of his answer.

**Mr Garrett**—Mr Speaker, 'coalition electorates' was not mentioned in the course of my answer.

**Mr Pearce**—Mr Speaker, I rise on a point of order. Under the standing orders, a member has the right to claim to have been per-

sonally misrepresented, and the member has the right to be heard and to lay that claim before the House. I would put to you, Mr Speaker, that that is simply what the member for Wentworth is attempting to do but is being continually interrupted by the government.

**The SPEAKER**—Order! I am actually applying standing order 271, which is to do with common sense, because I cannot be an arbitrator of what I actually thought was said, but I did not think that the comment was made about coalition seats, which seemed to be the reaction to the member's attempt to make the personal explanation, and if the basis of the personal explanation was in fact something that was not contained in the answer, then I thought that this was the best way of handling it because it would appear, at this stage, that—unless there is other information that muddies the waters—the point that the member for Wentworth was attempting to have clarified has been clarified.

**Mr TURNBULL**—Then, Mr Speaker, I seek leave to table the schedule of all of the Community Water Grants from late last year which shows all of the electorates in which they are awarded, including more in Griffith and Kingsford Smith than in my seat.

**The SPEAKER**—Order! Is leave granted? Leave is not granted.

*Mr Turnbull interjecting—*

**The SPEAKER**—Order! The member will resume his seat.

*Opposition members interjecting—*

*Mr Turnbull interjecting—*

**The SPEAKER**—Order! The member will resume his seat. And it might assist the chair if the Leader of the House tries to get the call.

## DOCUMENTS

**Mr ALBANESE** (Grayndler—Leader of the House) (3.44 pm)—Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the *Votes and Proceedings*.

## MINISTERIAL STATEMENTS

### Regional Development Australia

**Mr ALBANESE** (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (3.44 pm)—by leave—This government is committed to supporting regional Australia.

Today I am announcing one of the Australian government's initiatives to help drive economic prosperity in regional Australia and deliver on our commitments that we made in the lead-up to the election.

One of our key regional election commitments was that area consultative committees (ACCs) would provide the basis for the creation of Regional Development Australia (RDA)

Consistent with this commitment, today the government announces that area consultative committees will transition to become local Regional Development Australia committees. As a first step, the ACC Chairs Reference Group will become the RDA Interim Board until 31 December 2008. I have spoken to the chair of that reference group today and he has very much welcomed this announcement, as have the ACC representatives who are here in the parliament for this debate.

The Parliamentary Secretary for Regional Development and Northern Australia, Gary Gray, and I will convene a meeting with the interim board to discuss the transition of the ACC network to RDA, including the development of a charter for Regional Development Australia and its proposed responsibilities.

We shall also want to discuss with the interim board ways of ensuring closer ties with the local government sector. Regional Australia's communities and economy will benefit from a closer relationship between the new Regional Development Australia and the local government sector.

The ACC network was established by the previous Labor government in 1994 under the Employment Services Act 1994. ACCs originally provided advice and generated support for labour market programs. Over time their role has evolved and recently their primary role has been to promote and identify projects and assist in the development of applications for the Regional Partnerships program.

There are 54 ACCs across Australia, which are not-for-profit, community based organisations. Hundreds of Australians give their time to serve their communities as members of area consultative committees. Only the chairs and their deputies are appointed by the government. Committee members are volunteers from all walks of life: businesspeople, farmers, retirees, local government representatives and educators. They are united by their commitment to their local communities. They are a valuable source of local knowledge and advice for government. Some have been more effective than others and there is a need to recognise that regional development requires a reform of existing advisory structures.

The new Regional Development Australia network will build on the success of its predecessor, but will take on a much broader role to develop strategic input into national programs to improve the coordination of regional development initiatives and to ensure that there is effective engagement with local communities. The Rudd government is committed to listening to communities and

the Regional Development Australia organisations will assist that process.

The actual roles and responsibilities of Regional Development Australia will reflect our consultations. I am confident that the interim board will have ideas to present to the government. The role of individual RDAs and the network as a whole could provide advice to government on a range of issues. These include:

- advise on community infrastructure;
- advise on regional issues and opportunities;
- advise on local implementation of specific Commonwealth initiatives in the region, as requested;
- facilitate economic development planning and investment attraction;
- identify any unique local attributes that would favour the development of new and innovative industries;
- promote initiatives to retain and expand skills and local businesses and industries;
- disseminate information about Commonwealth programs;
- undertake ad hoc consultations on behalf of federal agencies where a regional network is required;
- advise on adequacy of service delivery in regions;
- build networks and relationships with other levels of government and key stakeholders in the region;
- advise government on social inclusion issues; and
- advise on ways to improve the efficiency, effectiveness and coordination of Commonwealth regional initiatives.

I am looking forward to working with Regional Development Australia and receiving valuable advice on the development needs of regional Australia. The time frame will of course conclude this year, which is why we

are maintaining the existing interim board, and I am pleased the chair has committed to active participation in this.

To conclude, this government's new vision for regional Australia is based on building partnerships to ensure the government is responsive to local priorities and needs, but is underpinned by major new investments in the areas of infrastructure, broadband, housing, health care, education, skills development, innovation and water.

The message to regional communities is clear—this government will work with you to make your solutions work. We will bring fresh ideas and a new approach which will harness the potential of our regions and develop them for a better future.

Today's announcement relating to the establishment of Regional Development Australia is the first in a number of initiatives of the Rudd Labor government that we will make in terms of regional development.

We will strengthen and invest in the future of regional Australia.

I ask leave of the House to move a motion to enable the member for Calare to speak for 6½ minutes.

Leave granted.

**Mr ALBANESE**—I move:

That so much of the standing orders be suspended as would prevent Mr Cobb speaking for a period not exceeding 6½ minutes.

Question agreed to.

**Mr JOHN COBB** (Calare) (3.52 pm)—I thank the Minister for Infrastructure, Transport, Regional Development and Local Government for the opportunity to add comment on his government's proposal to set up Regional Development Australia. I am particularly pleased that the government will be continuing the area consultative committees network, even though there is a name change—and governments do do name



changes for various reasons. It should be pointed out that the ACC network has done an excellent job on the whole in working with the previous government—and I am sure it will with this one—on behalf of local regional communities. I personally cannot speak highly enough of the committed volunteers on the 54 boards throughout our country nor of their staff, who, in the case of my own electorate—which was Parkes and is now Calare—have done an outstanding job in working with the local community.

I am very concerned, as are many members on our side of the House, that the ACCs do not now go into hibernation whilst the interim arrangements and consultations are taking place. It is vital that their work continues. Members on this side of the House are hearing daily of critical Regional Partnerships projects—which have been developed and worked on by the ACCs, by the department and by the communities who proposed them—being held up. Nothing seems to have come through since the election. I must repeat that a lot of these projects are very much health related: medical centres, dental projects, houses for doctors in regional towns. They were essential. It became a project very centred on regional health. We are hearing so much about projects where nothing is happening. I do hope, and I ask the minister to ensure, that the time in which they have to wait for something to come through is as short as possible. I have heard the time frame that he has mentioned today. But there are a lot of these projects. If the funding is not there for projects in regional Australia—no matter how good the projects are—there is not very much for them to work with. Time, effort and in many cases significant funding have already been spent on the projects, and it would not be fair if this government were to keep people hanging for an answer whilst it does another review and another round of consultation.

The interim board of Regional Development Australia will consist of the ACCs' current chairs reference group until December this year. I would urge the minister not to allow the board of Regional Development Australia after 2008 to become a gathering place for people with affiliations who would take the place of people who reflect the very vibrant, economically progressive nature of regional Australia. The people on those boards have very much reflected their communities.

The minister has outlined the type of advice that Regional Development Australia could provide to the government. Whilst I will not repeat it here, we would broadly support the minister on those endeavours, particularly when it comes to disseminating information about Commonwealth programs. That is particularly important, as members of the House can attest. Too often constituents only become aware of government programs after they have closed. It will be doubly important, given that the government has stated it will be slashing its advertising budget.

The minister's message to regional communities is clear: 'This government will work with you to make your solutions work on behalf of regional Australia.' Given all the signals that the people who have been to see the parliamentary secretary and others are hearing about what is happening to the funding that has previously been put towards regional programs—such as cutting \$145 million from the Growing Regions program—we are wondering what, if anything, the ACCs or the new bodies will have to do. I think it is very important not to keep regional Australia wondering what will be there in the future.

The Prime Minister and the minister have both told this House that every one of their pre-election commitments will be delivered. That being the case, I wonder how they are

going to be able to do it. The Prime Minister has already made the statement that anything that is not backed by the department will not be overridden by the minister. Yet at the same time, as we heard in question time just the other day, they are going to deliver a program that was already knocked back by the department.

**Mr Albanese**—That's not true.

**Mr JOHN COBB**—It is true. How is it, then, given that the Prime Minister said the department is the final arbiter of Regional Partnerships, that the \$2.6 million dead tree project at Barcaldine, which was already rejected by the minister's department, will proceed?

**Mr Albanese**—It's pronounced 'Barcaldine'.

**Mr JOHN COBB**—Barcaldine—I should know; I worked near there once. I would also point out that the ministerial statement does not spell out whether Regional Development Australia will be involved in step 2 of the Prime Minister's plan for Regional Partnerships approvals. The coalition support the broad intent of the government's plan for Regional Development Australia, but we look forward to seeing the details and how much money there is going to be for regional Australia.

#### MATTERS OF PUBLIC IMPORTANCE

##### Rural and Regional Australia

**The DEPUTY SPEAKER (Ms AE Burke)**—The Speaker has received a letter from the honourable member for Wide Bay proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The adverse impact of the Government's policies on rural and regional Australia.

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

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

**Mr TRUSS** (Wide Bay—Leader of the Nationals) (3.59 pm)—On election night the Prime Minister said he was elected to govern for all Australians, but it has taken less than his first 100 days for us to realise that that was never an honest promise and it has not been delivered on. We heard a lot from Labor during the election campaign about working families, about interest rates, about infrastructure, about skills, about compassion. Voters certainly did not expect to see all those election promises broken in the first 100 days. Slowly but surely Labor's attack on those who did not vote for it is being revealed. The Rudd government may be in the midst of a media honeymoon, but as I have travelled around local communities, particularly over recent weeks, I have seen that the anger is growing. They are learning that there is a world of difference between Labor's rhetoric during the election campaign and Labor's action in government.

The Labor Party went on and on about the previous government's supposed failures on infrastructure, in spite of all the progress that had been made on AusLink—the enormous boost in road funding, the commitments to rail that had been absent for such a long period of time—and in spite of the fact that we had programs like Roads to Recovery, which made real improvements at the local level. Given the rhetoric, voters did not expect to see road and rail funding being savagely cut by this government.

The government talks about the need for infrastructure and yet, at the first available opportunity, it slashes funding for roads. On the figures released earlier in the week by the Minister for Infrastructure, Transport, Regional Development and Local Government, Labor may be spending as little as \$15 bil-

lion on roads and rail between 2009 and 2013. That is less than half what the coalition promised in the last election campaign. We committed to a \$31 billion investment in road and rail around Australia, and the party that says it believes in infrastructure has so far committed to only \$15 billion.

We have heard of many projects that have been stripped from the list. The people of the Hunter Valley want an answer from the Minister for Defence about why he supported the F3 to Branxton project before the election but suddenly he has forgotten about it since that time. We want to hear from the people who promised that they would be upgrading the Pacific Highway. What has happened to the money for the Pacific Highway? We want to know what is happening to the major highways across the country, where spending is in doubt because this government has failed to guarantee that the money will be provided. Voters did not expect AusLink to be pared back so dramatically. Voters in regional Australia did not expect the inland rail link to be kicked into touch. Voters in regional Australia did not expect that existing transport projects would be delayed for a year or maybe even more because of the new bureaucracy called Infrastructure Australia.

Labor has also made it clear that it intends to move expenditure on infrastructure from regional areas to the cities. The minister for infrastructure has made it quite clear that not enough money is being spent on roads in the cities and too much is being spent in the country, and he intends to relocate those projects to capital cities, particularly Sydney. The Prime Minister himself said, as Leader of the Opposition in February last year, that he would be moving funding away from regional communities, away from states like Tasmania, and spending it in Sydney. This is the Prime Minister who promised to govern for all Australians. Well, if you live in Sydney he will be governing for you, but if you

happen to live in a regional area or in an outer state then your interests are likely to be forgotten. He has also axed the \$200 million Growing Regions program, a program that was designed to put in place some of the infrastructure that people who live in the fastest growing areas of Australia desperately need—areas on the North Coast of New South Wales, the Sunshine Coast in Queensland and the south-west of Western Australia. These are areas that have grown very, very quickly. They need a bit of extra help. This is the kind of regional development program that was warmly welcomed by the mayors of Australia, and yet this government has axed it.

This is a government that has a plan to beat inflation, we are told—a five-point plan. One of the points of that plan is to build more infrastructure, to get rid of infrastructure bottlenecks. But what has the government done? It has cut funding for roads, it has axed the Growing Regions program and it has initiated no new expenditure on infrastructure anywhere in the country. It will be at least a decade before any Labor programs make any impact at all on inflation. The government is using words but not delivering actions.

That is not the only area where Labor's words have been different from its actions. Labor constantly repeats that it is dedicated to working families; we hear it so often. And yet the government expresses a deep, continuing lack of interest in the day-to-day costs of working families. The price of petrol has gone up. The price of groceries has gone up. This is the government that said that it would be putting downward pressure on grocery prices and on petrol prices. The promise has proved to be empty: grocery prices go up; fuel prices go up.

One of the very first acts of this government was to actually raise taxes on fuel and

on the trucking industry, with new registration fees—up to a 100 per cent increase on the registration costs of the biggest trucks, the trucks that move the food around the country—and a new fuel excise, a new 1.3c a litre penalty, on everything that moves around the country. And this is a government that claims to be compassionate about people and worried about the food basket. And yet it has made a decision which the minister admits will add \$17 a year to the food basket of an average Australian family. How is this putting downward pressure on prices? In fact, it is a deliberate act of the government to put up prices to guarantee that struggling families pay more. The rhetoric has been so empty.

That is why we, in the Senate, have acted to block this legislation and we will be moving to disallow the regulation of fuel excise indexation. But I warn Australians that, after 1 July, there will be a different Senate, and it may well pass these tax increases. It may well pass these impositions on the Australian people. It may well deliver the higher grocery prices which we will be able to hold back at least until 1 July.

Let us move on to other areas where the government said it would be compassionate. One of its very first acts affected the people who perhaps need assistance most, the carers of Australia. They were stunned to find that their regular annual bonus was not going to be paid by this government. It was going to take \$600 away from carers allowance recipients and carers payment recipients. How is that a government of compassion?

This matter of public importance is particularly about the impact on regional communities. You may not be aware, Madam Deputy Speaker—and certainly members opposite who do not care about regional Australia would not be aware—that there are many more recipients of carers benefits in

the regional areas than there are in the cities. For instance, in my own electorate of Wide Bay there were 5,000 people who received carers benefits in 2004. By comparison, in the city electorate of the member for Watson, who is sitting across the table from me, there were only 2½ thousand people receiving carers benefits. You will find that kind of pattern repeated regularly.

The people receiving carer benefits are very strongly represented in regional areas, and that is partly because there is not the level of health services and aged care services in regional areas that there is in the cities. You cannot just call a taxi and have somebody take you to the doctor when you need to go. In fact, there probably is not even a doctor if you live in a regional area. So Labor strips away the kind of benefit that is necessary to help these people in their difficult times.

*Honourable members interjecting—*

**The DEPUTY SPEAKER (Ms AE Burke)**—The member will be heard in silence from all sides of the chamber.

**Mr TRUSS**—Another key element of the government's plan to beat inflation was to address the skills shortage. And—surprise, surprise!—regional people seem to be left off the agenda for addressing the skills shortage. In fact, again, one of the very first acts of this government was to axe the FarmBis program, a program that has been in place for a number of years specifically to address skills in rural and regional areas. The Labor Party think that skilling farmers is not important. They have axed the program. They have also axed the \$48 million horticultural and agricultural apprenticeship scheme. It is important to train apprentices, it seems, but not in horticulture and agriculture. Rural areas do not count. Then they have cut the funding for the living away from home allowance for school based apprenticeships—again, some-

thing that people who live in rural areas need. City people do not need it, because there is a school next door. It is the country people who have to live away from home and take advantage of these sorts of programs, and they have been axed. The *Land* newspaper calculated that two-thirds of the budget cuts announced by the finance minister last month targeted the one-third of Australians who live outside the metropolitan areas. Rarely have we seen such a heavy burden inflicted in such a disproportionate way.

If that were not enough, Labor last night moved to raid the coalition government's \$2 billion Communications Fund. This program was established to future-proof the telecommunication needs of rural, regional and remote Australians. Labor have robbed this fund to try and prop up their own broadband scheme, which the private sector has offered to build anyhow without government input. What Labor are doing is taking away the money that was put aside to deliver future technological advances to people who live out of the capital cities and duplicating it for people who live in the capital cities. This is a deliberate move by the Labor government to take \$2 billion which was supposed to be spent in regional areas and spend it in the cities. It is pretty obvious where Labor's priorities are. The areas that have already got the highest speeds of broadband are going to get more competition and duplication. The areas that have poor reception and poor capabilities for receiving broadband have had the money taken from them. Fortunately, again, we have been able to block this legislation in the Senate, and that is what ought to happen, because this has been an appalling attempt to rob people who have been made promises on commitments to the country, and to put that money into other areas. This is a real betrayal by the Labor government.

One of the things that really surprised me last night was to see the two Independent members, the member for New England and the member for Kennedy, both voting in favour of the government's legislation. Two members who purport to represent regional areas crossed the floor to work with Labor to take \$2 billion off their constituents and others. This was a disgraceful betrayal by the Independent members for New England and Kennedy, voting to take money away from their constituents.

The raid on the Communications Fund tells you a lot about the Prime Minister and his election-night promise to govern for all Australians. For the numerous people who watch parliament today, it might be interesting to know a little bit about the people who are on the Rudd government's Expenditure Review Committee, the so-called razor gang. Of course, none of them live in country areas—that would be too much to ask. The Labor Party is not likely to ever have any senior ministers that come from a country area. But it is also interesting to note that in the 2006 census there were 300,000 people across Australia working in agriculture. If you divide that up, it is roughly the equivalent of Canberra. When you look at the list of 150 electorates across Australia and how many people work in agriculture, fisheries and forestry in those electorates, you get an interesting result. The Prime Minister's seat of Griffith ranks 121st. It has the 121st highest number of people who work in agriculture, fisheries and forestry. The member for Melbourne's seat comes in at 113th, just ahead of the Treasurer's, which comes in at 111th. So none of those are what you would call strong rural electorates with representatives likely to be sympathetic to rural needs when the time comes to consider these important issues.

But perhaps what is most illuminating of the lot is the least agricultural electorate in

Australia. Could anybody guess? Lo and behold, it is the electorate of the minister who was chosen to be the Minister for Agriculture, Fisheries and Forestry. The minister for agriculture has fewer farmers, fewer people involved in agriculture, than any electorate in Australia. This really shows the great sympathy that the Rudd Labor government has for people who live and work in rural and regional areas! They choose the least rural representative in the whole of the country to be minister for agriculture. Is it any wonder he knew nothing about wheat, knows nothing about crop growing, knows nothing about cattle and knows nothing about sheep? To his credit, he is trying to learn, but the reality is there is no fundamental sympathy on the government benches for anyone who lives outside a capital city, and the people of regional Australia need to be aware of the fact that when you elect a Labor government you do not elect a government that governs for all Australians; you elect a government that is city-centric, that is city biased and that will put all of its resources into that part of Australia, while struggling families who live outside the capital cities will go without.

**Mr BURKE** (Watson—Minister for Agriculture, Fisheries and Forestry) (4.14 pm)—I am really glad that this MPI came up today. The Leader of the Nationals has done us all a favour because I have been frustrated for four weeks—

**Mr Snowden**—Don't say you were frustrated!

**Mr BURKE**—No, I have been—because for weeks and weeks we have been thinking that the moment would surely come when the National Party decided to ask a question about agriculture in question time. We thought it may be in the first week or maybe in the second. When we come back for the May budget sittings, it will be six months since the election and we will have gone for

a full six-month period without anybody from the National Party asking a single question about agriculture.

*Opposition members interjecting—*

**The DEPUTY SPEAKER** (Ms AE Burke)—The member is not in his seat, and the minister will be heard in silence

**Mr BURKE**—I think, Madam Deputy Speaker, you might find he is, because I don't think that seat over there will be his for too much longer! Some of the comments made by the Leader of the National Party go to points which he knows full well are completely misleading. For a start, on the quote that he gave from the *Land* with respect to two-thirds of budget cuts—he knows full well that that figure includes demand-driven funding. He knows that the only way you can reach that figure is to include demand-driven funding with the same forward projections as the previous government had, and because there were better prospects that people would move into periods of recovery with respect to EC the forward projections went down. He knows exactly that that is why that figure was reached. When he ran that fear campaign we told him that, if he won, the simple result would be that people who were entitled to EC protection might fall for his trick and end up not applying for assistance to which they were completely entitled. If he has the victory of his scare campaign, not one person on the land is going to benefit from it, and some of them will fail to apply for assistance to which he knows they are fully entitled.

But the hypocrisy goes further. We heard the argument about trucking registration fees. Members of the opposition coming out against anything to do with any sort of a user-pays system is hypocrisy. The system was not first proposed by this government; it was proposed in a formal submission by the former Deputy Prime Minister. The idea

came from the former Deputy Prime Minister. But their biggest objection is to Infrastructure Australia. Why is it that their objection is so strong to Infrastructure Australia? Why is it that their objection is so strong on infrastructure issues? It is this: they have got so used to the pattern of pork-barrelling that they are frustrated and, if we are going to be in government, they want us to have access to pork-barrelling too. They have got so used to the mindset of 'that is just what governments do', that anything that goes to having an independent process—anything that goes to actually having an overarching look at the nation to decide where the priorities ought properly to be—the Nats cannot handle it. Because for the Nats anything that is outside a pork-barrelling framework is completely beyond their comprehension. I saw it in my own area with respect to irrigation. You would think with irrigation that there is a need—and a legitimate need—for government discretionary funding, and we did find \$5 million that was promised from the previous government for an irrigation program. If you are going to get money out of the NHT, the Natural Heritage Trust, you would think, 'Okay, if it is going to be for an irrigation program, maybe it will be in Griffith.' I am sure that the Leader of the Nationals would think, 'maybe Griffith'. Or maybe you would think 'Mildura'. No. It was \$5 million for the irrigation of Flemington Racecourse. That is what the previous minister for agriculture had promised. And let us just see if the predictions of what his next job will be turn out to be true. Let us see where those predictions end up landing.

The previous speaker, Mr Truss, made reference to the infrastructure fund, but he made no mention of the concept of broad-banding the nation. There was no mention of the concept of actually making sure that Australians have access to the most high-tech fibre-to-the-node technology. There was

nothing about that. But the big gap in the entire presentation we just had was with respect to agriculture. We got a spray at me—and don't worry, I have got a bit at the end of my speech too; we will get there. We had the concept of the budget cuts—which was misleading—and we got one reference to FarmBis. He wanted to talk about the adverse impact of the government's policies on rural and regional Australia, and those three sentences made up the entirety of his criticisms of this government's approach to agriculture.

What the members opposite need to understand—and the member sitting at the table, the member for Groom, absolutely needs to understand—is the real pressure of climate change, because there are real pressures. That is why some of the FarmBis programs which dealt with climate change will be picked up through Australia's Farming Future in the climate change and adaptation partnerships, worth \$60 million. There will be some programs—and in tough budget circumstances this is the case—which do not get picked up. That is true. If the position of the Nationals is that we should not be trying to put downward pressure on inflation then by all means, when it is your next speaker's turn, stand up and declare it. If the position of the Nationals—as the Leader of the Nationals previously declared when he pointed to the position of the United States and their responses to inflation—is that they do not believe we have an inflation problem, then they should get the next speaker to stand up and declare it. If the Leader of the Nationals does not believe that we need to have a tough budget and does not believe that we need to be more conscious of making sure that we have got a sufficient surplus, he should stand up and say it.

This government knows that there are two key pressures coming down on people working in agriculture. They are the pressures of climate change and the shrinking world and

the increasing trade that that brings with it. Climate change adaptation becomes absolutely essential. Climate change adjustment programs have become absolutely essential. We need to make sure that our R&D programs deal with the most urgent challenge facing farmers. Farmers have been off doing it on their own, make no mistake. There is no end of people on the land—because they actually live the climate—who have gone out and involved themselves in adaptation challenges. But they have done so with no help at all from the previous government and with no leadership at all from the previous government.

*Mr Truss interjecting—*

**Mr BURKE**—The interjection is coming from the climate change sceptic of climate change sceptics, the king of climate change sceptics, the former minister and now shadow minister, there at the table. But let us get to the final points that were made by the Leader of the National Party. The Leader of the National Party finished off by saying—as though it was a new revelation—that I come from the city. In my answer to the first question that I had in this place I made that clear. I have got to say: it was my first speech in this place where I made it clear. Since I was a kid, and whenever I have read my address and where I live, it has been pretty clear. It is hardly a revelation.

There is an obsession amongst those opposite, and we saw it in the sorts of TV ads that they ran during the campaign. All they want to look at is what job you did before you got into parliament. There is a simple reason why they are obsessed with that: they are so embarrassed about the lack of work they have done since they got here. We heard that earlier from the maker of the ‘I do not make a lot of contributions in this place’ point of order that we had during—

**Mr Forrest**—Madam Deputy Speaker, I rise on a point of order. I know there are more appropriate occasions when one is supposed to raise this, but I have been misrepresented. He knows jolly well that the choice of words might—

**The DEPUTY SPEAKER**—The member for Mallee will resume his seat.

**Mr BURKE**—I have always made clear that it is important for me to spend as much time as I can out on the land, meeting on their own land people who work the land. It surprised me from the moment that I got this job, going out and conducting those visits, that a lot of the local media thought this was new. A lot of them were saying, ‘We’re surprised to see a minister for agriculture actually coming out and visiting us.’ I never thought that would be the case.

*Mr Truss interjecting—*

**Mr BURKE**—And I agree with the member opposite: I shook my head too. I thought: they could not have been that bad. But the local paper for Griffith—one of the primary agricultural areas for this country, the food bowl of the nation—told me they ran a 5½-year campaign trying to get the previous minister to visit Griffith. Which previous minister would that be? You might be able to work it out when you look at the front page they ran on the *Area News*: ‘Where’s Warren?’ Work it out for yourselves—and they have got him dressed up just like the *Where’s Wally* character with a photo of the people of Griffith. The difference of course is that, if you get a *Where’s Wally* book and you look hard enough—and it can take days—eventually you can find him. For 5½ years the people of Griffith went looking and they never found the member for Wide Bay. They never found the Leader of the Nationals; not one appearance, not once.



**Mr Truss**—You should be honest and read what was in the following week.

**Mr BURKE**—If he wants me to read more from the paper, I am really happy to:

New South Wales' most agriculturally dependent economy has failed to capture the attention of federal minister for agriculture, Warren Truss. Mr Truss has not shown his face in the Griffith area—

this was the beginning of their campaign—

for more than 14 months, a community that relies on the farming sector to generate 26 per cent of its wealth. Local agriculture industry leaders are calling on Mr Truss to visit, particularly given his state counterpart, Ian Macdonald—

Labor—

has visited twice in 12 months and has planned another visit for June. The Griffith branch of the New South Wales Farmers Association President, Peter Flanagan, said it is disappointing that Mr Truss hasn't shown more interest in the Murrumbidgee Irrigation Area.

The member opposite said that I should have read what came later in the paper. I have to say—and I do not have a copy of it here—I read the editorial in that same addition. We all know the Murrumbidgee Irrigation Area is known as the MIA; the headline of the editorial reads 'MIA in the MIA', because that was the case for the minister for agriculture.

So I have gone to the trouble of getting him some help—the great website that we all know about, [whereis.com](http://whereis.com). If you leave now, we have got the directions for you to get yourself to Griffith. It will take four hours and 34 minutes. There is a great coffee shop I can recommend you drop into, and they will be there. So I will table the 'Where's Warren?' with the subheading 'Can you find the elusive minister for agriculture in this picture?' and I will table the directions from Whereis. It is going to take you 4½ hours—it will be a late dinner but I reckon you will make it. I table these documents.

So the highly misleading points that were made at the beginning of this MPI go to a central core: embarrassment. They know the way that they ran policy in rural and regional areas. They know the way they pork-barrelled. They know the lack of science behind their grants programs. They know the lack of foresight in their ignoring of climate change. We even saw it from the member for Kalgoorlie, not a member of the National Party, the other day when he said, 'It's just hot weather,' with respect to climate change. You get a one-in-3,000-year heatwave and the response from members opposite is: 'It's just hot weather.'

There are real challenges out there for people working the land, and climate change issues affect the core business of everybody working in agriculture. They need to be provided with leadership, but leadership that is not going to sit back in the electorate on the front verandah in Wide Bay sipping a cup of tea and saying, 'Isn't it good to be in touch?' as it goes back on its rocking chair. They need people who are willing to go out there, spend their time listening to people on the land on their land—not saying, 'I've grown up in the area therefore I know it all,' but saying, 'I'm the minister and I want to hear what your concerns are and I want to listen.' People are sick and tired of having to deal with people who have spent their lives in agripolitical organisations but who do not have a moment to sit back and listen to the people who work the land to make sure that they have consistency, being willing to say: 'These are the challenges. Here's the policy. We're willing to deliver.'

**Mr JOHN COBB** (Calare) (4.28 pm)—I must say that listening to the Minister for Agriculture, Fisheries and Forestry, I do not know how much he has been out to regional Australia but he certainly did not listen to anything anyone told him out there. Of the issues that are really coming home in re-

gional Australia at the moment, certainly water is one of them. There are the issues brought up by the Leader of the National Party such as all the money that is being ripped out of regional Australia, not to mention, as you said, Leader, that they tried to remove another \$2 billion last night.

We are at a point where water is the issue. Climate change—okay, that is an issue, but water is here and now, and it has been totally ignored by the Minister for Climate Change and Water in the Rudd government. It is the lifeblood of rural and regional Australia. Despite all the grand words, slogans and stunts from the Rudd government prior to the election, our communities have been left totally rudderless in what is going on in the future direction of water management in the country.

Debate interrupted.

#### ADJOURNMENT

**The SPEAKER**—Order! It being 4.30 pm, I propose the question:

That the House do now adjourn.

#### Pensions and Benefits

**Mr ROBERT** (Fadden) (4.30 pm)—I rise to express my bitter disappointment at what the government has done today in increasing both the lower and higher deeming rates without any adjustments to the thresholds. This will hurt veterans, as well as affecting other means-tested pensions, income support allowances and supplements paid by Centrelink and the Department of Veterans' Affairs. For the majority in this government, who know little about deeming and seemingly do not care: the deeming rules are used to assess income from financial investments for determining the amounts of social security and Veterans' Affairs pensions. This is based on the premise that the higher the personal investments of an individual, excluding assets like their home, the higher the assessable

income and the lower the pensions they receive.

The premise behind deeming is that financial investments held by pension holders are 'deemed' to earn a certain rate of income, regardless of the actual amount earned. If pension holders can earn higher amounts of income above the deemed rate, this higher amount is not used to assess income for pension purposes. Thus deeming is a simple and fair way to assess income, providing an incentive to invest and earn and encouraging people to choose investments based on merit. To calculate assessable income, deeming rates are applied to the total market value of a pension holder's investments. The actual return in capital growth, dividends or interest is not used. Deeming thresholds are indexed in line with inflation and can generally occur in March and September in line with pension indexation increases.

The previous deeming rate was 3½ per cent on the first \$39,400 for a single pension recipient. A deeming rate of 5.5 per cent then applied to all investments above these amounts. The government has moved to increase these rates by 0.5 per cent, which in reality is an increase on the lower rate of 12.5 per cent and on the higher rate of eight per cent.

A pensioner on a maximum single rate of pension earns \$546.80 a fortnight excluding allowances. If they have cash in the bank worth \$100,000, the deemed income was \$4,712. With the government's increase, it is now \$5,212, an annual increase of \$500. This means that a pension holder is deemed to have an annual increase in income of \$500 a year, or \$10 a fortnight. If the pension holder's income is above the threshold of \$132 a fortnight, the pension reduces by 40 per cent for every dollar. Thus, in the example, because the fortnightly income is above \$132, the deeming rate increase leads to an

income increase of \$10 a fortnight and thus \$4 a fortnight is lost through loss of pension. That is a loss of \$104 a year from a pension because of the government's change in deeming rate, when the pension holder may not actually be receiving any extra income.

Minister Macklin, in her media release of 14 March, states:

Secure, low-risk bank accounts can currently achieve returns above six per cent.

The NAB indicator rates, as published on their website today, show that the NAB Retirement Account is only paying 5.5 per cent for funds under deposit over \$38,400. On the NAB investment cash management product, you have to deposit over \$100,000 to get six per cent. May I suggest to the minister that many pension holders, including veterans, do not have \$100,000 in their cash management account, as required by the NAB.

The Westpac deposit rates on their website show that the eSaver account has a deposit rate of 5.55 per cent, with a possible bonus interest if no withdrawals are conducted during a month. Their higher account, the Westpac Max-i Direct, will provide over six per cent but slugs \$5 fees for direct deposits, EFTPOS, Westpac ATM withdrawals, cheques and staff-assisted withdrawals. Many pension holders require the fee-free ability to withdraw funds, so perhaps the Westpac example is not the best one.

The changes to the deeming rate disadvantage pension holders. Considering the turbulent financial markets and the state of the stock market, the deeming rate should not increase. The government should defer this until September, when more will be known about the global economy. Increasing the rate hurts the most vulnerable citizens, pension holders and veterans. It shows Labor's true nature, which it demonstrated in trying to axe carers payments and veterans payments. I call on this government, including its Peter

principle Treasurer, to review this punishing decision on the nation's most vulnerable citizens.

### **Housing Affordability**

**Mrs IRWIN** (Fowler) (4.35 pm)—Today I wish to raise an issue which concerned me greatly in the last days of the Howard government and which is worthy of the urgent attention of this government. That issue is housing affordability. The greater part of my electorate of Fowler is made up of residential areas in the south-west of Sydney. It contains long-established suburbs like Mount Pritchard and Canley Heights, as well as new subdivisions such as West Hoxton, with further land releases planned in adjacent areas. But, because of population changes over recent years, many of the residential areas of Fowler house families with above-average mortgages.

The impact of 12 mortgage rate rises, including additional rises by major banks, has brought the Western Sydney housing market to its knees. While harbourside mansions continue to leap ahead in value, homes in western and south-western Sydney have dramatically declined in value. House prices in Sydney's Lower North Shore increased by 10 per cent last year, but in south-west Sydney house prices dropped by two per cent. What we have is a two-speed property market and, in many ways, a two-speed economy. While the effects of high interest rates, high petrol prices and an increasing number of distressed sales are dampening property prices in the west and south-west of Sydney, property prices in high-end suburbs are going through the roof.

It has followed that rents have risen to the point where the median rent for a house in Sydney has reached \$400 a week, with apartments fetching \$380 a week—increases of over eight per cent in the last year. But renters in Sydney could hardly envy those

homeowners paying off a mortgage. Declining house prices have left thousands of Sydney families with negative equity in their homes—they now owe more than their houses are worth.

I do not claim to be an economist, and I certainly do not claim to have the answers to the problems of financial stress affecting more and more families in Sydney's west, but I do have a few questions that I would like answered. Why is it that working families already under great financial stress must bear the brunt of measures designed to curb inflation? It is true that many of those now in difficulty bought their homes at the peak of the property boom, but where was the Reserve Bank when property prices in Western Sydney were going through the roof?

I can recall the former Prime Minister, John Howard, just a few years ago saying that no-one had ever complained to him about the value of their home increasing. Inflation in home values did not seem such a bad thing back then. But today, when we hear warnings about the effect of inflation on working families, the first thing that seems to be forgotten is that they are suffering from deflation in their biggest asset, the family home. While we know that the labour market is tight in the resource states of Western Australia and Queensland, it is hard to understand why parts of other states must be pushed to the brink of recession by the economic blunt instrument of interest rates.

Every new interest rate rise is another bullet in the economic corpse of Western Sydney. At a time when higher levels of migration are increasing the demand for housing, homebuyers and developers are not jumping in to build new housing stock. One major brick manufacturer in Sydney is cutting back production by 100 million bricks a year. In Sydney, skilled building tradesmen are driving trucks because there is no work available

in their trade. In a few years we will face a severe shortage of housing, our most important infrastructure. The skilled tradespeople who once worked in the industry will have left and not all will return. And the financial and social stability that comes from high levels of homeownership will be put at risk. As I said, I am not an economist, but I can see major problems ahead if the deflation in home prices in Western Sydney is allowed to continue.

#### **Minister for Agriculture, Fisheries and Forestry**

**Mrs HULL** (Riverina) (4.39 pm)—Today I rise in the House to correct something that was said by the Minister for Agriculture, Fisheries and Forestry in this House that was completely untrue. He made a sensationalist claim in this House that had been determined to be untrue. He read conveniently from one part of a newspaper and accused Warren Truss, as the former minister for agriculture, of not having been to my electorate and not having been to Griffith. I am rising in the House today to clear up the misconception, the untruth, that was presented in here at the dispatch box today.

A government MLC in the New South Wales parliament, Tony Catanzariti, showed his ignorance by enforcing his way with the editor of the *Area News*—and the editor of the *Area News* showed even greater ignorance in printing such rubbish, because his paper had covered the visits of the minister for agriculture at the time, the Hon. Warren Truss. I wrote a letter to the editor of the *Area News* outlining my concerns and indicating that his article titled 'Where's Warren gets farmers a new voice' on 4 January 2008 was in fact untrue. The editor printed this letter. In it I told him that Warren Truss made regular visits to Griffith in his role as the minister for agriculture from July 1999 to July 2005. Both he and Mark Vaile, the for-

mer Minister for Trade, ran the Powerpack program, which concentrated primarily on citrus and other forms of agricultural industries within Griffith. I outlined all of the visits that Minister Warren Truss made to Griffith while he was the minister for agriculture. The minister had in fact been there on a considerable number of occasions. When a person rang the editor of the *Area News* to complain about this article, the *Area News* editor indicated that it was the most embarrassing mistake of his journalistic career to have printed and heralded such an article as that titled 'Where's Warren gets farmers a new voice'. In my letter to the editor, which he printed in full, I asked for an apology to Warren Truss. Eventually, what the editor did as well was print two articles in the *Area News* correcting the record about Warren's attendance. The original article also generated other letters from Griffith residents and Riverina constituents to say that the article simply was not true. I think that it had to be corrected in this House today.

The article did not only go on to say that Minister Warren Truss had been missing in action; it went on to say that there had been no ministerial visits to Griffith under the former coalition government, which was completely untrue again. I outlined this to the editor of the *Area News* and listed all of the visits that ministers had made, particularly to Griffith—and the list was substantial. No wonder the editor of the *Area News* was highly embarrassed and felt it was the most embarrassing mistake of his journalistic career. It absolutely was.

It was up to me today to get up and to defend the very good track record of the former minister for agriculture, the Leader of the Nationals, Warren Truss, and the way he presented and represented his duties in rural and regional Australia on behalf of rural and regional Australians. I take exception to what the minister did at the dispatch box today,

when he knew full well that what he was saying had been corrected. I take exception to that type of politics. The current minister may have visited my electorate. He obviously did not listen to the people that he spoke with, or he would not be making the decisions that he is now making on wheat, because 98 per cent of the wheat growers in my electorate oppose what this government is currently doing to the wheat legislation. (*Time expired*)

#### **Blair Electorate: RAAF Base Amberley**

**Mr NEUMANN** (Blair) (4.44 pm)—Ipswich, in my electorate of Blair, has a long history of embracing the military. In fact, as I was growing up, I always had friends in my classrooms who were the sons of those in the military. Home to the RAAF base at Amberley—an ever expanding superbase—Ipswich welcomes members of the military and their families into the community on a regular basis. The RAAF base is home to the F111s, affectionately called the 'flying pigs', interestingly enough. I am pleased to say that the Minister for Defence has assured me that, when the F111s retire in 2010, the FA18 Super Hornets will also be located in Ipswich at the RAAF base at Amberley. However, as a consequence of the expansion of the RAAF base at Amberley, sadly 208 Squadron Australian Air Force Cadets will have to relocate. The expansion of the RAAF base at Amberley means that the existing facility where the cadets train, meet and parade will be no more. This is a challenge and also an opportunity.

The Australian Naval Cadets and the Australian Army Cadets 127 ACU are both based in Ipswich at 29 Milford Street, which is the home of 41 Field Battery, a reserve unit. In 1860 the first volunteer military unit in Queensland was raised in Ipswich. It was called the Ipswich Troop of the Queensland Mounted Rifles. The second volunteer unit

was founded in 1864. It was then absorbed into the AIF, and local railway workshop men and coalminers formed the bulk of the volunteers who went off to fight in the First World War. Part of the history of the Milford Street site is that cadets also used the facility—and they still do.

I have visited the site and spoken with the commanding officer of the naval cadets, James Young, and also the commanding officer of the Army cadets, Clive Redgate. I have spoken to military personnel and reservists of 41 Field Battery. There are 300 cadets across three service units in the City of Ipswich, training young people from 12½ years to 20 years of age. They have fun and adventure, but they also learn self-discipline, motivation, teamwork and mutual respect. The cadets are about fifty-fifty in terms of males and females. The site is home to the drill hall shed, which is recognised as a historical site. It was constructed by local builder George Humphrey Byers back in 1890. At the entrance to the site stands a 25-pound gun. The drill hall contains a history room with paraphernalia of the military involvement of Ipswich people who have been members of 41 Field Battery in every war in which Australia has been involved. Demountable units are there also but, unfortunately, they are asbestos ridden and have been recommended for demolition.

The location of the site is near Queens Park, Milford Street Kindergarten, the central state primary school and the Ipswich PCYC. It is suitable for a declaration by the Ipswich City Council as a youth precinct. The 29 Milford Street site is owned by the Australian defence service. I would argue that a tri-service cadet academy should be established by the Rudd government on the Milford Street site. That academy could contain leaders' rooms, an outdoor and indoor training area, a parade ground, an accommodation block, an amenities block, an ar-

moury, storage facilities, an office and reception area, a kitchen and dining area, storage facilities and a museum for the photos and paraphernalia of Australia's military history.

I am pleased to see here Dr Mike Kelly, the Parliamentary Secretary for Defence Support. I have invited him to come to Ipswich and visit this site, and he has agreed to do so. Cadets in Ipswich receive enormous support from the RSL in Ipswich and the Lockyer Valley. The year 2010 marks 150 years of military history for Ipswich—and what a wonderful year that would be for the Rudd Labor government to announce a tri-service cadet academy in Ipswich.

#### **Parkes Electorate: Westhaven Association**

**Mr COULTON** (Parkes) (4.49 pm)—I rise tonight to speak on an issue that affects the disabled community across Australia and which, up until now, has been largely unaddressed. The issue of aged care for people with disabilities concerns many communities in my electorate of Parkes and, I suspect, most communities across the country. Westhaven Association in Dubbo has developed a proposal to allow people with disabilities to age in place.

Westhaven Association was formed in 1957. It provides supported accommodation facilities and supported employment to 96 clients from Dubbo and surrounding areas. Its workforce is very conscientious and hardworking and provides services in the fields of landscaping, confidential document shredding, recycling, and manufacture of products made from sheepskin—including its world-famous ugg boots. Westhaven clients work and live in relative harmony with each other and, to a large extent, are part of the Westhaven family.

Generally, people with disabilities age at a quicker rate than the mainstream community. It is well accepted that people with disabilities are subject to disorders such as diabetes,

epilepsy, blood pressure, stroke, heart conditions, visual impairment and mobility issues at a much younger age than the regular community. Therefore, it is very distressing for these people when they can no longer live in their present accommodation and have to move to hospital or a nursing home. Mostly, by this time in their lives, their parents are elderly or no longer alive, and fellow clients at Westhaven are the only family they have. The Westhaven Association has developed a proposal to address this issue. It proposes to construct a facility where ageing people with disabilities can be cared for in familiar surroundings while remaining part of the Westhaven family.

This proposal has encountered problems because of the grey area between state and federal government responsibility. Traditionally, the state government has primary responsibility for people with disabilities and the federal government has responsibility for aged care. An ageing-in-place facility such as this will ultimately save the federal government money. There will be less demand on mainstream nursing homes and hospitals, as this facility will be able to care for clients until they become very frail. Prior to the federal election last year, the previous government promised to commit funds to the Westhaven project, but the change of government at the election has meant that that promise is no longer able to be kept. I would like to encourage the new government to give consideration to funding the Westhaven ageing-in-place proposal as a pilot project. I firmly believe that this model is transferable and has the potential to fill a large gap that this country presently has in the way we care for people with disabilities. I ask the House to consider this matter.

#### **Charlton Electorate**

**Mr COMBET** (Charlton—Parliamentary Secretary for Defence Procurement) (4.52

pm)—I wish to update the House on some of the issues relevant to my electorate of Charlton in New South Wales. The electorate takes in the western area of Newcastle and Lake Macquarie. It is an area where many people are experiencing the pressures of increased costs of living. As members of the House well know, petrol prices have been increasing and interest rates have been rising, and it is an electorate where a lot of people are feeling the pressure of housing affordability. A higher proportion of people in the electorate than the national average are aged pensioners, the overwhelming majority of whom rely solely on the age pension. In fact, some of the data that was released this week showed that, across the Hunter region generally, about 25 per cent of households have an income of less than \$500 per week. This is partly a reflection of the number of households which are dependent upon the pension. It indicates very clearly the sorts of financial pressure that people are feeling.

There is also in the electorate a significant shortage of GPs. The ratio of general practitioners to the population at the moment is in the order of one GP per 2,000 people. In practice what this means, as in many other regional areas across Australia, is that people cannot get access to a general practitioner. A lot of the general practitioners in my electorate have closed their books and a number of people that I have met have had to travel to Sydney on a number of occasions in order to be able to see a general practitioner.

There are significant infrastructure needs in the electorate. Transport is a problem, particularly with the cost of owning a private motor vehicle. Many constituents—a higher proportion than average—completed school only to year 10 and there is a key interest in improving education and access to trades training in the electorate. The future of the electricity industry and climate change are important issues. Eraring Energy, which sup-

plies around about 25 per cent of baseload electricity generation in New South Wales, is located in the electorate, plus about seven or eight coalmines which supply the New South Wales generation industry. The manufacturing industry is important, too, in the region. Too frequently in recent times I have seen workplaces in the electorate close down, highlighting yet again that many working people do not have adequate protection for their accumulated entitlements. These and many other issues are extremely relevant to the people of Charlton. They are issues that I anticipate will be discussed at a summit that will be held locally on 5 April. That will be co-convened by the member for Shortland and me, focusing on issues in particular in the Lake Macquarie region and western Newcastle area. I imagine many of the issues I have adverted to will be brought forward by people in the electorate.

Some of the initiatives that I as the newly elected local member am taking to try and address some of the issues I have raised include the following. Firstly, Labor made an election commitment to locate a GP superclinic within the electorate. I have begun the consultations with Hunter New England Health in the region, local general practitioners and other members of the community to settle upon a model and a location for the GP superclinic. This will provide much-needed funding to assist in the establishment of infrastructure to enable an existing general practice to expand, for example, as one alternative amongst others, but ultimately with the objective of trying to attract more GPs to the area. In addition, one of Labor's election commitments was to establish a youth outreach centre in Morisset at the south end of the electorate. We also committed in the campaign to trying to ensure that there is an flood early warning system installed in the suburb of Wallsend, which experienced heavy flooding in the June storms last year.

The computers in schools program that Labor has at a national level will be very important for the electorate. I am lobbying very hard for an integrated transport centre in the suburb of Glendale, which will be important in linking up two parts of the electorate where there is a large industrial estate and a large retail area currently divided by a railway line and the transport centre. I am aiming with the support of local government—the Lake Macquarie City Council and the New South Wales government—to establish a railway station and road overpass at Glendale. There are many other issues which will require attention. I wish all members of the House a happy Easter. (*Time expired*)

Question agreed to.

**House adjourned at 4.58 pm**



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*Thursday, 20 March 2008*

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**The DEPUTY SPEAKER (Ms AE Burke)** took the chair at 9.30 am.

**STATEMENTS BY MEMBERS**

**La Trobe Electorate**

**Mr WOOD** (La Trobe) (9.30 am)—I rise this morning to discuss three very important funding applications in my electorate of La Trobe. In August last year I announced that the Australian government was to contribute around \$2 million to the Shire of Yarra Ranges as part of a \$10.7 million upgrade of the Burrinja cultural centre in Upwey. This came after the work of people like Elizabeth Connally, Ross Farnell of Burrinja and Chris Dupe of the Shire of Yarra Ranges. This application has been strongly supported by the state Labor member, Minister James Merlino; the Mayor of the Shire of Yarra Ranges, Tim Heenan; Councillor Noel Cliff; and former Councillor Louis Delacretaz. The funding will be used to build a new 400-seat performing arts centre, to upgrade Burrinja's existing facilities and to construct a new Indigenous cultural education garden. However, as I understand, the formal contract has still not been signed off. Suddenly the project has stalled and has been placed on hold. Apparently the Labor government's philosophy at a federal level is that, if the final contract documentation has not been signed, it is fair game for their razor gang. It is time the Labor government made their position on the status of this project clear.

Secondly, in June last year after a great deal of hard work Barbara Rose, Principal of Kallista Primary School, applied for \$150,000 to build a school and community children's kitchen under the Healthy Active Australia grants. Kallista Primary School is one of 20 Victorian primary schools who are part of the Stephanie Alexander Kitchen Garden Project, with children in grades 3 to 6 spending a one-hour session each week in the school's produce garden. Here they plant, care for and harvest the fresh produce, from which they prepare meals for themselves and volunteers in the kitchen. Because of delays, Kallista Primary School has not been able to determine whether they can actually go ahead with this project and are relying on local donations. I call on the Rudd government to make a decision on this project.

Finally, the Sherbrooke Art Gallery submitted a Regional Partnerships application in July 2007. Sadly, again, this application still has not been assessed. Jane Warming has put in a magnificent application with Michael Freshwater and Max Bartlett. Again, the state Labor government has contributed to this project. So, previously we had all levels of government in La Trobe—council, state and federal—working tirelessly to get these projects up and running. The society has received, as I said, \$70,000 from the Victorian government. It will be very sad to see the Sherbrooke Art Gallery, the Kallista Primary School project and Burrinja not go ahead because the Rudd government does not care about local community groups.

**Ms Cherie Adams**

**Forde Electorate**

**Mr RAGUSE** (Forde) (9.33 am)—I want to talk today a little bit about the campaign for the election of 24 November. During my first speech I paid tribute to a number of people who supported me over a number of years. I would also like to make mention of a list of people to whom I could not, because of the time constraints of that first speech, give due regard. In particular, I would like to mention a sad and tragic event that occurred within the Liberal Party

branch of my opponent during the campaign. Cherie Adams, who was a former staff member of the retiring member, Kay Elson, as well as an active campaign team member for the Liberal Party and wife of local branch stalwart Richard Adams, died suddenly at her desk. Cherie Adams was a long-term loyal Liberal Party member with whom I had had a number of discussions during the time leading up to the campaign. While passionate about her politics, she was always polite and respectful. I would like again to extend my sincere condolences to Richard and his family, but also to those who knew Cherie as a friend.

On 15 March last weekend in Queensland the quadrennial local government elections took place. True to his determination, in a display of inner strength Richard Adams was elected as a councillor to the newly created Scenic Rim Regional Council. For this I would like to further congratulate his efforts and ongoing commitment to the community.

At this stage I would also like to take the opportunity to congratulate other successful candidates in the three local authorities that cover my electorate: Gold Coast City Council, Logan City Council and the new Scenic Rim Regional Council. At this point in time there is still some preferential work going on. The Gold Coast City Council mayor has not yet been selected. I would like to congratulate those two other mayors, the new Mayor of Logan City, Pam Parker, and Scenic Rim Regional Council Councillor-elect John Brent. These representatives have taken on a large task, and I wish them all the best and my support over the next four years.

On the subject of community and friends, I would like to briefly list friends and supporters who gave so much in different ways during my campaign for election to this House: Senator Claire Moore; Dave Cooke and Brett McDonald; Craig and Nicki Dowling; Phil Kesby; Michael and Pattie Crooks; Luke Giribon; David Kassulke; John Penglis; Alan, Brad, Garry and Greg Teys; Anne Syvret; Elise Henry; Catherine Savage; Miryana Jovanovich; Robert Hough; Ken McKay; Margaret Matters; Marilyn Buswell; Helen Gibson; Craig O'Leary; Ada and Jamie Banks; Jasmine Deveney; Phillip Bell; Karen and Des Madgwick; Paul and Chris Hampson; Dawn Brophy; Dianne Lydiard; Steve Alcock; Diane and Geoff Dixon; Phillip Winter; Colin Foote; Heather Kruse; Tony Chadwick; Helen Dooley; Robert Wilson; Clinton and Rhonda Arentz; Charlie and Margaret Myers; and Richard and Susan Heatherington. As I said, it was a long campaign for all of us. Life goes on behind the scenes, and I am paying tribute today to Richard and Cherie Adams—certainly to Cherie Adams, who unfortunately met a tragic end. All the best to that family, and all the best to those people who helped me in the campaign. Thank you.

#### **Ms Cherie Adams**

#### **Australian Pork Industry**

**Mr COULTON** (Parkes) (9.36 am)—I would like to endorse the comments of the member for Forde about Richard and Cherie Adams. Indeed, they were long-term residents of my home town for many, many years, and the Adams family are still there. Cherie's death was indeed a tragedy, very sudden and very hard for the family to accept.

I rise today to speak about my concerns with the Australian pork industry. As this House would know, the Australian Productivity Commission is undertaking a review of the pork industry at the moment, and its findings will be made known at the end of this month. Preliminary reports indicate that it believes that the imports of pig meat into this country are not af-

fecting the pork industry; however, the pork industry does not believe this is the case and, quite frankly, neither do I. The Australian pork industry has undergone tremendous suffering and shrinkage in the last few years. Indeed, at the moment that is at an accelerated rate. Already this year, 14,000 sows have already been culled, and it is expected that by June another 73,000 sows will be culled from the Australian breeding herd.

I believe that the pork industry is in dire straits and is in need of some form of assistance from the government. Australia will need to decide whether we are going to have a pork industry at all or whether we are going to rely entirely on imports into this country for pig meat. At present, pig producers are losing \$30 per pig, and they cannot sustain this rate. One of the problems with exiting the industry is that the infrastructure in pig production is very specific, so these producers are asset poor and are not able to exit the industry. The current high prices of grain throughout the world are also impacting on the pig industry. I call on this parliament to look at the issues with the pig industry, because I believe that, unless firm action is taken immediately, by the end of the year the pig industry and pork production in Australia will cease to exist.

#### Homelessness

**Mr SIDEBOTTOM** (Braddon) (9.38 am)—At the end of February, I had the privilege of visiting the Burnie Youth Accommodation Service in Cooe. Many members in this parliament show a keen appreciation of and concern for homelessness. I want to acknowledge the work of this organisation—in particular, its CEO, John West; Alisa White, who was one of the service client managers; and Beth Singleton, who is the chair of the board.

The figures on homelessness are difficult to present accurately, but I noticed from the Supported Accommodation Assistance Program statistics for 2006 in Tasmania that, of nearly 4½ thousand Tasmanian SAAP clients, 1,700, or 39 per cent, were under 25. This included 70, or 1.6 per cent, who were under 15. As SAAP only accommodates 13 per cent of homeless people, these figures in real terms are likely to be much higher. Another study found that over 1,000 homeless Tasmanian young people were aged between 12 and 18. This implied that 42 per cent of the homeless population in Tasmania were aged between 12 and 18. The Tasmanian government submission to the National Youth Commission inquiry into youth homelessness states that the rate of Tasmanian youth homelessness is one in every 48 young people aged between 12 and 18—I reiterate: one in 48.

We are all aware of the pressures on the private rental market and on public housing. They continue to increase. In Tasmania in particular, median house prices have escalated so much that they have started to reach mainland levels. So there is great pressure on accommodation, particularly rental; it is very, very difficult indeed. Then there are legal barriers to signing leases for people under the age of 18 in the private rental sector, so there is further increased pressure on accommodation and crisis accommodation services and, unfortunately, parents and relatives of homeless young people are disinclined to be guarantors.

I must say that the young people who I met at this centre had dignity. They had very pertinent and personal reasons why they were homeless and they were looking for security in their future. I hope that our government will, in the future, consider forgiving what Tasmania owes on the Commonwealth-State housing debt, on which Tasmania pays to the Commonwealth \$17 million annually just in interest on earlier grants. If we could release that money, we would certainly be able to support this cause of trying to deal with homelessness in Tasmania.

**Moncrieff Electorate: Road Closure**

**Mr CIOBO** (Moncrieff) (9.41 am)—I rise to talk about an important local issue for my constituents on the Gold Coast, and that is the Queensland Labor government's decision to close the Worongary North-Elysium Road Interchange—that is, exit 75 on the M1. I spoke to thousands of local residents in that community and wrote directly to them seeking their opinions and views about whether or not exit 75 should be closed. What came back in a very resounding and clear way to me was the universal view of residents in that part of the Gold Coast that they did not want exit 75 closed. I had over 640 local residents sign a petition and write, together with me, to the state Labor Premier to say: 'We do not want this road closed. Do not close this exit. It is a bad decision.' They asked the state Labor Premier to listen to the local community, recognise the very negative impact there would be on the local community as a result of this exit closure and, most importantly, make sure that the state Labor government actually took into account the concerns of the thousands of local residents in the community.

I wrote that letter—a copy of which is here—to the state Labor Premier on 10 October last year. And I am yet to receive a reply. I am not surprised that the state Labor Premier is not prepared to write back to me. But I am surprised that the state Labor Premier would turn her back on and ignore the thousands of local residents on whose behalf I wrote this letter and who were happy to sign my petition. I take this chance to implore the local state Labor MP, Di Reilly, who says on her website, in the first line under her welcome message:

A good local MP stays in touch with local residents.

The first sentence! That is not worth the paper it is printed out on. It is very clear that the local state Labor MP is not prepared to stay in touch with local residents, is not prepared to talk to local residents about this issue and would rather put her fingers in her ears or put her head in the sand and not listen.

The coalition federal government put \$455 million on the table for the widening of the M1. I would like the new Rudd Labor government to make sure that, if that money is going to be spent on this project—as it should be—the Queensland Labor government listens to local residents and does not close exit 75. I urge the local Labor MP: please, talk to Good Stuff Bakery's Nick Horgan; talk to Karen Fullarton from City Link Tiles; talk to Mark Bonner from Cut Price Fencing; and talk to Bob Gibson from Bisy Recycling. I have spoken to all of them. They highlight the way this exit closure will have an adverse impact on them and will push heavy vehicles through local neighbourhoods. It is a bad decision. The state Labor government should listen to the community and, most importantly, should respond to my letter and the letters of 640 locals. (*Time expired*)

**Blair Electorate: Ipswich Central Business District**

**Mr NEUMANN** (Blair) (9.45 am)—I rise today to speak on the future of the Ipswich CBD. Sadly, while the city of Ipswich has thrived, the Ipswich CBD has suffered. With major population and industry growth in the Ipswich corridor, it is important that Ipswich has a CBD that reflects its important future and position in the Queensland economy. I am pleased to announce that all three levels of government—federal, state, and council—are committed to revitalising the CBD and forging a blueprint for Ipswich's future as a liveable city. A re-

vamped CBD will boost the city's economy, create jobs and draw residents and visitors into the inner city.

The new Rudd Labor government promised at the last election that \$10 million would go towards the Ipswich CBD, in particular for seed money for a new football stadium, a Southbank-style lagoon and a performing arts centre. We also committed to establishing a GP superclinic in the heart of Ipswich and a defence families healthcare clinic. These will be enormous investments in the Ipswich CBD and, together with the council's Ipswich Integrated Strategy and Action Plan, will breathe new life into Ipswich. These plans, announced by the Queensland state Labor government, will inject an enormous amount of potential into Ipswich. A new transport hub will also add value to the Ipswich CBD.

I am pleased to say there is another significant boost to the CBD with the redevelopment of the historic Ipswich Post Office building and the adjoining land between Brisbane and Limestone streets. The new project will be called Tower Central. It will have cafes, shops and professional offices. The original Post Office building is significant from a cultural heritage perspective as it is one of only three surviving grand post offices built in Queensland at the time of Federation. An extra 200 workers as well as public servants will work in the Ipswich CBD. I am pleased to announce that I have met with Anita Birtcher and Kathryn Meland from Australia Post who have committed to me that Australia Post will remain in the CBD. It is my understanding that Australia Post will sign a 10-year lease with options to renew. With a guarantee of Australia Post in the heart of the CBD, Tower Central, the plans of the Ipswich City Council and the Queensland state Labor government, I am confident we will see a renaissance in the Ipswich CBD.

I welcome the re-election of Ipswich Mayor Paul Pisasale and Deputy Mayor Victor Attwood, both prominent Labor Party figures, on 15 March 2008. I will work with them and the local member for Ipswich, state Labor MP Rachel Nolan, to revitalise the Ipswich CBD. I also congratulate Steve Jones on his election as Mayor of the new Lockyer Valley Regional Council and John Brent as Mayor of the Scenic Rim Regional Council, and I will work with them. With all three levels of government working together, Ipswich, the Lockyer Valley and the Scenic Rim will achieve their potential as vibrant and growing community hubs in south-east Queensland.

#### **Forrest Electorate: Augusta Margaret River Tourism Association**

**Ms MARINO** (Forrest) (9.47 am)—I rise to support the Augusta Margaret River Tourism Association in my electorate of Forrest, which is in the final process of completing concept design and working plans for a \$3.2 million redevelopment of Jewel Cave near Augusta. The association is a not-for-profit organisation and the custodian of three show caves—Lake Cave, Jewel Cave and Mammoth Cave. It is also the custodian of the Cape Leeuwin Lighthouse and seven other caves which are not currently open to the public. The caves received 125,000 visitors in 2006-07. They are a world renowned tourist attraction and a great source of income, which is reinvested in tourism services and promotion and a source of local employment.

The preservation and redevelopment of Jewel Cave is primarily on environmental grounds to protect the asset and enhance the visitor experience. The redevelopment will be substantially supported by the group's own funds, but to complete the project it will be applying for grant funding from various bodies and institutions. It has already been successful with grants of \$500,000 from LotteriesWest, \$60,000 from the South West Development Commission and

\$23,000 from the federal government's Envirofund. The Augusta Margaret River Tourism Association has been working for more than a year with the South West Area Consultative Committee and the federal government's Department of Transport and Regional Services on a Regional Partnerships grant for \$810,000.

This important project deserves support. The Augusta Margaret River Tourism Association has proven ability to manage large projects and redevelopments, having previously managed many projects partly funded by grant moneys, including major works. The beneficiaries will be: the people of WA and the Margaret River region, in preserving and maintaining one of their state's natural assets; the tourists to the area who will have an improved visitor experience; the tourism industry, which will benefit from the increased number of tourists; the local community, with the creation of new jobs; and the Augusta Margaret River Tourism Association, with maintained and hopefully increased income which, in turn, will be used to promote tourism to the area and provide better tourism services and attractions. Given the growth in the buoyant region in the south-west, one of the nation's fastest and highest growth areas, the economy has experienced rapid industrial and residential growth. WA visitors contribute nine per cent to the national tourism market. I strongly support the Augusta Margaret River Tourism Association in their project and funding application.

#### Fuel Prices

**Mr SULLIVAN** (Longman) (9.50 am)—I rise to mention an email that I received from constituents Tim and Renae Smith at about 11 pm on 18 March. They sought to draw to my attention the practice of the Lawnton Shell fuel outlet just south of my electorate. On Tuesday they discovered, on turning up at the petrol station, that the staff had been instructed not to sell any more fuel that day because they were 'out of petrol'.

I can understand that supply problems occur occasionally, and that perhaps the Lawnton Shell outlet was out of petrol on that day. By coincidence so were a number of Shell outlets in Brisbane and the Gold Coast and, by an even more extraordinary coincidence, it appears that this shortage had spread to Sydney. The *Daily Telegraph* this morning has quite a bit to say about this extraordinary coincidence:

NRMA president Alan Evans said mysterious fuel shortages ... represented a new "dirty trick" by the oil companies.

I noticed on television last night that the NRMA spokesman said that their tracking suggested that fuel should have been selling in Sydney yesterday at 136c a litre, not the 149c a litre it was being sold for at the time.

The *Telegraph* editorial this morning has a few words to say about it. It sets out the situation, which is that fuel companies are flexing their muscles prior to the introduction of the fuel commissioner at the end of this month. It says:

... when there is a perception that the oil companies manipulate the market by choking off supplies of high volume retail product to limit sales when prices are low, motorists will feel aggrieved.

And aggrieved they are. The ACCC's Mr Samuel has gone on to promise that he is going to shame those companies. These companies appear to have no shame whatsoever, and I think we need to look at stronger sanctions against oil companies who behave in this manner. Everybody here has to realise that the people who are most affected by price fluctuations are the people who can least afford to pay. These are the people who have worked their family budg-

ets around buying fuel at the bottom of the fuel price cycle on a Tuesday, and I think it is disgraceful that fuel companies shut down fuel supplies on that particular day.

### **Telecommunications**

**Mr BALDWIN** (Paterson) (9.53 am)—I rise to bring to the House's attention concerns I have about the way the Rudd government rammed through a bill and guillotined debate on telecommunications. Last night a bill called the Telecommunications Legislation Amendment (Communications Fund) Bill 2008 was rammed through the House of Representatives. This bill should have been called the 'Telecommunications (Raid Fund) Bill'. It is allowing them to take \$2 billion set aside in a fund for regional and rural communications. This fund was to provide its earnings for upgrading and support in regional and rural areas.

We all went through the pain of the sale of Telstra, and one of the issues coming out of the Estens review was that money would be set aside for regional and rural areas. Members opposite spoke long and hard about regional and rural areas and funding requirements and telecommunications. I remember that it was actually the former Labor government that signed off on a digital network without any replacement for the analog network, and it left massive black holes in my constituency in communications.

It was former Deputy Prime Minister Tim Fischer who went out and sought the introduction of the CDMA network, which works across regional and rural areas. It was through the allocation of specific funding that towers were put up throughout areas in my electorate, such as Dungog, Gloucester, Stroud and many other areas, to provide telephone communications. We will now see \$2 billion stripped out of the fund and that money will be moved to Sydney, Melbourne and Brisbane as the government embark on this digital network fibre-optic cable that they want to install. In regional and rural areas the only way to get high-speed internet access is through wireless communications. In many areas of my electorate, particularly around Barrington Tops and Gloucester, there are a lot of valleys and a lot of areas that are a long way from mainstream communications. In fact, a lot of people in my area do not even receive terrestrial television; they have to subscribe to satellite television because terrestrial television is not there. It was through the efforts of the Howard government and a lot of lobbying that we got television black spot funding and specialised towers put in to address the needs and the concerns of our community. We see this \$2 billion raid on people in regional and rural areas as a disgrace, and that disgrace was amplified by the fact that the bill was guillotined last night, denying members in regional and rural areas the opportunity to speak. I also noticed that there were very few words spoken by members of the Labor Party in regional and rural areas against this raid on money that was set aside for their constituencies to improve communications. It proves that they are hypocritical in the extreme.

### **Lindsay Electorate: Muru Mittigar**

**Mr BRADBURY** (Lindsay) (9.56 am)—I rise to recognise the achievements of one of my electorate's great success stories: local tourism provider and Indigenous employer Muru Mittigar. Muru Mittigar was the winner for the second consecutive year of the 2007 Qantas Australian Tourism Award for Indigenous tourism. This latest accolade follows Muru Mittigar's previous win at the 2007 New South Wales Tourism Awards. Established back in 1998, Muru Mittigar, which means 'pathway to friends' in the language of the Dharug tribe, is an outstanding example of the calibre of community minded enterprise contributing to the local community in the Lindsay electorate. Muru Mittigar was established under the auspices of the

Penrith Lakes Development Corporation as an initiative of the Indigenous communities of Western Sydney. It currently employs 46 staff and not only delivers an outstanding Indigenous tourism experience that has deservedly attracted nationwide praise but also serves as a significant training provider for Indigenous people.

Muru Mittigar provides local residents and tourists with a rare insight into Indigenous culture, offering to visitors a range of experiences including art and artefacts, bush tucker, dance performances, a native plant nursery and cultural demonstrations. Muru Mittigar is a constant source of pride for the Western Sydney region. Muru Mittigar is also working hard to develop a strong sense of community. It delivers very real assistance to local Indigenous people seeking to learn new skills and enter or re-enter the workforce, including a very successful Work for the Dole program that is run in conjunction with JobQuest. Muru Mittigar also places a priority on the health of the local natural environment, with its staff undertaking bush regeneration and maintenance and also operating the only Aboriginal-run nursery accredited by the Nursery Industry Association. This nursery has received the highest of accolades from my wife and my mother-in-law! I take this opportunity to extend my congratulations to the team at Muru Mittigar. In particular I wish to acknowledge the general manager, Jill Ritherdon; operations manager, Lesley Edwards; members of the cultural services team, Robert 'Rab' Hammond, Fran McEwen, Tracey Andrews and Tom Kitchener; and members of the art services team, Kevin Welsh, Jerry Payne and John Boney. Once again I congratulate all the staff at Muru Mittigar on their fine win and their ongoing contribution to the local community and in particular the Indigenous community of Western Sydney.

**The DEPUTY SPEAKER (Ms AE Burke)**—Order! In accordance with standing order 193 the time for members' statements has concluded.

#### **LANDS ACQUISITION LEGISLATION AMENDMENT BILL 2008**

##### **Second Reading**

Debate resumed from 13 February, on motion by **Mr Tanner**:

That this bill be now read a second time.

**Mr DUTTON** (Dickson) (9.59 am)—The Lands Acquisition Legislation Amendment Bill 2008 proposes to amend the Lands Acquisition Act 1989 to decrease administration regulation. These amendments are based on feedback from Commonwealth agencies and relevant stakeholders on the practical operation of the act given to the coalition government. The coalition supports any move to reduce administration and regulation, but unfortunately this is not Labor policy. This bill is identical to the Lands Acquisition Legislation Amendment Bill 2007 introduced into the Senate by the coalition but which lapsed as a result of the election. Minister Tanner has merely recycled and rewrapped coalition policy and tried to sell it as part of Labor's policy on deregulation.

This bill does not represent the government's plan to decrease regulation and administration. It represents yet another case of replicating by Labor and more 'me-tooism' by Kevin Rudd. I guess it makes sense in one way that they would want to copy the coalition, because the coalition certainly has a proven track record when it comes to reducing administration and regulations. In its recent *Going for growth* report, the OECD rated Australia as the most open economy in the Western world in terms of light-handed market regulation. In fact, the OECD says Australia's economy is not only the most open for market regulation but also the best for



the impact of regulation on economic behaviour, as well as having the greatest extent of private ownership and the lowest level of regulation of road freight. This testimony is a clear rejection of the government's arguments that the coalition overregulated the economy. But there is still more to be done, and a great deal of cumbersome red tape and administration is imposed by the Labor state and territory governments.

The Business Council of Australia's report *Towards a seamless economy* presents strong criticisms of COAG for their slow progress in the deregulation of the economy. These criticisms sit squarely on the shoulders of Labor state and territory governments. Reform through COAG has been slow, there is no doubt. This has clearly been caused by the state governments. All the evidence shows that, despite the reform efforts of the former coalition government, on each occasion they were blocked by the state and territory Labor governments. The coalition pushed for the removal of unnecessary regulations and taxes at the state government level, but we were blocked at many stages. For example, the unions have stopped their Labor state governments from doing any meaningful reform of occupational health and safety.

The coalition government greatly reduced the red tape burden on small business, and Australia is now ranked as having the second easiest economy in which to start up a business. Measures introduced by the coalition include: investing \$49 million over four years to streamline the Australian business number, or ABN, and business name registration across Australia, including trademark searching; establishing a dedicated \$50 million Regulation Reduction Incentive Fund to reduce the red tape burden imposed on small business by local government, saving small business an estimated \$450 million in time and money; and the development of standard business reporting to reduce the reporting burden on small business.

For the benefit of families, the coalition took significant steps to simplify the process for paying health and social services benefits. In 1997 the then coalition government established Centrelink, a one-stop shop for managing the delivery of payments. In 2000, family allowance was reformed to reduce 12 different payments to three: family tax benefit part A to help with the cost of raising children, family tax benefit part B to provide assistance to single-income families, and the childcare benefit, otherwise known as CCB. At the same time, the addition of family assistance officers' services to the ATO and Medicare shopfronts immediately increased family assistance access points by 246 officers around the country.

The coalition undertook changes to make it easier for customers to access and understand their entitlements and cut red tape to make it easier for them to receive their correct welfare and social security entitlements. These reforms meant the abolition of 37 forms and letters, and will have saved 22.6 million pages of paper. In addition, the coalition government developed a new childcare management system which will result in better information on child care than ever before and also reduce red tape for services.

For Labor, from what we have seen in the first few months of this government, spin and stunts matter more than substance and solutions. The government has, in just over 100 days, already begun to incur significant costs, with substantial new spending on bureaucracy at the expense of valuable programs and support adversely affecting the disadvantaged. Labor's claim that Labor would save taxpayers money by cutting the size of the bureaucracy is undermined by its own pledge to establish a raft of new government bodies and hold a string of reviews and inquiries. At last count, Labor had announced around 100 reviews and inquiries

and nearly 70 new government departments, committees and task forces. It was reported on 2 September by *Seven News*:

Kevin Rudd's claims for standing for a smaller, less bureaucratic government have been blown apart by a Seven News investigation into his election promises.

... Kevin Rudd's warned that the resource boom could come to an end. But if he becomes Prime Minister there'll be a new boom in bureaucracy.

Certainly the evidence is on the table now that that has been the case.

State Labor governments have also burdened taxpayers with a massive growth in their bureaucracies in recent years. Since March 1996 the number of federal public servants has declined by 121,700, while the number of state public servants has increased by 201,700. Over the same time frame, the wages bill for state public servants has increased by 95 per cent, which is one reason why state debt is \$42 billion and rising. Yet the government persists with the ridiculous notion that spending by coalition governments causes inflation but spending by Labor governments does not. Labor certainly has no substantive plan for Australia's future. That is becoming more evident day by day.

As with its statements about economic conservatives, Labor certainly is all talk and no action. Only two days ago I exposed the Rudd government's failure, and in particular the personal failure of the Minister for Finance and Deregulation, to meet its own best-practice regulation requirements. In particular, the most significant new regulation by the Rudd government, and certainly Labor's first substantive piece of legislation, the Workplace Relations Amendment (Transition to Forward with Fairness) Bill 2008—

**Mr Tanner**—Madam Deputy Speaker, I rise on a point of order. I draw your attention to the fact that this is a debate about the Lands Acquisition Legislation Amendment Bill and for the past six or seven minutes the speaker has not made a single reference to that bill or the contents of it and has been dealing with a whole range of other matters.

**The DEPUTY SPEAKER (Ms AE Burke)**—The member for Dickson will refer to the bill in his remarks.

**Mr DUTTON**—Just on that point, Madam Deputy Speaker: it is hard, almost impossible, for the Minister for Finance and Deregulation to make that statement, because he was not here for the opening remarks that I made. So his statement is flawed and no doubt he does not—

**The DEPUTY SPEAKER**—But I was, Member for Dickson, and I am in the chair and you will come back to the bill. Thank you.

**Mr DUTTON**—The reality is that this is a very, very touchy minister, who has had a very rocky start. I said in my opening remarks, in relation to the Lands Acquisition Act, that we are talking about efforts in this bill to remove administration and regulation. The issues of administration and regulation, which go to the core of this bill, are also the substance of what I have been speaking about over the last few minutes. That is what makes these points so pertinent in relation to the government's so-called fight against regulation.

As I say, the most significant new regulation by the Rudd government has been the Workplace Relations Amendment (Transition to Forward with Fairness) Bill. There was a clear failure by the government to apply its best-practice regulation requirements. These huge gaps suggest to me that either the government has no plan for reducing red tape or it knows that Forward with Fairness will increase red tape and costs on business.

There are two other significant Rudd government changes which do not contain an RIS—the changes to tax deductibility for political donations contained in the Tax Laws Amendment (2008 Measures No. 1) Bill 2008 introduced into the parliament recently, and the removal of the higher education workplace relations requirements contained in another bill.

What is important in relation to this debate on this particular piece of legislation, particularly in relation to this issue of regulation and the reduction of red tape, is the way in which the government are conducting themselves in the eyes of business. Business certainly want to have confidence to invest in capital and to employ more staff, and that goes not just for large business but, most importantly, for small business as well. They are significant employers across the country and that means that they look to the government to see what actions they are taking, what legislation is coming before the parliament and the way economic statements are made by the respective ministers. It is amazing that Mark Latham is so accurate in his article in the *Australian Financial Review* today, in which he talks about economic matters such as are contained within this bill. If I could quote from his article:

His laughter came rollicking through the telephone, a man revelling in the discomfort of a parliamentary colleague. It was mid-May 2005, the caller Joel Fitzgibbon, then the assistant shadow treasurer and now Kevin Rudd's Minister for Defence—

**Mr Tanner**—Madam Deputy Speaker, I rise on a point of order. This clearly has absolutely nothing to do with the bill before the chamber and I would urge you to call the member back to the question. If he continues to defy your ruling, sit him down.

**The DEPUTY SPEAKER**—The member for Dickson is straying significantly from the bill. The quote he is reading has nothing to do with the legislation before the House and I ask him to return to the bill at hand.

**Mr DUTTON**—Madam Deputy Speaker, just on that point of order made by the minister, if I could explain the position that I have taken. As I said in my opening remarks, when you were engaged in discussion with one of the clerks, the reason for me raising this very important issue is that this bill does go to the very important issue of regulation and red tape reduction, which is an important economic outcome that the government is striving for, and business confidence flows from—

**The DEPUTY SPEAKER**—The member for Dickson—

**Mr DUTTON**—If I could just finish the point, Madam Deputy Speaker. Business confidence flows from the way in which government ministers are perceived, the legislation that they introduce into parliament and the public statements that they make. These are all issues which go to the core of this bill and it is why, Madam Deputy Speaker, in my submission to you, this quote is particularly relevant, as is the sentiment contained within the economic community at the moment.

**The DEPUTY SPEAKER**—Member for Dickson, I read the second reading speech while you were making your remarks to try and clarify what the bill is in fact about. It quite clearly states, 'Land Acquisitions Legislation Amendment Bill'. I quickly read the schedule in front of me and the second reading speech to identify if your remarks had any justification, and I do not think they do. I have allowed you to go on for 10 minutes. I do really require you to come back to the legislation before you.

**Mr DUTTON**—Madam Deputy Speaker, I am happy to oblige with your ruling.

*Government member interjecting—*

**Mr DUTTON**—I do not even know who that person is making an interjection—such insignificance it brings to this place!

**The DEPUTY SPEAKER**—Order, the member for Dickson!

*Government members interjecting—*

**The DEPUTY SPEAKER**—Order! We will have some quiet. Member for Dickson, that was uncalled for and I would ask you to come to the bill before us.

**Mr DUTTON**—Thank you, Madam Deputy Speaker. If you could address interjections as well, that would be helpful in these proceedings.

**The DEPUTY SPEAKER**—I did ask them to be quiet before I called you.

**Mr DUTTON**—The point that needs to be made in relation to this debate is that this government is putting itself forward through pieces of legislation of this nature to aid a reduction in administration, in regulation—

**Ms Hall**—Madam Deputy Speaker, on the same point of order—

**The DEPUTY SPEAKER**—Order! The member for Shortland, like everybody in this House, has to realise they need to get the call before they start speaking.

**Ms Hall**—My apologies, Madam Deputy Speaker. My point of order is the same as the previous point of order. The member is absolutely defying your ruling and has gone back to exactly the same train of argument that he started with.

**The DEPUTY SPEAKER**—I thank the member for her point. I will ask the member for Dickson to be relevant to the bill before the House.

**Mr DUTTON**—As I said, this bill goes to issues of reduction in administration; it goes to issues of better accountability from the government; it goes to issues of substance in relation to economic policy. Can I just say that, thus far, this government has demonstrated no capacity to reduce administration to provide for easier outcomes for business to be conducted in this country. I think that is becoming evident and it was highlighted in Mr Latham's piece today.

Can I just say in closing that the opposition does support this bill because, as I say, it reflects identically the bill that was introduced in 2007 by the previous government. It has very many worthy aspects to it, and that is why there is no opposition from the alternative government in relation to this bill. But the point needs to be made that business confidence is at a record low, with the Treasurer having been in power for only several months now. There are worrying signs on the horizon for our economy. There are international factors which are impacting on our economy but, most importantly, domestically, people are watching very closely the statements made day by day by a Treasurer who, in the words of Mr Latham, is certainly inept.

**Mr TANNER** (Melbourne—Minister for Finance and Deregulation) (10.15 am)—in reply—The Lands Acquisition Legislation Amendment Bill 2008 makes a number of important amendments to the Lands Acquisition Act 1989. The amendments proposed in the bill update the act to: enable Commonwealth mining regulations to be promulgated; apply penalties to breaches of the act with respect to mining that are commensurate with Commonwealth criminal law policy; make the act more efficient by giving the Minister for Finance and Deregula-

tion the power to initiate the claims process and making the Minister for Finance and Deregulation responsible for an administrative function; eliminate an inconsistency by making the Cocos Islands land administration exempt from the act, consistent with the Christmas Island and Norfolk Island acts; reduce the duplication of tabling of commercial, in the market transactions; and repeal the redundant Lands Acquisition (Defence) Act 1968.

The amendments in relation to mining will enable the promulgation of Commonwealth mining regulations for the administration of mining on Commonwealth land and will enable state and territory legislation to be applied in a manner consistent with Commonwealth policy. The amendments provide for a penalty regime for breaches of the regulations under the act that is in line with the Commonwealth's criminal law policy. The amendment imposes a maximum penalty of 50 penalty units for an individual and 250 penalty units for a body corporate for breaches of regulations made under the act. The process of promulgating Commonwealth mining regulations will entail extensive consultation and agreement with states and territories.

Enabling the Minister for Finance and Deregulation to initiate an offer of compensation to an interest holder without a claim being made promotes efficiencies and fairness in the application of the act. This will also expedite the compensation process and ease financial and administrative burdens in relation to compulsory acquisitions. In relation to offers, the rights of recipients of offers to review processes under the act are preserved.

The amendment exempting land on the Cocos Islands from the act will correct an anomaly. Dealings in land on Cocos Island under the Cocos (Keeling) Islands Act 1955 had, by reason of oversight, not been made exempt from the act. This bill will bring the administration of land on Cocos Islands in line with land administration on Christmas Island and Norfolk Island, without the intervention of the act.

The amendment which removes the tabling of commercial acquisitions on market of an interest in land reduces duplication and administrative burdens. Accountability and transparency of commercial acquisitions is provided by AusTender. This amendment brings the acquisition of land in line with the Commonwealth procurement guidelines. This amendment accords with initiatives to reduce red tape in government administration. It creates efficiencies by reducing duplication and associated administrative costs.

The repeal of the Lands Acquisition (Defence) Act 1968 eliminates redundant legislation. This legislation was created in order to acquire public parkland in New South Wales. This acquisition has long since passed and the Lands Acquisition (Defence) Act 1968 can now be repealed. I thank honourable members for their contributions to the debate on this piece of legislation. I commend the bill to the House.

Question agreed to.

Bill read a second time.

Ordered that the bill be reported to the House without amendment.

**CLASSIFICATION (PUBLICATIONS, FILMS AND COMPUTER GAMES)  
AMENDMENT (ASSESSMENTS AND ADVERTISING) BILL 2008**

**Second Reading**

Debate resumed from 14 February, on motion by **Mr Debus**:

That this bill be now read a second time.

**Mr PERRETT** (Moreton) (10.19 am)—I am pleased to speak in support of the Classification (Publications, Films and Computer Games) Amendment (Assessments and Advertising) Bill 2008. The laws relating to how we classify or rate media are important for allowing consumers to make informed choices about what they see and hear, and they are important for protecting children and young people from viewing inappropriate material. The laws also provide a degree of regulation for a highly competitive industry. It is certainly amazing how much things have changed since when I was a kid. If I wanted to research a topic in primary school, I would have to jump on my bike, go down to the library in a small country town, see if the books were in and, if the books were not in, wait a couple of weeks for them to come in from another country town—whereas, nowadays, a 10- or 12-year-old boy can look up porn from all over the world very quickly. That is the change that the World Wide Web has made in terms of accessing information.

The National Classification Scheme classifies films, including video, DVDs, computer games and some publications. State and territory governments also have classification legislation in place to enforce the scheme. This bill will put in place a scheme to allow unclassified computer games to be advertised before they are classified. Of course, this is subject to various conditions.

The bill also streamlines the classification process for films that are one or more episodes of a television series broadcast in Australia. Under the National Classification Scheme, films and computer games cannot legally be advertised until classified. However, under the advertising exemption scheme a limited number of exemptions can be granted. There is a set quota of 110 exemptions each year. These apply to major cinema releases where the film has not yet been completed, and therefore cannot be classified, when advertising begins. I am sure we have all sat in cinemas and seen the ads saying, ‘This film has not yet been classified.’

Last year the classification scheme reviewed more than 800 computer games. Currently computer games cannot carry advertisements for games that have not yet been classified. The computer game industry, I will inform those people who are over 18, is a very big industry in Australia. In fact, last year the computer games industry out-profited the cinema industry. It is not an area that I have been into, but at each shopping centre you go to now you see shops that are full of computer games. So this measure is similar to cinema’s in that it lets people buy a game before it has been classified by the Office of Film and Literature Classification. With this new industry it is very appropriate that such a huge number of consumers should be afforded the same promotional tools that are available to cinema. I point out that Australia is actually leading the way in a lot of computer games. We have a computer game industry, especially in Brisbane, that is taking on the rest of the world. So, anything we can do to help it, such as treating it the same as cinema, is good.

There is self-regulation of the industry, which improves efficiency and lowers the regulatory burden for distributors. So this bill is a step in the direction of eliminating some of that red tape. I commend the former government, and the current Rudd government, for having taken steps in that direction.

An authorised assessment scheme will be in place for distributors to assess their games prior to classification by the board. Assessors are trained annually in a course approved by the Director of the Classification Board. Distributors are therefore able to assess their computer

games for advertising and they must ensure they are advertised with games of the same rating. For example, PG games can only be advertised with PG games or higher. So, if parents and kids are in a shop, they will know that they will only be looking at similar sorts of games. But the safeguard for all Australians ensures that the final classification still lies with the board. I stress that, as it is very important: the Australian government still has the final say. The assessors at the Office of Film and Literature Classification still make the final decision based on what is in the game. There is currently a high level of consumer confidence in the film self-assessment scheme, so there is no reason why this will not work for computer games also.

The classification scheme is a very effective one. All films are classified within 20 days of lodgement with the board. With more than 8,500 films and DVDs, and 800 computer games, reviewed every year this is an incredible workload. One of my brothers works at the Office of Film and Literature Classification and it has been amazing over the years to listen to the stories of what they have to sit through. Unfortunately many of those 8,500 films are pornographic, and it is apparently incredibly mind-numbingly boring to watch porn all day or, even worse, to watch sitcoms all day, going all the way through, or, likewise, to go through all the different levels of computer games to make sure there is nothing inappropriate. Obviously, with young, impressionable minds playing these games or watching these films, it is important that the state plays a role in making sure that the classification is appropriate. Having had a sibling that works in this area, I commend the work of all of those at the Office of Film and Literature Classification.

I am also pleased that this bill will prohibit films that are likely to be classified PG or higher being advertised to an audience for a G film. Basically, if you go along to a G-rated movie you will not be seeing ads for a PG film. Under current measures, films granted advertising exemption that are likely to be classified PG can be advertised together with a G film. This bill ensures that only films likely to be classified G can be advertised to an audience for a G film.

This is particularly important for me as the father of an almost-three-year-old. When we went to see *Bee Movie* this year, we saw PG ads which contained completely different concepts, and they certainly freaked out my child. I had to calm him down for *Bee Movie*. The bill means that parents who take their children to G movies can be comfortable knowing that the cinema will not be showing inappropriate advertisements. This is a great relief for parents I know that try to be gatekeepers of what their children see. This bill ensures parents can make informed choices about what their children see at the cinema, both in the ads before the movie and obviously in the movie. It gives parents greater confidence that young children will not be inadvertently exposed to unsuitable material.

This bill strikes a good balance. It will reduce the regulatory burden on industry while ensuring ongoing consumer confidence, so there will still be the stopgaps of making sure that nothing will be classified inappropriately but the bill will also make sure that it is a quick process. It is yet another step in the Rudd government's approach to getting rid of red tape. I commend the bill to the House.

**Mr TURNOUR** (Leichhardt) (10.27 am)—I also rise to support this legislation, because we should be doing all we can to support creative industries like film, television and computer games in Australia, and the Classification (Publications, Films and Computer Games) Amendment (Assessments and Advertising) Bill 2008 is part of that effort. The bill amends

the Classifications (Publications, Films and Computer Games) Act 1995 to: replace the prohibition on advertising unclassified films and computer games with a new scheme that will allow advertising subject to conditions to be set out in a new Commonwealth instrument, to which schedule 1 of the bill refers; and amend the classification procedures for films that are compilations of episodes of a television series so that an application for classification of such a film may be accompanied by a report by an authorised assessor. This is in schedule 2 of the bill.

This bill, together with changes being introduced by the state and territory governments, responds to industry concerns about marketing imperatives and will streamline the classification process and reduce the regulatory burden. As the member for Moreton rightly pointed out, we are living in a new age. We are living in a technologically advanced age and there are new technologies coming into play. Families have the opportunity to see things through the computer and also the film industry, which creates tremendous opportunities for growing employment and growing the economy but also means that we need to continue to update the regulatory environment for our film, television and computer games industries. Today I am particularly speaking in support of this bill because I think that, if we are going to support business in this area, then we need to make sure that the regulatory environment, the government environment within which they operate, is working effectively.

The creative industries are growing in tropical North Queensland, and I am a very keen supporter of their continued growth and development. People may not know this, but the tropical north has grown in popularity as a film production destination, with numerous feature films being shot in the region. Notable films include *The Island of Dr Moreau*, *The Thin Red Line* and *Escape from Absalom*. As recently as August 2007, *The Pacific* was shot in Mossman. It included prominent movie stars such as Steven Spielberg and Tom Hanks. *Fool's Gold* was shot in Port Douglas during 2006-07, and it also had a sizeable budget and high-profile actors and crew. In fact, more big-budget Hollywood films have used tropical North Queensland for location shooting than any other place in Australia—more than the Gold Coast, more than Sydney and more than Melbourne. In tropical North Queensland, we in fact shoot more big-budget Hollywood films and other big-budget films than anywhere else in Australia.

*Honourable members interjecting—*

**Mr TURNOUR**—I notice that the members here today are surprised by that, and that is part of the reason I have risen to speak on this bill. We are a growing area of international film, and we need to be recognised as such, because we do that despite having no studio infrastructure of any kind. There is studio infrastructure in Melbourne, in Sydney and on the Gold Coast, but there is no studio infrastructure in tropical North Queensland, in Cairns or Port Douglas. But movie stars and directors continue to come to our part of the world because of the great environment that we provide them. These films come to tropical North Queensland even though, as I have said, they cannot do postproduction activities there. These are done in other locations because of the lack of sound stages and production infrastructure.

There are tremendous opportunities to continue to grow the film industry in the tropical north. Location filming in Australia continues to increase every year, with extended projects now appearing from India, Japan, Hong Kong, Singapore and Malaysia. China also seems poised to increase their overseas filming in the next several years. Not only do we have the



film industry; we also have television shows, including *Survivor*, which have selected tropical North Queensland as a place to shoot local productions.

It is a huge industry in the tropical north, and it is a huge industry in Australia. Tackling regulation is extremely important, and that is what this bill is about. I understand that the film and television industry in Australia is valued at \$1.5 billion annually to the GDP and employs more than 5,000 people, so it is a significant employer nationally. It is a growing area, and it is a significant employer in my electorate of Leichhardt, in tropical North Queensland.

Why do producers come and choose tropical North Queensland? I noticed that members present were very interested in the fact that we produce so many large films in the tropical north. There are some key selling features of the region for premier films. We have a broad choice of diverse exteriors. Anybody who has flown into Cairns over the cane fields and over the Barron River and then looked up into the wet tropical rainforest understands the beautiful environment which we have. It gives us an internationally competitive advantage, and it is part of the reason that people come to Cairns and Port Douglas to shoot films. I believe there is nowhere else in the world in a First World country where you can find an environment with beautiful golden beaches sweeping into palm trees or cane fields but you can also go to places where they directly run into rainforest environments. You can go from a beach to an urban environment, from a beach to a palmy tropical environment, from a beach to an agricultural environment and from a beach to a tropical rainforest—an unbelievable place to come and shoot a film. That is why so many big blockbuster films are coming to tropical North Queensland, even though we do not have the infrastructure to do the postproduction work.

We also have fantastic accommodation. You can come to Cairns or Port Douglas. Movie stars and directors like Hanks and Spielberg want to come and stay somewhere first class, and coming to the Marina Mirage, where Bill Clinton and other political leaders, as well as movie stars, come to holiday is also a big attraction for a cast and crew coming to our part of the world. You can bring in large numbers of people, which are needed in the production of television and movies, and allow them to be housed in first-rate accommodation facilities either in Cairns or in Port Douglas.

The film industry and the television industry are increasingly becoming international. When producers from Hollywood, Britain, America, China or India are looking around the world for where they want to produce their films, they are also looking to issues of safety and the infrastructure that is in place. Having in Australia—not only in Cairns but in other parts of Australia—that sort of First World environment is also very important in the decision making that builds on our natural environment.

We have an international airport in Cairns that is the sixth busiest in Australia for passenger numbers, ensuring production teams are in close proximity to their shooting locations. A number of small carriers offer charter services throughout the region. You can also charter out of Cairns into the dry tropics of Cape York Peninsula, into the unique cultural environment of the Torres Strait. So there are tremendous variations of location and tremendous opportunities to actually get out and explore new and different film locations.

We have communication technology, happily, I would say, improving under the current government, with our new national fibre-to-the-node broadband network. I am looking forward to that being rolled out. The fibre increasingly being laid down is important to the creative industries and continuing to grow the creative industries, whether that is film, television,

computer games or a range of other areas. Making sure that we have First World telecommunications infrastructure is critical to us continuing to grow and support these industries.

There is great community support for, and welcoming of, new industries and investment in Cairns and tropical North Queensland. The local film industry established the Film and Television Association (FNQ) Inc. in 1998. Membership consists of documentary and television producers, underwater and marine services, stunt coordinators, directors of photography and so on. There is political stability, as we know, in the First World in terms of some of those issues that I talked about earlier on, but there is a tremendous desire to continue to grow and prosper in terms of this industry into the future.

There are numerous recreational opportunities for people that are visiting. There is a bit of down time, often, in shooting films. They can get out to the Great Barrier Reef or explore our great rainforest or the wilderness areas in Cape York Peninsula. They can experience great Indigenous culture, whether that is in the Torres Strait or in Cape York. So it gives us competitive advantage, and that is why film and TV producers are coming to Cairns, are coming to tropical North Queensland, to produce their films—even though, as I have said before, we do not have the infrastructure of the Gold Coast, Melbourne or Sydney. We do not have that infrastructure but they choose us and they come here because of the great locations, the great accommodation and the great people that we have living in Cairns, Port Douglas and the entire tropical North Queensland region.

Global film and television production is a multibillion-dollar industry. It is also one of the world's fastest growing. The tropical north, as I have said, has distinct competitive advantages and has also demonstrated its ability to attract big blockbuster films. I see tremendous potential to continue to grow the film, television, sound recording and other creative industries in the tropical north and I look forward to working with local industry players to undertake this work. There is a need to build new infrastructure that would enable postproduction work to be undertaken in the tropical north. I certainly want to put this on the agenda of groups like Advance Cairns, which is our peak economic development agency, and encourage developers and other local businesspeople to look at how they can invest and grow in this very important industry in the tropical north.

The creative industries, as I said earlier, nationally produce \$1.5 billion and employ over 5,000 people. This is a great opportunity for us to grow an industry that will ensure that we have high-skill, high-paying jobs into the future. If we want to grow and ensure that we have these high-technology creative industries then we need to ensure that the regulatory and government environment in which they operate is efficient and effective and allows business to do their work effectively. That is what this bill deals with. It will reduce regulation. Industry welcomes it. It is part of federal Labor's plan to continue to grow the economy and strengthen the economy. If we are to grow and strengthen the economy we need to do regulatory reform. We need to continue to make sure government works effectively not only at the federal level but at each of the state and territory levels. COAG has an important part in that in dealing across a whole range of different areas in health and education to make those changes, but the film industry will also benefit from the changes that we are making here in federal parliament and from the supportive changes that are being made by our state and territory colleagues. I commend the bill to the House.

**Mr SHORTEN** (Maribyrnong—Parliamentary Secretary for Disabilities and Children's Services) (10.39 am)—The Classification (Publications, Films and Computer Games) Amendment (Assessments and Advertising) Bill 2008 amends the Classification (Publications, Films and Computer Games) Act 1995. These amendments will achieve two important policy initiatives. They will reform the rules around advertising unclassified material and they will change the classification procedures for box sets of episodes of television series broadcast in Australia.

Together with the amendments to the state and territory classification enforcement legislation, this bill will replace the prohibition on advertising unclassified films and computer games with a new scheme which will allow advertising, subject to conditions that will be set out in a new Commonwealth instrument.

The reforms to the existing prohibition on advertising unclassified films and computer games will reform the inequitable exceptions applied to cinema release films and will implement an agreement by the Standing Committee of Attorneys-General (Censorship). The censorship ministers' agreement followed consultation with relevant industry stakeholders and members of the general public. In fact, this consultation included the release of a public discussion paper on the advertising scheme.

The bill will also amend the classification procedures for films which are compilations of episodes of a television series so that an application of such a film will be accompanied by an assessment report that complies with conditions set out in the new Commonwealth instrument.

The bill will include a new requirement that at least one of the episodes in the box set has already been broadcast in Australia. This recognises the reality that not all series that are released for sale are broadcast in full in Australia. It also responds to the practicalities of the marketplace, allowing distributors to obtain a classification while the series is still running on television so that it can be released for sale during or at the end of the broadcast season.

Both of these initiatives are aimed at ensuring that the legitimate producers and distributors of films and box-series television shows can gain rights to the property that they produce. The current system, because of its cumbersome nature, actually prevents legitimate producers and, therefore, all the actors and people involved in these shows, from enjoying the benefits of their work. The current system creates an environment whereby video piracy and other forms of opportunistic behaviour can diminish the value of this important market.

Both of these initiatives are also aimed at limiting the regulatory burden or the cost to industry but still include significant safeguards to maintain the integrity of the classification system. We will seek consistency of advice for consumers and protection of minors from harmful material. While the industry will be encouraged to use self-regulation to allow greater advertising opportunities, the assessors from industry, using either scheme, will have to be both appropriately trained and authorised by a director of the board. The schemes enable the director to impose sanctions for the unacceptable use of schemes, including revoking or suspending an assessor's status or, in extreme cases, even barring a person from using the scheme for periods of up to three years. So the consequences of self-regulation, if they do not work, are very significant.

The details of the reforms will be contained in legislative instruments rather than in this bill to ensure that those aspects of the National Classification Scheme remain both flexible and responsive.

I believe that the reforms that this bill will achieve are sensible, important and will result in a more streamlined classification system, and I commend the bill to the Committee.

Question agreed to.

Bill read a second time.

Ordered that the bill be reported to the House without amendment.

### **CROSS-BORDER INSOLVENCY BILL 2008**

Debate resumed from 11 March.

#### **Second Reading**

**Dr EMERSON** (Rankin)—Minister for Small Business, Independent Contractors and the Service Economy and Minister Assisting the Finance Minister on Deregulation) (10.44 am)—I present the explanatory memorandum to the bill and move:

That this bill be now read a second time.

This bill adopts the model law on cross-border insolvency developed by the United Nations Commission on International Trade Law. Australia had a significant involvement in the development of model law, with work commencing in the early 1990s under the then Attorney-General, Michael Lavarch, who, Mr Deputy Speaker Thomson, we both know very well. The United Nations commission finalised its work on the model law back in 1997, and I am pleased to note that Australia took a leading role in the project.

The previous government published a proposals paper dealing with adoption of the model law in 2002, and it introduced this same bill just prior to the 2007 election being called. It is now time to complete the work that Labor started.

Enactment of this bill will reduce complexity, risk and cost to business. Given Australia's place in the world economy, it is particularly important for us to implement measures that promote international trading efficiency. The adoption of the model law represents a departure from the territorial approach to cross-border insolvency where each country assumes that it has exclusive jurisdiction over a debtor and that separate proceedings will be undertaken in each country. Obviously, this territorial approach results in a significant duplication of costs, which ultimately are borne by the creditors. But an even greater concern is that this approach creates opportunities for debtors and creditors to take advantage of time delays and differences in laws to minimise their own losses. Also, there is little scope for coordinating the rescue of viable business operations if the business assets are split across several different proceedings. The adoption of the model law will move us closer to the universal approach to cross-border insolvency, which assumes that one coordinated proceeding will be recognised by all jurisdictions in which the debtor has assets.

The relevant provisions are found in chapters II, III, IV and V of the model law. The provisions in chapter II of the model law will allow foreign representatives direct access to Australian courts. Foreign representatives will be able to commence proceedings under our insolvency and bankruptcy laws and make submissions directly to the court when a proceeding concerning a debtor has taken place in Australia. The model law clearly articulates the princi-

ple that foreign creditors, when they apply to commence or file claims in an insolvency proceeding in Australia, will not be treated worse than local creditors.

Chapter III of the model law introduces a regime for Australian courts to recognise a foreign proceeding and make orders consistent with the universal approach. It introduces a quick and simple process for recognition and provides the court with a discretionary power to grant any urgent relief that is required to preserve the assets of the debtor. The court will then make a determination of whether the foreign proceeding is a foreign main proceeding or a foreign non-main proceeding. This question is determined by reference to the location of the debtor's centre of main interest. In the absence of evidence to the contrary, this will be taken to be the jurisdiction in which the debtor has its registered office or habitual residence. If the foreign proceeding is recognised as the main proceeding, the court will automatically grant a stay on actions against the debtor and suspend any rights to transfer assets of the debtor. The scope of the stay and suspension is subject to Australian insolvency and bankruptcy law.

It is important to note here that the model law does not introduce foreign laws into Australia. If the foreign proceeding is recognised as a non-main proceeding, the court will have a discretion to grant relief if it considers that is appropriate. In exercising its discretion to grant relief, the court must be satisfied that the interests of creditors and other interested persons are adequately protected.

Chapter IV provides that Australian courts will cooperate with foreign courts and foreign representatives to the maximum extent possible when dealing with cross-border insolvency matters.

Finally, chapter V of the model law sets out procedures to be followed where there are concurrent proceedings under the laws of different countries. These provisions allow for an Australian insolvency or bankruptcy proceeding to be commenced in relation to the assets held by a debtor in Australia, even where a foreign main proceeding has been recognised.

In conclusion, the bill will improve certainty for businesses engaged in international trade. It will bring our laws into line with those of key trading partners such as the United States, the United Kingdom and Japan, and it will provide a platform for future work in improving insolvency laws. I commend the bill to the House.

**Mr KEENAN** (Stirling) (10.49 am)—The Cross-Border Insolvency Bill 2008 has the full support of the opposition, and it has the full support of the opposition because it is exactly the same as the Cross-Border Insolvency Bill 2007—with the exception of the change of the date—which was introduced by the previous government last year. Sadly, this piece of legislation did not get an opportunity to be passed by the parliament, but I note that the government introducing this bill today finishes the good work that was done by the Howard government in this area.

In modern economic life we live in an increasingly globalised world and we have constant electronic communication and asset transfers. There was a time in the past when cross-border complexities would have been restricted to the largest companies in the world, but of course in the world we live in now we have an increasingly changing international environment. Therefore this bill is very timely.

However, when it comes to security and certainty in terms of cross-border insolvency, which is something that is integral to economic confidence for individuals and companies, we

have seen that the law has not kept pace with the changes within the international system. In response to that, in 2007, the then Parliamentary Secretary to the Treasurer, Chris Pearce, introduced a draft Corporations Amendment (Insolvency) Bill 2007 that contained an integrated package of reforms to improve the operation of Australia's laws. It was the first comprehensive package of insolvency law formed since the Harmer review of 1998. The then parliamentary secretary, the member for Aston, well understood that insolvency law is at the very heart of financial and contractual relationships which enable trade and commerce to take place. The development of the draft bill was also greatly assisted by the efforts of the Insolvency Law Advisory Group, a group put together under the former coalition government.

The bill before us will help strengthen Australia's leadership role in this area, thanks to the hard work and foresight of the previous government. Australia needs a secure and transparent system of enforcing unsecured and secured credit claims. This bill creates certainty that will help business secure loan capital and at a lower cost, which in turn will deliver important economic benefits for Australian business and for Australia.

The bill will take a systematic approach to improving outcomes for creditors and deter misconduct. The bill will give greater weight to measures that are already in place and, in terms of the globalisation of people and of companies, it will provide greater certainty. When an insolvent debtor has assets and/or creditors in more than one country, this bill is vital in terms of security for trade and investment. It will lead to cooperation between foreign and local courts and local foreign insolvency professionals who are involved in cross-border insolvency cases. It will lead to greater legal certainty for trade and investment. It will lead to fair and efficient administration of cross-border insolvencies. It protects the interests of all creditors and other interested persons, including the debtor. This bill will lead to protection and maximisation to the value of the debtor's assets and facilitate the rescue of financial businesses, protecting investment in employment.

There is no financial cost for these important measures. There already exists a level of co-operation and coordination with other nations in cases of cross-border insolvency. This bill just builds on those existing measures. However, that said, the bill certainly does deliver increased certainty and continues Australia's leading stance and development in this area. This is extraordinarily important. Given the number of cross-border insolvency cases, it will no doubt increase certainty for individuals and corporations in Australia who are involved in any cross-border insolvencies. I therefore recommend that the House support the bill and it has the full support of the opposition.

**Mr DREYFUS** (Isaacs) (10.53 am)—I am pleased to speak in support of the Cross-Border Insolvency Bill 2008. The purpose of this bill is to give effect to the model law of the United Nations Commission on International Trade Law, UNCITRAL. The enactment of the model law in Australia should encourage other nations, particularly our neighbours and trading partners, to adopt this reform. Enactment of the model law in other countries will enable Australian creditors to pursue more easily corporate miscreants such as the infamous Christopher Skase.

To give some context of this legislation, it is worth recalling the 2004 Joint Parliamentary Committee on Corporations and Financial Services report, in particular chapter 13 of that report, which is a chapter headed 'Cross-Border Insolvency', and it has a subsection entitled 'Cross-border insolvency and corporate scoundrels'. It is worth reading a couple of the para-

graphs from that report, because it puts it in a colourful way but, regrettably, a very accurate way. It says:

13.14 Over recent decades, there have been reported cases of hundreds of millions of dollars being lost to creditors in Australia through the sustained and systematic misappropriation of company funds involving complex financial dealings often with the collusion of lawyers, accountants and other professional people. Such schemes frequently involve overseas transactions intended to place the recovery of debts beyond the reach of creditors. Attempting to recover assets from such companies or directors once the company has failed is costly, time consuming and often unproductive.

13.15 The financial scandals involving well known entrepreneurs such as Alan Bond and Christopher Skase highlight the difficulty and expense involved in chasing the money trail to locate assets that have been spirited away. This trail leads investigators through a maze of complicated business arrangements more often than not involving a network of corporate structures in different parts of the world that may act as agents and repositories of assets.

13.16 Mr Max Donnelly et al noted that Mr Robert Trimbole was one of the first of the high profile bankrupts and the first to realise Spain was a bankruptcy haven. While Trimbole's assets in Australia were realised for the benefit of creditors, including a suburban residence which was the subject of competing claims and a rice farm located at Griffith, those held overseas proved out of reach.

13.17 Mr Christopher Skase provides one of the best known examples in Australia of corporate skulduggery where complicated overseas financial transactions involving family and the clever structuring of companies were used to prevent recovery procedures. He faced numerous charges in Australia including 'a set of thirty charges of dishonest conduct, through the provision of false information to independent directors, breach of fiduciary duties—

and improper use of various information. The report goes on to give other examples.

One thing Australians cannot stand, and I think this was shown by the reaction to Christopher Skase, is the idea that those who do not pay their debts, rip off their business partners, rip off suppliers, defraud creditors could escape their obligations by skipping overseas. Just as it is important for other countries to be able to pursue insolvents in Australia, it is important for Australia to be able to pursue those who seek to escape their obligations in this country.

It is worth noting the key features of this bill. One could start by saying that cross-border insolvency arises when an insolvent debtor has assets or debts in more than one country. It is also a term that is used to refer to a range of other situations covering recovery of foreign debts, examination of foreign residence and claims against local assets by a foreign insolvency administrator. This bill introduces a regime which will facilitate procedures in insolvency administration involving more than one jurisdiction. The bill will also provide access to Australian courts for a foreign representative—someone administering a foreign insolvency proceeding—to seek a temporary stay of proceedings against the assets of an insolvent debtor. The proposed regime seeks to ensure that creditors receive equal treatment, regardless of their country of origin; foreign creditors have the same rights as Australian creditors. The regime also does not change the ranking of an unsecured creditor; foreign employees of a company will rank equally with Australian employees. The bill also applies the model law to personal bankruptcy, and it is worth noting that the main Australian laws affected are the Corporations Act and the Bankruptcy Act.

This legislation is long overdue. More than 10 years have passed since the adoption of the model law by UNCITRAL. The model law has been adopted by numerous countries already, including the United Kingdom, New Zealand, the United States, Colombia, South Africa, Ja-

pan, Poland and others. We are entering a period of uncertainty in international financial markets as well as an apparent downturn in the United States. The time to prepare for economic uncertainty, to secure future prosperity, is during the good times, a fact that apparently escaped the former government.

In Australia, the enactment of the model law was first proposed in 2002 in the Corporate Law Economic Reform Program paper No. 8 entitled 'Cross-border insolvency'. The former Parliamentary Secretary to the Treasurer announced plans to adopt the model law on 17 October 2002, which is over five years ago, and it is regrettable that the former government took so long to get around to introducing the legislation in 2007. In 2004 the Parliamentary Joint Committee on Corporations and Financial Services conducted an inquiry into this matter that recommended the adoption of the model law. It is worth noting that it is now some 11 years since the model law was adopted by an UNCITRAL, 5½ years since it was proposed by the Howard government and four years since it was recommended by a parliamentary committee. Now it is being passed under a Labor government. As it was put rather politely in the 2002 CLERP 8 paper, the movement towards enactment was 'not at the pace that might have been expected'. It was pointed out in the CLERP 8 report that this change provides immediate short-term benefit for foreign representatives rather than for domestic benefit, but to leave the analysis there would be to miss the broader point.

The bill is significant not only for its practical implications, important though they are, but also for what the bill represents in terms of Australia's engagement with the globalised economy. In an era of rapid globalisation, barriers—to trade in goods and services, to asset transfers, to other international financial transactions between nations—continue to fall. Equally, barriers both physical and administrative that prevent the movement of people are also being reduced by more rapid transportation. While these developments provide increased opportunities for governments, corporations and consumers, they also result in challenges for legal systems that continue to be separated by political borders. In such an environment, it is vital to develop common frameworks to provide certainty and consistency in the marketplace. Reforms such as the model law will serve to increase trade and investment by providing greater certainty. Consistent international rules governing the behaviour of market participants help to reduce the risk faced when operating in foreign jurisdictions as many firms, both large and small, now do. Clear and consistent rules about the operation of insolvency laws are particularly important for reducing the risk for creditors in international markets and for promoting increased trade and investment.

Harmonisation of market rules also reduces transactions costs for entities carrying on business across borders. Given the rapid advances in technology that are simplifying international business, this will affect an increasing number of firms and consumers. The bill is wholly consistent with Labor's longstanding commitment to multilateralism. The Labor Party has always believed, as our national platform makes plain:

Global economic and social development, human rights, environmental protection and international security can best be achieved through multilateral diplomacy.

The negotiation of this model law is an example of multilateralism at work. It was a Labor government that was instrumental in furthering the development of model law under the then Attorney-General, Michael Lavarch. Across a range of foreign policy engagements, Labor has been committed to multilateralism in representing Australia's interests in economic, social and



environmental areas for very many years. Examples of this that I could quickly give include the leadership of Herbert Vere Evatt as President of the United Nations General Assembly and in drafting the UN Universal Declaration of Human Rights, the setting up of the Cairns group in 1986 to advocate the reduction of barriers in agricultural markets and its success during the Uruguay Round of trade negotiations, our promotion of Asia Pacific economic cooperation, the Canberra Commission on the Elimination Of Nuclear Weapons, and most recently Labor's support for the Kyoto protocol.

The 2002 CLERP 8 paper also highlighted the potential for Australia to take a leadership role in enacting the model law. At that stage only a handful of nations had taken this action—that was in 2002—and it would have provided an opportunity for Australia to have acted as a leader if the former government had acted in a timely fashion. I fully support the Minister for Superannuation and Corporate Law in his statement in the other place that 'we will continue our work of cross-border insolvency through bodies such as UNCITRAL' as we continue the inexorable move towards globalised markets. It will be vital for Australia to engage in international economic forums and with our trading partners on a multilateral basis. As the enactment of the model law shows, we can, through cooperation, continue to simplify trade and investment rules for Australian firms.

**Mr MARLES** (Corio) (11.05 am)—The Cross-Border Insolvency Bill 2008 connects this country to a global insolvency scheme. Laws governing insolvency are utterly fundamental to the economy. They provide for the timely notification of corporations which are going into a stage of financial ill-health. They provide for careful dealing with sick companies, if you like, by company doctors through careful notification of those procedures. And when a company gets into a position where it does, in effect, die and its assets need to be divided up, insolvency laws provide for measured and fair means by which those assets are divided between the various creditors of the company.

In 2008 both companies and individuals are increasingly becoming debtors and creditors across international borders; increasingly, contracts are being made across varying jurisdictions. In May 1997 the United Nations Commission on International Trade Law adopted the model law on cross-border insolvency, which was an attempt to put in place a global scheme covering insolvency laws. Indeed, the Australian government had been a key player in the early 1990s in the development of the model law. This bill we are discussing today gives application to the model law in the Australian jurisdiction. The Corporations Law Economic Reform Program discussed the application of the model law to Australia on a number of occasions, and it was first raised and a number of recommendations were put forward in the CLERP 8 paper in December 2002 entitled 'Cross-border insolvency'. This bill closely follows the recommendations in that paper. As the previous speaker mentioned, it is a pity that it has taken 11 years from the original model law being adopted by the UN Commission on International Trade Law and more than five years since the CLERP paper was published—a significant amount of time since both those actions—for it to become law in this country. It is a credit to the Rudd Labor government that this will become law within a few months of its election. This bill is also the result of significant consultation with a range of practitioners, lawyers and academics in the field.

The model law connects to the Australian jurisdiction by referencing a number of laws which exist within our own jurisdiction. Clause 8 of part 2 of the bill cites the Bankruptcy Act

in relation to individuals and chapter 5 of the Corporations Act 2001, excluding parts 5.2 and 5.4A, as being the relevant provisions of the Australian law to which the model law is referenced. In addition to that there is also section 601CL of the Corporations Act which applies to companies. Clause 10 of part 2 of the bill refers to the relevant courts in Australia as being the Federal Court of Australia when we are talking about individual bankruptcy and the Federal Court of Australia and the various supreme courts of the states and territories where we are talking about insolvency of corporations.

Subclause 12(1) of part 2 of the bill provides that foreign creditors are given the same rights as Australian creditors in relation to an Australian debtor when we are talking about an insolvency. So foreign creditors will have exactly the same rights as Australian creditors in terms of commencing proceedings or participating in proceedings which have already been commenced as if they were Australian creditors. This bill does not seek to disturb the rankings or the preferences which exist within our current insolvency laws, so foreign creditors will not be ranked any differently in terms of their access to the assets of an insolvent company by virtue of being foreign creditors.

Clause 13 of part 2 of the bill provides for the recognition in Australian courts of a foreign proceeding in relation to a liquidation or an insolvency proceeding, because often, when a company is becoming insolvent, you will see proceedings in a number of jurisdictions. This then embodies one of the really important principles of this bill, which is to basically facilitate the cooperation of various proceedings across jurisdictions and to facilitate the cooperation involved in that. So any application to provide for the recognition in the Australian court system of a foreign proceeding must contain within it information about any other foreign proceedings which are occurring and, indeed, any other Australian proceedings which are known to the foreign representative.

Clause 16 of part 2 of the bill importantly enacts Article 20 of the model law in the Australian system. What this provides is that, when recognition of a foreign proceeding is granted in the Australian system, a stay of all actions and proceedings against an Australian debtor is automatically granted in precisely the same way as would occur if a proceeding were initiated under either the Bankruptcy Act or the relevant parts of chapter 5 of the Corporations Act.

Clause 17 of part 2 of the bill provides for foreign representatives of foreign proceedings being recognised in the Australian context. So, in referring to a foreign representative, we are really talking about the equivalent of a liquidator or a trustee in bankruptcy operating in another country. And those foreign representatives, under this particular clause, are able to make applications in relation to voidable transactions in the Australian system in the same way that those rights exist for liquidators in the context of division 2 of part 5.7B of the Corporations Act or a trustee in bankruptcy under the relevant provisions of the Bankruptcy Act.

I mentioned earlier that an important principle of this bill is to facilitate and encourage the cooperation between the courts and the various representatives of differing jurisdictions and, in clause 18 of part 2 of the bill, there is a non-exhaustive list of the kinds of cooperation that can occur directly between a court in Australia and a court in a foreign jurisdiction—or, indeed, between a liquidator or a trustee in bankruptcy in Australia and a foreign representative.

There is one further general point in relation to the model law which I am keen to describe. This bill adopts the model law with as little modification as possible. It is an adoption of the model law in a sense to the fullest extent that can be done in the Australian context. This is

important for a number of reasons. Firstly, as a middle power, it is in Australia's interests to have one set of consistent global laws relating to insolvency which we can be a part of and comply with. So to that end, it is consistent and in the national interest for us to be adopting this consistent set of global laws in our country to the fullest extent possible. Again, as the previous speaker mentioned, this is very consistent with Labor's ongoing commitment, in terms of international diplomacy, to multilateralism. There is also another advantage in giving as complete as possible an application of the model law to the Australia context. It allows this country to rely on the significant body of international precedent law, which is now arising as a result of the model law applying in other countries, so that Australian jurisprudence can take advantage of the jurisprudence which is already growing up around the model law in other countries.

Australia is increasingly becoming connected to the global economy—indeed, the economy in which we all live is increasingly characterised by the global economy. There is no greater symbol of this, in my view, than my own electorate of Geelong, where the three iconic employers are Ford, Alcoa and Shell. Each is an Australian company but each is part of a global corporation with parent companies in other parts of the world. The other symbol of the global economy in my electorate is the vibrant port of Geelong, which is an international port that sees goods entering and leaving our country every day. In all of that you have a representation of contracts and financial transactions being engaged in across borders every single day.

In 2006-07 total trade in Australia amounted to \$444 billion, or 42 per cent of GDP. In the same year, Australians invested \$921 billion abroad, or the equivalent of 88 per cent of GDP; of that, \$532 billion was in the form of equity, which in turn equated to 51 per cent of GDP. In the same year, foreigners invested \$1,567 billion into Australia, or 150 per cent of GDP; of that, \$634 billion was in the form of equity, or 61 per cent of GDP. In the June quarter of last year Australian equity on issue equated to \$2,195 billion; of that, \$634 billion was held by foreigners, which meant that 29 per cent of Australian equity was held in foreign hands. Those statistics give a compelling picture of the extent to which Australia is utterly connected to the global economy and, more importantly, how significant it is for Australia's ongoing economic prosperity that we see ourselves as a trading nation that is very much connected to the global economy. The Cross-Border Insolvency Bill 2008 is an important measure to put in place an international global insolvency scheme, which is an important building block in the global economy. This bill is an important plank in ensuring certainty and security in international financial transactions. Most importantly, it provides security for those people who are investing their money into this country.

**Dr EMERSON** (Rankin)—Minister for Small Business, Independent Contractors and the Service Economy and Minister Assisting the Finance Minister on Deregulation) (11.17 am)—in reply—I would like to thank those members who took part in the debate on the Cross-Border Insolvency Bill 2008. Insolvency law is one of the most important parts of our regulatory framework. Well-designed insolvency laws will promote entrepreneurship, facilitate credit markets and quickly and cheaply re-allocate the capital of failed ventures to its highest valued use. Underpinning all of this is the concept of certainty. Sound insolvency laws will provide debtors and creditors with the means of ascertaining and maintaining their exposure to risk. This bill represents one part of an international effort to improve certainty where businesses trade across national borders. This government is committed to improving the quality

of business regulation. There has been a lot of debate about that. Just recently the Business Council of Australia had cause to issue a report calling for an accelerated reform process. The Rudd Labor government will be doing that.

We will continue to be an active supporter of initiatives that seek to harmonise regulation and improve the efficiency of markets. It is important to recognise the leadership role of Australia in the area covered by this bill. Australia was actively involved in developing the model law and continues to be actively involved through the United Nations Commission on International Trade Law, the Forum for Asian Insolvency Reform, the OECD and APEC, just to name a few. Australian practitioners are well regarded internationally and tend to feature prominently in leadership groups of international insolvency organisations. This suggests that Australia's adoption of the model law may directly influence other countries, particularly in our own Asia-Pacific region. This would further add to the momentum for harmonisation in this important area and provide a strong platform for future reform.

Question agreed to.

Bill read a second time.

Ordered that this bill be reported to the House without amendment.

#### **FINANCIAL SECTOR LEGISLATION AMENDMENT (REVIEW OF PRUDENTIAL DECISIONS) BILL 2008**

Debate resumed from 11 March.

#### **Second Reading**

**Dr EMERSON** (Rankin)—Minister for Small Business, Independent Contractors and the Service Economy and Minister Assisting the Finance Minister on Deregulation) (11.20 am)—I move:

That this bill be now read a second time.

The Financial Sector Legislation Amendment (Review of Prudential Decisions) Bill 2008 introduces measures to improve the accountability, transparency and consistency of decisions made by the Australian Prudential Regulation Authority (APRA). The measures respond to recommendations of the HIH Royal Commission, the Taskforce on Reducing Regulatory Burdens on Business and the IMF's 2006 Financial Sector Assessment of Australia.

This government is committed to ensuring that the financial system in Australia has a prudential regulator that has the appropriate regulatory tools to manage the entities under its supervision whilst balancing the need for entities to seek a review of the regulator's decisions where appropriate.

By ensuring that this package of measures is passed by parliament, the government acknowledges the importance of a strong, robust and independent APRA operating within a prudential framework that allows it to take proper and timely action to ensure the stability of the financial system. This bill contains measures which will further align aspects of prudential legislation with the Corporations Act 2001 so that the regulatory burden on entities is reduced and a more consistent approach adopted.

#### **Court power of disqualification**

The amendments in schedule 1 of the bill repeal the existing process by which APRA disqualifies individuals from roles of responsibility within an entity under the Banking Act 1959,

Insurance Act 1973, Life Insurance Act 1995, Retirement Savings Account Act 1997 and Superannuation Industry (Supervision) Act 1993 and puts in place a court based disqualification process which is broadly consistent with the court disqualification regime under the Corporations Act 2001.

Currently, under the prudential acts, the power to disqualify an individual from being or acting as a responsible person, such as a director, senior manager, auditor or actuary, for an APRA regulated entity on 'fit and proper' grounds rests with APRA. While APRA has the power to disqualify an individual under most prudential acts, this power is not consistent across the prudentially regulated industries and across responsible positions.

This measure will ensure that the Federal Court will be able to disqualify an individual from being or acting as a responsible person for an APRA regulated entity on 'fit and proper' grounds on application by APRA. The disqualification regime will apply to all responsible persons across APRA regulated industries. The new disqualification regime will not apply to responsible persons relating to self managed superannuation funds (SMSFs), regulated by the Australian Taxation Office (ATO), due to the different regulatory environment for SMSFs.

This measure will introduce a more consistent and flexible court based disqualification regime into the prudential acts by enabling the court to disqualify an individual from a position or positions in a specific entity, a class of entities or all entities for a period that the court considers appropriate across APRA regulated industries. This measure responds to recommendation 5.4 of *Rethinking regulation* and will enhance the flexibility in the application of the enforcement tools to accommodate differing circumstances.

### **Directions powers**

The amendments in schedule 2 of the bill will replace APRA's specific powers for issuing directions concerning entity-level activities under the Banking Act, Insurance Act and Life Insurance Act with harmonised general directions powers.

While APRA currently has a wide range of direction powers under the Banking Act, Insurance Act and Life Insurance Act, these powers are spread throughout each act and, in some cases, are fragmented and inconsistent, making the directions powers under these acts unnecessarily complex and creating uncertainty as to their scope and application.

Effective directions powers ensure that rapid and decisive action can be taken to deal with emerging prudential concerns, protect beneficiaries, promote confidence in the effectiveness of prudential supervision and increase the safety of financial sector entities.

However, directions powers are strong intervention tools, which could have a significant impact on affected entities or individuals. Accordingly, directions should be subject to appropriate review. Currently, the majority of APRA's directions powers are not subject to merits review.

The measure will harmonise APRA's directions powers under each of the acts, reduce complexity and provide greater certainty in respect of APRA's powers. The amendments will also make it clear which of APRA's directions are subject to review while ensuring that APRA is able to take proper and timely action to address risks in the financial system.

**Removal of ministerial consent**

Schedule 3 to this bill removes from the prudential acts the requirement for the Treasurer's prior agreement for administrative decisions made by APRA or the ATO that do not involve broader policy considerations. These include decisions in relation to licensing and authorisation, exemption, compliance with minimum standards and certain directions. Certain ministerial powers are to be retained, including those that relate to national interest matters and where broader policy considerations are involved.

These measures respond to recommendation 22 of the HIH Royal Commission report.

The removal of the Treasurer's agreement from operational decisions will enhance the regulators' operational independence and improve the timeliness and effectiveness of the supervisory process. It ensures accountabilities are clearly allocated to the responsible decision maker, allowing the regulators to perform their duties and functions without giving rise to the perception that they are subject to external interference.

**Merits review**

Schedule 4 to this bill amends the prudential acts to expand the availability of merits review by the Administrative Appeals Tribunal for appropriate administrative decisions made by APRA or the ATO, consistent with the guidelines regarding merits review developed by the Administrative Review Council (ARC).

These measures respond to recommendation 5.7 of *Rethinking regulation* and recommendation 23 of the HIH Royal Commission report with regard to ensuring that APRA administrative decisions are subject to merits review. The measures also ensure that merits review does not unintentionally constrain the regulator from taking prompt and decisive action to deal with prudential concerns. This is consistent with a recommendation by the IMF in its 2006 *Financial system stability assessment of Australia*.

Merits review by the Administrative Appeals Tribunal (AAT) is currently available for most decisions made by APRA or the ATO under the prudential acts which affect individuals. However, there is inconsistent application of merits review for decisions which may impact substantially on entities. Such inconsistency may reduce the regulators' accountability for administrative decisions.

These measures will ensure that merits review is available for all decisions which affect natural persons and for administrative decisions which affect a particular person. The effect of these measures is to improve the consistency, transparency and accountability of APRA and the ATO in respect of their decision making.

**Conclusion**

The government is bringing these measures forward because they improve APRA's decision making processes and remove unnecessary complexity in the prudential acts.

The measures respond to recommendations of the HIH Royal Commission, the Taskforce on Reducing Regulatory Burdens on Business and the IMF's 2006 Financial Sector Assessment Program. They are strongly supported by industry stakeholders, APRA and the ARC.

The effect of the amendments would be to ensure that APRA is able to take proper and timely action to address risks in the financial system, while ensuring that individuals and entities are able to have those decisions reviewed.

Full details of the amendments are contained in the explanatory memorandum. I commend the bill to the House.

**Mr KEENAN** (Stirling) (11.28 am)—The opposition supports the Financial Sector Legislation Amendment (Review of Prudential Decisions) Bill 2008, and we do so for reasons similar to those that we supported the previous bill—because it was a bill introduced by the former government. This bill has not been changed in any substantial way. It has only been changed to take into account some other transitional issues in relation to legislation that has already passed through the House. It is an important piece of legislation. Recent events in the United States and the United Kingdom emphasise the crucial importance of an effective prudential regime to provide efficient stability as well as efficiency in the financial system.

This bill has its origins in the work undertaken by the coalition government with the aim of reducing the regulatory burden on business. We hear a lot from the government at the moment about reducing regulation. We find that, like a lot of things about the new government, it seems to be more about striking a pose than doing anything effective. I am sure the minister, as an economist, would support measures to reduce regulation, but what I say to him is, if he is a fan of Elvis: ‘a little less conversation, a little more action’. If the government do come up with sensible measures to reduce regulation then they will certainly get the support of the opposition. What he will find is that it is easier to talk about than actually do.

The hallmark of that work has been the effectiveness and thoroughness of consultation with the peak industry bodies. There is some speculation on this side of the House about the ability, or the inclination, on the part of those opposite to genuinely engage with stakeholders. But, again, I am very happy to reserve my judgement. There have certainly been some criticisms about the make-up of the first home saver account, so it will be interesting to see whether the government is prepared to take these criticisms on board and maybe amend some of the design features of that proposed account.

The coalition encourages and welcomes an open and two-way interaction with industry and other representative bodies, as we did when we were in government. In 2005 a task force was established to assess the nature of the compliance burden. The task force’s report *Rethinking regulation* identified a number of areas where changes could lead to efficiency gains. The coalition accepted all of the task force’s recommendations in relation to prudential regulation affecting authorised deposit-taking institutions, superannuation funds, and life and general insurers. These industries provided more specific input through their responses to the coalition government’s December 2006 discussion paper in *Streamlining prudential regulation*. That input then informed a follow-up discussion paper in May 2007 which marked a high point in prudential policy and regulation.

The opposition supports this bill and welcomes the introduction of its main features. They are as follows. A power is given to the Federal Court to disqualify responsible officers working in entities governed by the Banking Act, the Insurance Act, the Life Insurance Act, the Retirement Savings Account Act and the Superannuation Industry (Supervision) Act. In broad terms this power is modelled on a similar power contained in the Corporations Act. It will allow APRA to apply to the Federal Court for a person to be disqualified from acting as a ‘responsible person’. The measure, which introduces flexibility into APRA’s enforcement tools, has the support of key stakeholders.

This bill also harmonises the directions powers of APRA. The measure replaces various specific powers for APRA to issue directions concerning entity level activities under the Banking Act, Insurance Act and Life Insurance Act. In addition, there will now be a materiality test included in the trigger for APRA or the ATO to issue a direction to freeze a superannuation entity's assets under section 264 of the Superannuation Industry (Supervision) Act. While this measure reduces the complexity of APRA's administering directions powers, which are presently spread throughout a number of different pieces of legislation, it also clarifies which of those directions is subject to merits review.

This bill also allows for expanded availability of merits review of specified decisions taken by APRA. Merits review is currently available for most decisions made by APRA or the ATO under prudential legislation affecting individuals. There is, however, inconsistent application of merits review for decisions which may impact substantially on entities. Further, there was also the possibility of a perception arising that such inconsistency may reduce the regulator's accountability for administrative decisions. In determining which decisions are appropriate for merits review, the approach in this bill is to take into account the guidelines of the Administrative Review Council.

Finally, this bill provides for the removal of the requirement that the Treasurer agree to administrative decisions not involving wider policy issues to be taken by APRA or the ATO. This measure will mean that the Treasurer is no longer required to be involved in operational prudential decisions made by either APRA or the ATO. Such involvement could blur the lines of accountability for those administrative decisions. Removing the need for the Treasurer's involvement should enhance the regulators' operational independence and improve the timeliness of the process of supervision. In addition, it will ensure that accountabilities are clearly allocated to the responsible decision maker. It should remove any perception that the regulators are influenced by external interference in the exercise of their prudential powers. Finally, I note that, where a decision concerns licensing and authorisation, removal of a responsible person will be subject to merits review. This is a sensible piece of legislation and the opposition supports this bill.

**Dr EMERSON** (Rankin)—Minister for Small Business, Independent Contractors and the Service Economy and Minister Assisting the Finance Minister on Deregulation) (11.35 am)—in reply—I thank the member for Stirling for his contribution. I must say I was bemused by his critique of the Rudd government for what he asserts to be a lack of action on regulatory reform, this coming from a coalition member who himself was a member of the House of Representatives Standing Committee on Economics and observed—day after day, week after week, year after year—the inaction of the previous government in deregulating the Australian economy. We do recall that it was the Hawke and Keating governments that opened up the Australian economy, creating the open and competitive economy, and we are very proud of that record. In 1996 in came a coalition government, which is supposed to be the government for free enterprise, for openness, for competitiveness. One of the first acts of that incoming government in 1996 was to commission a report from the late Charlie Bell, who was then CEO of McDonald's, and that report came down in 1997. Then followed a decade of the government being in slumber land. Finally, it succumbed to pressure from business organisations such as the Business Council of Australia and decided to commission a second report—this one from a group chaired by Gary Banks, the Chairman of the Productivity Commission. If



you held up those two reports you would find almost identical recommendations in numerous places, and the reason those recommendations were identical was that there had been a decade of squandered opportunity.

The previous government said it was the party of free enterprise and said it supported the open, competitive economy fashioned by the Labor government before it, but it did nothing; it squandered the opportunity. Now we have the incredible sight of a coalition member coming into the chamber and saying, after about 120 days of the new government: 'What's the Rudd government doing about business regulation?' The indictment of the Business Council of Australia was delivered in a report last year when it talked about the 'creeping re-regulation' of Australian business over the previous decade. Katie Lahey, the Chair of the Business Council of Australia, was compelled to observe late last year: 'So much for the 10 regulatory hot spots that the previous government agreed to pursue with the states.' She said they must have been 'so hot they burnt a hole through the paper, fell to the floor and have not been found since'. When we came into government we had a look at those regulatory hot spots, and Katie Lahey was right—inaction and squandered opportunity everywhere. Just this week the BCA brought down another report saying that there has been review after review, report after report, and it was now looking for progress on regulatory reform. It will be a Rudd government, a Labor government—as a Labor government did before, between 1983 and 1996—that reforms business regulation in this country, reduces compliance costs and lifts productivity as the basis and platform for future prosperity.

This particular bill, the Financial Sector Legislation Amendment (Review of Prudential Decisions) Bill 2008, introduces measures to improve the accountability, transparency and consistency of APRA's decision-making processes and removes unnecessary complexity from the prudential regulation. Schedule 1 of the bill amends the prudential acts to introduce a court based process for disqualifying an individual from a responsible position in an entity regulated by APRA. The new regime is broadly consistent with the court disqualification regime under the Corporations Act 2001. This measure will ensure that there is a more consistent and flexible court based disqualification regime across the prudential acts. Schedule 2 of the bill introduces harmonised general directions powers which will replace APRA-specific powers for issuing directions concerning entity level activities under the Banking Act 1959, the Insurance Act 1973 and the Life Insurance Act 1995. This measure will reduce complexity and provide greater certainty as to the scope of APRA's directions powers. It will also clarify the reviewability of APRA directions while ensuring that APRA is able to act decisively where financial interests or the stability of the financial system are at risk.

Schedule 3 of the bill removes from the prudential acts the requirement for the Treasurer's prior agreement for administrative decisions made by APRA or the Taxation Office in relation to self-managed superannuation funds that do not involve broader policy considerations. These include decisions in relation to licensing and authorisation, exemptions from provisions in the prudential acts, compliance with minimum standards and certain directions. The removal of the Treasurer's agreement for operational decisions will result in greater operational independence for the regulators as well as improving the timeliness and effectiveness of the supervisory process. Schedule 4 of the bill expands the availability of merits review by the Administrative Appeals Tribunal for appropriate administrative decisions made by APRA or the ATO consistent with the guidelines regarding meritorious review developed by the Adminis-

trative Review Council or ARC. This measure will improve the consistency, transparency and accountability of decision making by APRA and the ATO.

In conclusion, the measures in this bill respond to recommendations of the HIH Royal Commission, the IMF 2006 financial systems stability assessment of Australia and the Task Force on Reducing Regulatory Burdens on Business, to which I referred earlier in my remarks—the task force which was chaired by Gary Banks. It produced, I think, 172 recommendations: the previous government said it had agreed to almost all of them. If you have a look at the so-called agreements, about one-third of those were in fact an agreement to conduct a further review.

We have been struck by the lack of activity on the part of the previous government. Businesses in Australia are being strangled by red tape. This piece of legislation is one modest effort to overcome that regulatory burden and reduce it while at the same time ensuring that there are adequate prudential arrangements in place. The measures are strongly supported by industry stakeholders, APRA and the ARC. This bill demonstrates the government's commitment to reducing regulation for the financial services sector. I commend the bill to the house.

Question agreed to.

Bill read a second time.

Ordered that this bill be reported to the House without amendment.

#### GOVERNOR-GENERAL'S SPEECH

##### Address-in-Reply

Debate resumed from 19 March, on motion by **Mr Hale**:

That the Address be agreed to.

**Ms OWENS** (Parramatta) (11.41 am)—In continuing my speech on the address-in-reply, I have been speaking about my electorate of Parramatta and two of the great underdeveloped talents of the area, particularly its tourism assets and its open space. In relation to both, the river itself is an asset which is well and truly due for reconsideration. While most of the heritage assets in Parramatta are within walking distance from the river, you still cannot walk along the river from one to another. The ferry service that runs from Circular Quay to Parramatta is unreliable and under threat, even though vessels of some sort have been plying the route to Parramatta and carrying passengers for some 200 years. We in Parramatta insist on an improved tourist connection between Homebush and Parramatta. There are tourist stops down the river, but the ferry does not stop there. It does not stop at the armoury at Newington, for example; it does not go from Homebush, the Olympic Park site, to Parramatta. We have better restaurants in Parramatta than areas downstream of Newington, Ermington and Rhodes, where upmarket residential developments are being put in. But there is no evening service to take people to Parramatta for dinner, or to the Riverside Theatre, and return. The river connects us, and for 200 years we have been a river city. We are well and truly overdue for a review of the extraordinary connection that the river provides for us.

I have been talking so far about some of the elements that are missing, but one cannot talk about tourism in Parramatta without talking about what is there. There are already small commercial tour operators, ghost tours, provedores and many individual attractions, such as Old Government House, where much of the history of early Australian government took

place. Elizabeth Macarthur Farm is there, as is Hambledon Cottage, the female convict factory, the girls orphanage, the site of the Government Farm and the first Australian town planned street and subdivision. There is also the old King's School—the original site and the new one—the oldest ongoing private school in the country; and the Lancer Barracks, which is the oldest working barracks in the country. It is an extraordinary place in a river setting and it is well overdue for substantial work over the next decade to position it, as it should be, as one of Australia's premier tourist destinations.

The second underdeveloped talent I would like to talk about is open spaces and, in particular, our creeks. If you had a machete—and I do not suggest that people go out and get one!—you could actually walk along the creeks from Parramatta to Blacktown, from Parramatta to the Castle Hill centre, from Parramatta to Merrylands and the Holroyd Centre, and from Parramatta to Homebush. There are great green corridors that snake through our suburbs. A colleague of mine who worked for the Upper Parramatta River Catchment Trust said there are 30 creeks within the catchment area. I have only identified 22 so far but, as I said, there are another eight. I am going to name them, because it is quite remarkable: Toongabbie, Coopers, Brickfield, Ponds, Vineyard, Quarry Branch, Finlaysons, Domain, Hunts, Darling Mills, Caddies, Saw Mill, Ashlar, Blacktown, Breakfast, First Ponds, Girraween, Grantham, Greystanes, Lalor, Turner and Quarry.

These creeks are extraordinary community assets, but, because they used to be flood lands and we really were not comfortable with them and did not really like the bushland, we built our cities with our backs to them. We did not appreciate them and we could not develop what was flood land so we put public assets on them. So now we have a really interesting situation in our community, with great, green, largely unused corridors that run past the back of many of our public spaces. They run past the back ovals of our schools, our sports fields, our community centres and our childcare centres, which are now quite often built on those parks. Our public housing estates are built with their backs to them, as are our industrial areas which employ so many of our citizens, and many of our biggest corporate citizens are built on the banks of these creeks, with their backs to them.

We built our cities well and truly facing the wrong way, and all we need to do to appreciate the potential of these wonderful creeks is turn around and see what extraordinary assets they are, and recognise that, untapped as they are, overgrown as they are—and sometimes drained almost out of existence—they do actually connect the places where we work, study and live. They are significant corridors that flow through our communities, linking our homes to our schools to our parks to our workplaces and, because so many of our railway stations and shopping centres were built on the connections between the tributaries of our creeks, to our train stations and to our shopping centres. If you go down to these creeks, you will quite often find that people have developed informal pathways or shortcuts between some of our community centres, the places where we gather. Some of the creeks have been channelled almost out of existence and they are largely concrete drains, but even those still have green space on either side. Others, particularly Toongabbie Creek and Darling Mills Creek, are really splendid. They are particularly extraordinary if you imagine them as they could be rather than as they are now, as great as some sections are.

Over the next little while, it would be fabulous to see our community turn around and face these wonderful assets for a moment and imagine how our community could look in 10 or 15

years if we restored those creeks to the status that they had in the early days of settlement, when they really were the lifeline and the method of travel between the different centres.

When Parramatta City Council surveyed its residents recently, it found that one of the most sought-after attributes for their city was open space to exercise, walk and cycle. National surveys also reflect that, particularly among women, who are looking for free, outdoor, safe places to exercise by themselves and with their children. We have them in Parramatta. We actually have more creeks than most because we are in the upper catchment of a major river, but they are in fact down at the back of people's yards.

There are many people in my community who are strongly attached to the creeks: I have identified 22 creeks and I have also identified 22 Bushcare groups, formal groups that work regularly along their banks. And that is not counting the many schools that back onto the creeks that also have their own environmental programs. Catherine McAuley College do great work in the wetlands behind their school, so too do the students from Northmead High School. But imagine if we could all walk or cycle along or beside these creeks from Parramatta to Blacktown, to Castle Hill, to Merrylands and to Homebush. What if we revegetated them with native plants and then extended those wildlife corridors into surrounding gardens and parks?

Vineyard Creek in Rydalmere is perhaps one of the best examples because it is small but quite significant. Part of Vineyard Creek runs from Kissing Point Road south to the Parramatta River over no more than a kilometre. In that kilometre it passes the back of Macquarie Boys High School and the University of Western Sydney. It crosses Victoria Road, with its bus routes. It goes past Rydalmere railway station and then past several factories in the industrial estate of Rydalmere before it crosses the Parramatta River cycleway on the bank of the river, which is the major piece of cycling infrastructure between Homebush and Parramatta. While it is not used this way at the moment, it is a significant potential link between Pennant Hills Road and the cycleway to Parramatta and a number of significant community assets in between.

Vineyard Creek is one of the creeks in the area where flood mitigation work and development of housing estates upstream have dramatically altered the creek. A committed group of people who formed the Vineyard Creek Reserve Park Committee have worked hard to keep the creek clean, yet it remains a very good example of an unused natural corridor where the community could have both a useful walking and cycling track and improved native vegetation and a healthier creek. It is also a good example of the complexities of finding solutions. The banks are owned by the state government departments for education and health, the University of Western Sydney, the State Rail Authority, Parramatta council, some private businesses and a number of private residences who own the land down to where the banks of the creek used to be prior to flood mitigation work which rechannelled the creek. It is very complicated but it has incredible potential.

We need to balance the protection of native vegetation with community space and cyclepaths. My experts tell me that creeks need about one-third native vegetation, one-third vegetation with bike paths or walking tracks, and one-third parks and playgrounds. Some, like Darling Mills Creek, are in remarkable shape and would not be appropriate for either bike paths or playgrounds, but others that have been channelled already may be suitable for more developed bike paths and walking tracks. There are parts that host remnants of bushland that

clearly need protecting. There are convict ruins around Toongabbie Creek and Indigenous artefacts and paintings that need to be preserved. I am aware of some unofficial walking tracks that link through some of our creeks to Lake Parramatta and of some unofficial mountain bike tracks through sensitive bushland areas. I do not know whether the one-third, one-third, one-third balance is right and I have no doubt that debate would ensue. One of the things about creeks is that our roads do not cross them all that often, so even where it is not possible or not appropriate to put a bike path within the banks of the creeks, roads tend to snake along them. So they still form corridors through our community that link our major centres.

There is also a proven model for refurbishments of the concrete drains. The Total Environment Centre of New South Wales has a methodology, and Fairfield council has done good work in recreating creek and native vegetation where there were once concrete drains in their local government area. The Rudd government has committed \$1.2 million to linking bike paths and creek refurbishments between Parramatta and Blacktown, and this is an important step in reinstating the extraordinary green corridors that snake through our community. Much of the analysis of the region is done. The Upper Parramatta River Catchment Trust was created for flood mitigation but worked on broader issues later. There was a multi-use recreational pathway concept plan, put together by the Upper Parramatta River Catchment Trust, which has now been abolished, there is a green corridor strategy also put together by the Upper Parramatta River Catchment Trust, and the Total Environment Centre has produced a methodology for the restoration of degraded rivers and streams. Parramatta council and the 22 local Bushcare groups and local schools have done a lot of work.

This one sits beneath the surface because it is extremely difficult. There are four councils, for a start, and no single local person, state government, federal government or community can achieve it on its own. Just imagine what our community would be like if we lived along these creeks and they were not behind us but were part of our community—if it was possible to kick a soccer ball around, cycle from home to the workplace, walk with your child in a pram down to the local playground or have a barbecue with mates beside the creek. They are an extraordinary asset. We have open water in Parramatta, yet Lake Parramatta with its open water and Parramatta Park with its cycling track are linked by a creek which you currently cannot walk along. Imagine the Parramatta triathlon linking Parramatta Park and Lake Parramatta. The potential is all there and is quite extraordinary. The refurbishment of the green corridors and Parramatta's tourism development are related, because so much of Parramatta's history took place along the river. I look forward to a time when these natural assets are well and truly put back into the service of our community.

**Mrs MARKUS** (Greenway) (11.55 am)—I would like to start my address-in-reply speech by thanking the people of Greenway for re-electing me and for giving me the privilege and honour of being their federal representative again. Over the past three years, prior to the recent election, I have worked extremely hard to ensure my community has access to services, infrastructure and equipment, and I will continue to work hard for the people of Greenway. The electorate of Greenway spans some 2,886 square kilometres and is bordered by the M7 to the south, the north-west growth corridor and the Hawkesbury and Penrith local government areas.

Three years ago I committed to the community that I would work hard to deliver much needed services and funding to the area. Over the past three years, I have worked hard to deliver services and assistance that include an Australian technical college; a family relationship centre; the first solar city for New South Wales; a Royal Life Saving aquatic training centre; a Medicare funded MRI licence for Blacktown Hospital; a mobile after-hours GP service for the Hawkesbury; additional home care equipment, particularly for palliative care patients, in the Hawkesbury; around \$3 million for a new primary school at Second Ponds Creek; and half a million dollars for the upgrade of the gym at UWS Hawkesbury campus—to name a few.

I also want to note that several roads have already been upgraded or are in the process of being upgraded due to federal funding that I was able to secure. These include Racecourse Road at Clarendon, a roundabout at Fiveways in Oakville, upgrading of St Albans Road, and a safety upgrade to Old Bells Line of Road and Bells Line of Road at Kurrajong. Prior to the election, I also committed to keep Richmond RAAF base operational.

The electorate has schools that need equipment and facility upgrades. When the coalition was in government we listened and responded with the Investing in Our Schools Program. It was because of our strong economic management that many schools across my electorate were able to upgrade equipment through the Investing in Our Schools Program—equipment the state Labor government has failed to deliver—equipment such as computers, library resources, security fencing, toilet block upgrades and shade areas. And now we see the Rudd Labor government has abolished this successful program and replaced it with the digital revolution, a plan to provide new upgraded information and ITC to secondary school students—from year 9 to 12—only. This funding is only available to secondary school students. What about primary school students? The previous coalition government had a very successful school equipment funding program open to all primary and secondary schools. This has been replaced with a funding program only open to secondary schools and so now primary schools across our nation will miss out.

The coalition government listened and responded to rural Australia, providing rural assistance to farmers during the drought as well as additional funding to provide road upgrades to regional areas through the AusLink program—unlike the Rudd Labor government, who are sending in their razor gang who propose to slash regional funding. It is because of the AusLink funding that roads such as Racecourse Road and Fiveways, which I have already mentioned, and the intersection at Old Bells Line of Road have been able to be upgraded and people can travel safely. Ultimately, this is about saving lives.

Prior to the 2007 election, the then coalition government committed to funding an additional seven roads in the Hawkesbury under the regional program, including Freemans Reach Road, Comleroy Road, Terrace Road, Grose Vale Road, Scheyville Road, old East Kurrajong Road and Howse Creek. I call on the Australian government to recognise these roads as important and to honour the commitment made by the previous coalition government. Safety on our roads should be beyond politics, and the Australian government should do the right thing and fix these roads.

It has been six months since the equine influenza epidemic broke out in Australia and crippled the equine industry and associated businesses. It affected many people in the Hawkesbury. I was delighted, after lobbying the then Minister for Agriculture, Fisheries and Forestry, the Hon. Peter McGauran, that the coalition government announced funding to assist the

equine industry. I was pleased to hear the Australian government recently announced an extension of this funding. What concerns me is the lack of foresight by this current government in failing to recognise that, even though the quarantine zones are lifted, people will continue to financially suffer, in some instances for a period of two years. I recently met with representatives from the Arabian Horse Society of Australia, where I listened to the challenges breeders are experiencing now, and will experience beyond, as a result of equine influenza. I ask the Australian government to acknowledge the challenges and hardships faced by the equine industry and to continue to provide financial assistance to those who may still require it beyond the time period when the quarantine zones have been lifted.

Families are the core of our community and when a family needs help we need to have the services there to assist them. Prior to entering parliament I was a social worker. I saw the need for services which encourage families to work through the challenges they face and which support them to find solutions. I worked hard to ensure my electorate of Greenway was a beneficiary of one of the coalition government's family relationship centres. The family relationship centre provides an opportunity for families to meet with experienced counsellors and work to resolve challenges, issues and conflict. I would like to congratulate in particular Anne Holland from Relationships Australia and the team, led by Cheryl Charlesworth, at Blacktown for the wonderful work being done to assist families requiring assistance.

Richmond RAAF Base in my electorate employs over 3,000 people and is home to the C130s. The potential closure of the base would have had a large impact on the community, given that the base adds over \$401 million to the regional economy annually and contributes to over nine per cent of the total regional employment. Over 6,000 jobs across the New South Wales region come directly or indirectly from the Richmond RAAF Base and its existence. The RAAF Base Richmond offers support to Sydney based specialised Defence Force units, in particular the Tactical Assault Group (East), the 4th Battalion commando Royal Australian Regiment, 4RAR, and the Incident Response Regiment. On 11 August last year I was able to announce with the then Minister for Defence, the Hon. Dr Brendan Nelson, that RAAF Base Richmond was to remain permanently operational.

The Hawkesbury region is also significant for both its environment and water. I will be holding and encouraging the Rudd Labor government to continue the commitment by the coalition government to provide \$132.5 million to improve the Hawkesbury Nepean River, particularly the South Creek catchment area. I noted the member for Parramatta talked about many of the creeks which are shared by her and me in our electorates. They will benefit from the \$132.5 million. The funding will have significant outcomes not just for the Hawkesbury region but for the greater South Creek catchment. They include: improved water quality in the Hawkesbury River from improved treatment of sewerage and stormwater discharges and reduced nutrient run-off from agriculture and open space area; additional water savings for use as environmental flows; increased water recycling and re-use; a reduction in the use of Sydney's drinking water supplies for non-drinking purposes; and an improvement to the environmental and recreational values of the river.

Significant economic activity depends on the catchment. Agriculture in the region has an annual farm gate value of over \$1 billion, and eggs, poultry, fresh vegetables, flowers and fruit are supplied to Sydney markets. The river also supports oyster and prawn farming, extensive horse breeding and a turf industry. The Hawkesbury-Nepean is a catchment of na-

tional significance. It supplies over 97 per cent of the drinking water from metropolitan Sydney, and its water supports the generation of approximately 70 per cent of Sydney's income. As I said previously, I will be encouraging the Rudd Labor government to keep and continue the commitment by the coalition government to provide \$132.5 million to improve the Hawkesbury-Nepean River. Sydney depends on it.

There are many much-needed services in my electorate of Greenway that run on a shoestring budget, such as Richmond Community Services Inc., an organisation that offers support and assistance to families in the Hawkesbury community. One of their sources of funding is Local Answers, a funding program which provides funding for organisations such as Richmond Community Services Inc. so that they can do great work on the ground. As of this moment, Richmond Community Services Inc. do not know if any further recurrent funding will be available to them through Local Answers after 2009. The Australian government has yet to confirm this. I can confirm that funding from the Local Grants Scheme has been cut. This funding enabled local emergency services to apply for funding so they could either start from scratch or upgrade equipment for areas such as communications and operations centres.

Last year, Hawkesbury council received over \$39,000 in funding to upgrade communications at the SES operations centre. The Hawkesbury Rural Fire Service's communications and operations centre need that communication equipment upgraded but now, because of this funding being given the axe, local emergency service control and communication centres will have no way to upgrade. I will be fighting to find ways that emergency services in the electorate of Greenway will be able to access funding for much-needed equipment.

As we move forward I have a plan in place. This plan includes holding the Rudd Labor government to account on commitments made that will benefit my electorate. It should not matter if they were made by the then coalition government; they should be recognised as areas of importance to a local community and treated as such. I will be putting pressure on the Australian government to ensure the \$132.5 million committed to the Hawkesbury-Nepean River is honoured. I will also be putting pressure on the government to prioritise road funding for the roads that have been identified as needing a safety upgrade in the Hawkesbury.

It will also be important for the Australian government to honour the commitment made by the previous government to funding the Walking School Bus program in my electorate as a pilot program for schools in Western Sydney to promote a healthy active lifestyle and tackle the challenge of obesity that our children face. I will also be encouraging the Australian government to confirm the commitment by the coalition government that Richmond RAAF Base will remain permanently operational. In addition, I will be asking the Rudd Labor government to provide funding assistance, such as the Local Grants Scheme which has already been cut, so emergency services and councils can upgrade equipment and create community plans to deal with floods and evacuations.

A good local member is someone who listens to their community and acts accordingly. As the federal member for Greenway, I will continue to listen to the community and work hard on their behalf. I can assure the people of Greenway that, whatever challenges or issues arise, they have a federal representative who is looking out for and representing their best interests. Protecting and securing our lifestyle in the region is my priority.

**Mr MURPHY** (Lowe—Parliamentary Secretary to the Minister for Trade) (12.08 pm)—Firstly, I again thank the constituents of Lowe for their vote of confidence in re-electing me as



their representative for the 42nd Parliament. Secondly, I again thank all my ALP branch members, all my staff and all my supporters for their very hard work to ensure the ALP held Lowe. A big thankyou must also go to my wife, Adriana, for her enduring love, patience and unfailing support during the campaign. Thank you, honey.

This is my fourth term as a member of parliament. It is a great honour to be elected four times to this place, and the feeling of pride and responsibility has not diminished since my first election in 1998. My re-election to the 42nd Parliament is particularly special because of the forthcoming national renewal that the Rudd Labor government has prepared for the benefit of each and every Australian. As mentioned in the Governor-General's speech, the Rudd government is committed to a plan to build a modern Australia that is prepared to face the challenges of the 21st century. I am extremely happy to be part of such a progressive and capable government. I am proud of the national agenda of our Prime Minister, Kevin Rudd, for the 42nd Parliament. Further, I am honoured to hold the position of Parliamentary Secretary to the Minister for Trade. In this position I will do my very best to serve the minister and the nation well.

As the Parliamentary Secretary to the Minister for Trade, Simon Crean, I also look forward to doing whatever I can to help address the trade deficit that we encounter every month in Australia. Australia's trade performance over the past decade has been dreadful, to say the least. The current trade deficit, the 70th trade deficit in a row, is \$2.7 billion—the second largest trade deficit on record. That we have reached such depths should come as no surprise to those sitting opposite. Over their watch, growth in export revenues has stalled, growth in export volumes has stalled, growth in goods exports has stalled, growth in services exports has stalled, and manufacturing exports have collapsed. There can be no doubt that one of the Howard government's shameful legacies is its failure to consolidate Australia's financial position during this once-in-a-generation commodities boom. Australia has lacked a whole-of-government approach to improving export growth level. Indeed, Australia's export performance over the past decade has deteriorated rapidly because the country has lacked an overall trade strategy.

Rather than reacting to challenges when it is too late, the Rudd government is now committed to proactive reform. Australia's trade deficit may seem an insurmountable challenge, but the Minister for Trade, the Hon. Simon Crean, has already hit the ground running, and this morning he introduced the Export Market Development Grants Amendment Bill 2008 into the House. This bill will revitalise a scheme that has been seriously underfunded by the former Howard government. The new government is committed to a trade policy that will restore Australia's level of productivity, international competitiveness and export growth. As Minister Crean said in the House today, this will be pursued within the context of a twin-pillar approach to trade policy. Multilateral trade liberalism will be pursued at the border, while economic and trade reforms will take place behind the border.

There is little point pursuing improved market access globally if Australian companies are not productive or competitive enough to take up the new opportunities. Trade performance can be enhanced by addressing the drivers of productivity—a lesson that went unheeded by the previous government, despite being in power for over 11 years. The Rudd government has only been in office for a few months but it has already committed to addressing the productivity reasons underpinning Australia's poor export performance. That is why we are committed

to Infrastructure Australia, to a national broadband network, to an education revolution, to skilling Australia and to the \$200 million Enterprise Connect innovation and research scheme.

As a pillar of the government's trade policy the minister will also be pursuing multilateral trade liberalisation across all sectors—agriculture, industrial products and services. In contrast to the Howard government's approach of blindly pursuing bilateral agreements, with little regard for their strategic importance or compatibility with multilateral outcomes, the Rudd government's focus will be to return to multilateralism. Bilateral agreements will no longer be seen in isolation but must be compatible with and enhance multilateral decision making. The minister has been working hard to ensure that we see a successful conclusion to the Doha Round. He has been working hard to see genuine agricultural reform in developed markets such as the United States, Europe and Japan. Abolishing trade distorting agricultural export subsidies as well as making significant cuts to market access barriers and farm subsidies will benefit not just developed countries such as Australia but also developing countries.

There can be no doubt that our region's unprecedented economic growth and development can be attributed in part to freer global trade. However, there is much more to do. Given that 75 per cent of the world's poor live in rural areas, reforms to global agriculture, particularly within the Doha Round, will significantly assist with poverty alleviation efforts. We cannot afford to miss a chance to raise more people out of poverty. This is one reason why the minister is so committed to multilateral trading outcomes and to a successful conclusion to the Doha Round. It is also why I will be doing everything I can to support his endeavours. That said, we should always remember that international trade is also vital to Australia's long-term economic industry and social policy framework. Given that international trade is so instrumental to strengthening the global economic system and securing Australia's prosperity, we need to do all we can to sustain and promote it. I look forward to continuing my work with the minister to ensure this happens.

As well as fulfilling my role as a parliamentary secretary, I will also look forward to assisting with the implementation of the medium- to long-term initiatives that the Prime Minister has outlined for Australia's future. These reforms will benefit all Australians, including my constituents in Lowe. Although our economy has enjoyed relative prosperity, the future is uncertain. It is sobering to look at key areas which need urgent attention, following our inheritance from the Howard government. As outlined by the Governor-General, key areas include health and hospitals, child care and education, housing affordability and homelessness, industrial relations, skills shortages, infrastructure, cooperative federalism, Indigenous affairs, foreign relations and, last but not least, climate change. I have no illusion about the hefty task which lies ahead, but the Australian people have entrusted this government to steer Australia through this uncertain time.

I am also proud to say that the Prime Minister has embarked on delivering the government's key promises with alacrity. The Rudd government has already delivered on several key promises made during the federal campaign. Firstly, before the new government saw its first sitting at Parliament House, the Prime Minister ratified the Kyoto protocol. With a mandate from the Australian people, the Prime Minister of Australia joined with other nations in ratifying the Kyoto protocol. He signed on behalf of the Australian people, acknowledging climate change as a global problem and hence a global responsibility. I applaud the Prime Minister for

doing something the former government refused to do for over 11 years. He listened to the people and finally put climate change on the agenda.

Secondly, the Prime Minister made history on 13 February this year by saying sorry to the stolen generation. The apology is an acknowledgement of the wrongs of the past, an acknowledgement of the pain and suffering of our Indigenous Australians, and it offers hope to future generations. The apology is a symbol of this government's belief in unity rather than segregation as it moves a step closer on the journey to reconciliation.

While some opposition members have criticised the government for symbolism and rhetoric, I draw their attention to the first Council of Australian Governments, or COAG, meeting after the election, held in December last year, where the Commonwealth government committed \$150 million to the states for an immediate blitz on hospital waiting lists. New South Wales, for example, received \$43.3 million, which equates to 8,743 additional elective surgery procedures in 2008 alone. This act of cooperative federalism is more than mere symbolism. The 8,743 people who will receive this treatment will know its real worth when they are recovering from an operation for which they would otherwise have been waiting far longer than clinically recommended. This is an example of cooperative federalism we did not see in the last decade, and I am excited about the future—to think, if this can be achieved in 10 weeks after an election and in one parliamentary sitting week, what could be achieved in a year.

In the area of health, I again applaud the government and the Minister for Health and Ageing for announcing the Teen Dental Plan. This is a targeted initiative with long-term benefits. Teenagers have been targeted because they do not have the same access to school dental services that many primary school students do. It is abundantly clear that dental health was a growing area of concern which warranted the government's immediate attention and action. It is alarming to note that, according to the OECD, the dental health of Australian adults ranks second worst in the OECD and, further, a rapid deterioration in dental health is observed in the teenage years. Under the Howard government's watch, dental health experts reported that almost half of all teenagers have some sign of gum disease, with a fourfold increase in dental decay for those aged between 12 and 21.

In light of the alarming statistics, the Teen Dental Plan is a much-needed initiative to ensure the future health of our children. The initiative will assist over one million Australian teenagers between the ages of 12 and 17 with dental costs. Under this plan, eligible families will be able to claim up to \$150 towards the cost of an annual preventative check for each teenage child. This plan will be effective as of July 2008 and represents a healthy future for young Australians. It is part of a long-term vision to reduce expensive dental procedures later in life. It is an initiative that will be part of the government's broader plan to re-establish the Commonwealth dental scheme abolished by the Howard government in 1998.

The dental health policy is an important outcome for the 4,000 people in my electorate who signed my petition to re-establish the Commonwealth dental scheme. I am pleased to say today that their calls have been answered and I look forward to further progress with this health initiative.

In the area of child care and education, the Rudd government is increasing the quality and accessibility of all forms of education, from preschools to trade schools to postgraduate research fellowships. The Prime Minister recognises that education is critical to the long-term

productivity and economic prosperity of our nation. I was extremely pleased to learn that several schools within my electorate of Lowe have been selected to apply for first-round offers under the National Secondary School Computer Fund. The assessment is needs based and aims to assist those schools with an immediate need. It is part of the plan for an education revolution which will include \$1 billion over four years to provide all students in years 9 to 12 with access to information and communications technology.

As highlighted by the Governor-General, the new government is looking to equip our nation with the right tools to remain competitive in the 21st century, and the Rudd government's investment in information and communications technology is testament to this. Such initiatives are extremely important in the electorate of Lowe, as there are close to 20 secondary schools servicing thousands of high-school students. I look forward to the opportunities offered to them under the Rudd government.

For the thousands of working families in my electorate, the announcement of 260 new quality childcare centres being opened in schools, TAFEs and universities is most welcome. When coupled with the government's childcare tax rebate increase from 30 per cent to 50 per cent, the combination will greatly alleviate the shortage in supply and improve the financial viability of child care, allowing parents to re-enter the workforce and help address workforce shortages.

In the area of shortages, vocational education and training has been placed firmly on the agenda in an attempt to address the severe skills shortages we are currently experiencing. In addition to TAFE colleges, the government proposes to implement the Trades Training Centres in Schools plan. Offering courses in schools such as hairdressing, plumbing and wood-working aims to improve year 12 retention rates. It is estimated that the current 75 per cent year 12 retention rate could be improved to 90 per cent by 2020, which would add an estimated \$9 billion to our economy.

The government will also dedicate further funding to postgraduate research fellowships, attracting the best of the best to ensure that Australia remains in the forefront of research and development. The government is endeavouring to improve both the quality and quantity of education in Australia.

To ensure that well-educated, well-equipped Australians enter a fair and flexible workplace, as of yesterday Work Choices has been abolished. Australian workplace agreements have been abolished and existing AWAs will be phased out, which delivers another key election promise.

The Rudd government seeks to find the right balance between flexibility and fairness for all working Australians and business owners. The new workplace relations system will provide a safety net with further minimum conditions including the right to bargain collectively for wages and conditions. It will mean fairness for both employers and employees if an employee is dismissed. It will protect the most vulnerable in our workforce such as the young, the aged and the low-skilled.

One of the largest threats facing our economy—indeed the world—is climate change. As mentioned earlier, the Prime Minister ratified the Kyoto protocol and joined the community of nations to address the enormous challenge of global warming. At a national level, the Prime Minister has committed to reducing greenhouse gases by 60 per cent on 2000 levels by 2050.

To meet these targets, a national emissions trading scheme will be established by the year 2010. Alongside a trading scheme, the government has set a renewable energy target of 20 per cent by 2020. The abundance of solar and wind power in Australia will be utilised to help in the fight against rising temperatures and increased greenhouse gas emissions.

The water crisis, which is of national importance, will require a collective response with the Commonwealth and state governments cooperating to effectively deliver improved strategy and management. Again, the government will invest in long-term, sustainable measures by improving irrigation and infrastructure and by maintaining close consultation with farmers, scientists and other stakeholders.

In the area of housing, the government will establish first home saver accounts, which will reward disciplined savings with government contributions. Housing affordability is at an all-time low and, for young families trying to secure a home, it is extremely disheartening. The home saver funds will assist people to save a larger deposit and will improve housing affordability.

On the supply side, the government is releasing Commonwealth land and investing \$500 million into housing linked infrastructure. It hopes to provide financial incentives to encourage private sector investment in affordable rental properties. Housing is another crisis area that will require the cooperation of all levels of government. It is a major task, but a national strategy will be found to deal with the stress it is creating for all Australians, particularly young Australians, at the moment. Unlike the former government, the Rudd government is willing to cooperate with state and local governments to achieve long-term, sustainable outcomes for all Australians.

Housing affordability is of particular importance in my electorate of Lowe as approximately 38 per cent of my constituency is experiencing either mortgage or rental stress. This is an extremely difficult time for those households, coupled with rising interest rates, grocery prices and petrol prices. These are difficult days, and I am delighted that the Rudd government has already appointed a commissioner to monitor both grocery and petrol prices. I would also like to note that we have inherited the highest inflation rate in 16 years. Although it is a very challenging economic circumstance Australia now faces, fiscal restraint and a five-point plan are measures that this government will implement to manage interest rates and inflation. I am very confident that the Rudd government will be very capable economic managers.

I take this opportunity as my time is coming to a close to note the government's Indigenous policy for the many constituents in my electorate of Lowe who are very strong advocates of reconciliation. For Indigenous Australians, the government will seek to close the abominable 17-year life expectancy gap through education and health initiatives, and I believe that every Australian would want to see that. The initiatives cover three main areas, including closing the 17-year life expectancy gap, halving infant mortality rates and halving the education achievement gap which currently exist. The policy initiatives I have referred to are neither exhaustive nor detailed. They are not quick fixes; they are medium- to long-term plans with a view to improving overall economic and social prosperity sustainable for future generations.

The numerous challenges we now face are complex, and many of them are influenced by both internal and external factors. We are acutely aware of what is happening with the American economy at the moment and the implications for our own economy and other econo-

mies—particularly our important trading partners. This is going to be a great challenge for the Rudd government over the next 2½ years. I am confident we will rise to that challenge.

Finally, the government recognises that cooperation is needed from all levels of government, as I have mentioned, to create lasting change. It also recognises the benefit of an inclusive approach to dealing with a problem. On 19 and 20 April the federal government will convene the Australia 2020 summit. It will bring together 1,000 of Australia's best and brightest minds to discuss and debate Australia's long-term future. Active participation is encouraged by this government to help create a vibrant democracy. This is a government that is willing to listen to the Australian people. It is a government with fresh eyes and a long-term vision. The Rudd government wants to ensure that this country remains one of the most liveable in the world, and I say to my electorate, 'I am all ears.'

Debate (on motion by **Mr Ian Macfarlane**) adjourned.

#### ADJOURNMENT

**Mr RAGUSE** (Forde) (12.28 pm)—I move:

That the Main Committee do now adjourn.

#### Chaldean Catholic Church

**Ms VAMVAKINOU** (Calwell) (12.28 pm)—It is with great sadness that I rise today to speak about the tragic death of Archbishop Paulos Faraj Rahho. Late last week Archbishop Rahho's body was found buried in a shallow grave in the northern Iraqi city of Mosul. He had been abducted two weeks earlier by armed gunmen. Archbishop Rahho belonged to the Chaldean Catholic Church and his death has sent shockwaves throughout the Chaldean community, not only in Iraq but also in Australia—and particularly in my electorate of Calwell. More than anything else, it highlights the very real dangers Chaldean Christians still face in Iraq. The Chaldean faith accounts for the overwhelming majority of Iraq's Christian community. Chaldeans are Catholics who recognise the Pope's authority but who follow Eastern traditions. They are proud of the Chaldean language and proud of their Chaldean faith, which has existed in Iraq since the first century AD.

Estimates put the number of Chaldeans living in Iraq before the US-led invasion in 2003 at approximately 800,000 to one million people. Increasingly targeted by Sunni and Shi'ite extremists as well as common criminal gangs and facing daily persecution, kidnappings and targeted killings, many Chaldeans have been forced to flee Iraq—often leaving behind family members and friends. Yet little has been said and even less has been done to protect this community. As the violence in Iraq continues to spiral out of control, the targeting of Chaldean Christians has continued unabated with hardly a whisper from the international community. The kidnappings have not stopped; violence, intimidation and extortion remain a daily occurrence; and the death toll of innocent Iraqi Chaldeans murdered and slain continues to mount.

What is perhaps most tragic about Archbishop Rahho's death is that it has become an all too familiar story for Chaldean Christians in Iraq. He was kidnapped on 29 February 2008 by armed gunmen, who ambushed his car as he was leaving the Church of the Holy Spirit in Mosul and killed two of his companions and a driver. Less than a year earlier, gunmen killed a Chaldean priest and three subdeacons outside the same church, and several more priests have been either kidnapped or killed across Iraq over the past five years. In this instance,

Archbishop Rahho's kidnappers demanded that the Christians contribute to their holy war in Iraq, that a number of detainees be released and that they be paid \$3 million to secure the archbishop's release. After he was found dead last week, Archbishop Rahho's funeral took place on Friday in the Christian village of Kremlish just east of Mosul.

The death of Archbishop Rahho has had a profound impact on Australia's own Chaldean community. This is a community who fled the ravages of war but who continue to fear for the safety of their relatives and loved ones still trapped in Iraq and those facing a bleak and uncertain future as refugees in Syria. It is almost impossible to understand what effect this has and the pressure it brings to bear upon this community trying to make a go of a new life here in Australia. Australia's Chaldean community is an emerging community. It is a community that I have come to know well over the last few years in my electorate of Calwell, especially through my involvement with the Australian Chaldean Federation, and it is one for which I have a lot of admiration and respect. Last year I had the pleasure of attending mass at the newly built Chaldean cathedral, Our Lady Guardian of Plants Parish in Campbellfield, on the occasion of Archbishop Gibrail Kasab's visit to Melbourne. But, like many other emerging communities, Calwell's Chaldean community faces many challenges. Highest on the list of priorities are language-specific support and youth services as well as broader recognition and support when it comes to the development of essential community infrastructure.

We have been too slow to recognise the very real fears and concerns that Australian Chaldeans have for the welfare and safety of their families back in Iraq. Our response as a parliament to the targeting of Iraqi Christians has been muted at best. This is a community that needs our support, not our silence. I want to take this opportunity to express my support for and extend my condolences to Australia's Chaldean community during this very difficult time.

#### **University Students: Cost of Living**

**Mr LINDSAY** (Herbert) (12.32 pm)—We all know about the increasing cost of living pressures. I would like to address this particular issue in relation to university students. More and more, university students are finding it difficult to attend to their studies but also to fund the costs of their accommodation, food, textbooks and so on. In fact, some attention was drawn to this last night on *The 7.30 Report*. On that program the Minister for Youth and Minister for Sport, Kate Ellis, said, among other statements, that the cost of playing sport or eating at university cafes had trebled at some institutions and that a number of activities which used to take place on campuses were now not operational at all. Of course, that was in relation to a segment of the debate in higher education about student association fees. The Labor Party wants to wind back the former government's insistence that university students have a right to choice. The current government wants to re-institute fees on university students at a time when they cannot afford to feed themselves because they have to pay the rent. I know that the current government have suggested a fee of \$100 or so. But a hundred dollars is a hundred dollars, and I think any return to some kind of compulsory system that forces students to pay fees is a backward step.

At my own university, James Cook University in North Queensland, the student association is working very well under the new laws and the students are very happy. Some 98 per cent of students at my university do not want to pay compulsory student association fees. However I am not particularly interested in getting involved in this political debate about whether students should be forced to pay fees or not; I am interested in the students. This is about them.

When I see reports, time after time, of students saying, 'We've got to go without breakfast because we cannot afford it,' we have to do something about that as a parliament and as a country.

Today's students are tomorrow's professionals. They are the very people who will be entrusted with the welfare of this country. So we must realise an urgent need to give them support and to help them get through university. Years ago, in my time at university, your parents paid. These days that does not happen. There is a vast variety of reasons why that does not happen in the main. It still happens in some families, but in the main it does not happen. Students rely on Austudy, but it is not enough; it will not get them through the costs of their accommodation, their rent, their food, their textbooks and so on.

**Ms Hall**—Why didn't you do something about it when you were in government?

**Mr LINDSAY**—I am about to suggest something, member for Shortland, and I hope that you might take up the suggestion. What I want to suggest to the parliament is that perhaps we have a further HECS style scheme whereby students who need a loan to pay for their fees can access that and repay it after they finish university. That would help students with their cost of living. It would take away the worry about and pressure on how they live day to day when they are attending university. I have spoken to a number of students who certainly think that would be a good idea. I would urge the current government to think about some system like that where, instead of increasing Austudy, you in fact help the students by making some dollars available with low-interest loans that they can repay after they get their university degree in the same way as they repay their course fees.

Some people might suggest that this is a burden on young people when they are beginning their professional lives—and, yes, you can make that argument. However, I would argue that these extra funds are so desperately needed to assist our brightest minds whilst they study and that this could be paid off, and I would certainly ask the government to formally consider this suggestion.

#### **Postal Services: Jewellstown Plaza**

**Ms HALL** (Shortland) (12.37 pm)—I would like to raise the issue of the need for a post office at the Jewellstown Plaza. Jewellstown Plaza is one of the main shopping centres within the electorate of Shortland and it does not have a post office. I have tried previously to have a post office installed there—and there was one but there were some unfortunate incidents around that. After that post office left the shopping centre, and after representations from me, a post point was established at the newsagent's. That served the people for some period of time, but unfortunately it is now inadequate and does not meet the needs of the area. This issue was raised with me by a constituent, Mr Jim Bridge, of the suburb of Jewells. I have here some of the many petitions that I have collected on this issue. I identify Mr Jim Bridge as the person who is the lead petitioner. I seek to table the petition I have with me now and ask for Mr Jim Bridge to be contacted in relation to that.

Leave granted.

*The document read as follows—*

It is of my concern, that the residence in the area of Jewells are in need of a Post Office.

I am aware of people in surrounding suburbs, also making use of our shopping centre, together with our expanding Greenleaf Retirement Village.

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If I may make a request to you to endorse a petition on the above matter so as it may be put to the Members of the House of Representatives for their consideration I also understand, two inspections were undertaken in 2007 maybe those outcomes are available.

Thanking you for your consideration.

from 1 citizen.

Gregmal Jewellstown Pty Ltd is run by Colliers International, and they are prepared to work with Australia Post to ensure that the local community gets the facility. They would negotiate a greatly reduced retail rent, organise a suitable location and assess the fit-out and all the other things that are needed to have a post office set up in the centre. Jewellstown Plaza Shopping Centre has shown enormous growth in the last few years. 2008 has already shown an increase of 7.46 per cent in customer numbers over 2007. The pedestrian flow through the centre in January this year was 78,143 and in February it was 76,634. This is an increase on the months that are not traditionally the high turnover months. In December 2007, 85,000 people went through the centre, so there are significant numbers of people who use it.

There is no post office in the area that people can get to quickly. Jewells is serviced by a bus service from all the surrounding area. The population of Jewells is around 3,500, Belmont North is around 5,000 and the centre would also look at providing a service for people from Floraville, Tingira Heights, parts of Belmont and parts of Redhead. That would mean the centre would be looking after a population, on a regular day-to-day basis, of about 18,000. There are doctors' surgeries and two medical centres out there and they have expressed a desire to me to have a post office at the centre. So you have a unique situation whereby the post office has the support of the community and the support of the shopping centre itself. In addition, the Jewellstown newsagency, which has the post point, has indicated their willingness to extend the service and to be involved in setting up a post office. They and their customers are frustrated by the lack of services that they are able to offer. They would like to be able to offer parcel post, express post, registered post and money orders, and for people to be able to pick their mail up from post boxes. In addition, there are a number of other services that a post office provides which the people of Jewells would like to see in Jewellstown Plaza Shopping Centre. I urge the House to consider this petition favourably. (*Time expired*)

**The DEPUTY SPEAKER (Ms AE Burke)**—In respect of the petition, the document will be forwarded to the Standing Committee on Petitions for its consideration and will be accepted subject to confirmation by the committee that it conforms to standing orders.

#### **Fadden Electorate: Youth Point Connect**

**Mr ROBERT (Fadden)** (12.43 pm)—Madam Deputy Speaker, how pleasant it is to remain in the chamber with you in the chair. I rise to commend the vision for the Gold Coast North youth centre, the Youth Point Connect, and to stand here and publicly acknowledge those that carried the vision to fulfilment. I have said a number of times in the House that Fadden is the fastest growing federal electorate in the nation. With an electorate growing so fast there is no greater need than to provide facilities for our young people. The youth are 100 per cent of the future. They are a gift to generations we will not see. It is incumbent on us to ensure that we provide the services and the facilities that our young people need.

Recognising this, in 2003, as the northern Gold Coast population began to explode and unfold and many of its senior community leaders became concerned for the safety of the youth in the northern Gold Coast area of Fadden, the first of three public meeting were called on 10

March 2004 to discuss this growing issue. Meetings were called and chaired by the division 3 councillor, Grant Pforr. They were attended by my predecessor, the Hon. David Jull, at the time the member for Fadden; Ron Clarke, the mayor; the officer in charge of Runaway Bay police station, Senior Sergeant Murray Underwood; and the now councillor for division 4 Margaret Grummitt. Other interested community leaders were also present.

On 16 September 2004 a steering committee was formed to establish a youth centre in that Paradise Point, Runaway Bay, Labrador area. The body was incorporated and named the Gold Coast North youth centre with its first meeting and the board elected on 1 April 2006. Let me acknowledge the inaugural board for their vision, commitment and hard work: Runaway Bay Lions Club member Bernie Scobie is the foundation chairman, Paradise Point Progress Association's Fred Woodley is the foundation vice chairman, Runaway Bay police officer Senior Sergeant Murray Underwood is the secretary, SAILS' Russell McClue is treasurer, and Coomera Watersports Club's Liz Pforr and Coomera youth centre's Derek Venske. A number of youth representatives were also there: Youth at Risk Alliance's Lisa Fancisco; Gold Coast City Council divisional councillor Grant Pforr; assistant to Grant Pforr, the committee grants and research officer Sharon Solyma; the Gold Coast City Council youth social planner Donna Matulis; and the Coombabah State High School student representatives.

Grant Pforr provided divisional funding on an ongoing basis, supported by many of our unselfish community organisations who assisted with funds and time. These included the Gold Coast City Council, which provided funding and lease of the land; Stocklands donated, transported and erected two buildings on site, including covering the roof and full verandas; the Runaway Bay Lions Club; Schlenker Surveying Queensland donated \$20,000; the Paradise Point Uniting Church; the Zen Property Group—the harmony unit development; the Runaway Bay Junior Leagues Club; Bendigo Bank in Paradise Point—let me acknowledge the chairperson, Ann Glenister, for her foresight in supporting the group—and Runaway Bay Shopping Village, and I acknowledge the centre management for their work.

These major donors joined with the original senior community members to establish a great community youth facility in the northern Gold Coast. Grant Pforr has now pledged further funding from divisional funds, and the Gold Coast City Council has given approval for stage 2 construction to the tune of \$500,000. I commend the board for their vision. I thank the chairman, Bernie Scobie, the vice-chairman, Fred Woodley, and all of the board for carrying the vision through to fulfilment. I thank the many donors who came forward to support this very worthy project. In the fastest-growing electorate in the nation, we desperately need more community facilities, and I pledge to work very hard with the area consultative committee and, of course, this government to ensure the fastest-growing electorate gets the infrastructure and services it so desperately needs.

#### **Augusta Margaret River Tourism Association**

**Ms MARINO** (Forrest) (12.47 pm)—I rise to speak in relation to the Augusta Margaret River Tourism Association, which has designed a concept and working plans for the \$3.2 million redevelopment of Jewel Cave, near Augusta. This is a particularly worthwhile project. The Augusta Margaret River Tourism Association is a not-for-profit organisation, and is the custodian of three show caves—Lake Cave, Jewel Cave and Mammoth Cave. They are also the custodians of the Cape Leeuwin lighthouse and seven other caves which are currently

open to the public. The Augusta Margaret River Tourism Association's caves received 125,500 visitors in 2006-07.

The reason I would like to speak on this issue is the organisation has been seeking a response from the government on this application for \$810,000 through the area consultative committee and Regional Partnerships. They have contacted Minister Albanese's office and have not been able to secure a response on this particular issue. They are desperate for some advice as to how they can proceed with this particular project as they have already been successful in achieving grants from Lotterywest and the South West Development Commission and \$23,000 from the federal government's Envirofund.

For the past year they have also been working with the South West Area Consultative Committee on this particular approach as well as with the federal government's department of transport and regional services on a Regional Partnerships grant. This is the \$810,000, and they are seeking direction on this particular grant. They are looking to be advised on exactly what the outcome of this is. Similarly, the Busselton Jetty proposal—they are seeking direction on their application for funding for their Busselton Jetty rebuild project. These form part of a range of Regional Partnership projects that have gone through a rigorous process of evaluation, of seeking alternative partnerships with other groups and seeking responses at local, state and federal levels—but unfortunately have not received direction from the federal level.

They need to get on with these particular projects. A lot of them have called on a range of local and community volunteer-type involvement and they are seeking strong, clear direction as to how they can progress. The Bunbury Sea Rescue group are waiting on direction on a \$50,000 grant for a sea rescue boat that they are going to use for training purposes. On having received advice that this would be made available to them, they proceeded with the order for the boat—which is now on hold. It is a specific order, and they may still be liable for this particular commitment, given that this was specifically built. For a group of volunteers in my community who are providing a significant service, the delays are significant for them in this process.

We also have an application from Milligan House, another group providing invaluable services in the small community. They are also seeking direction on the outcome of their particular application.

All of these types of projects are very critical in time and in the resources already expended—some of these groups have already spent over 12 months in their process of application. They have gone to significant expense, and time itself is an expense when the cost of what you are attempting to purchase or do is increasing.

I strongly encourage the government to focus on and give direction to these particular groups who have sought and received approval for or very good indications that they will get approval for these funds so that they can go ahead with their projects. The federal government should give the approval for them to receive the funding that they have had approved previously.

#### **Anzac Memorial Tour**

**Mr CLARE** (Blaxland) (12.52 pm)—I rise today to recognise the efforts of my local community to help keep the Anzac spirit alive. Next month 15 students from 13 different high

schools in the Bankstown area will travel to Gallipoli to commemorate Anzac Day at Lone Pine. This trip is being organised by the Bankstown Multicultural Youth Service, and is supported by Bankstown Sports Club, Bankstown RSL, Canterbury Bulldogs club, the New South Wales government, and the New South Wales Police Force.

Anzac Day is an important part of our national consciousness. It marks the anniversary of the first major military action fought by Australian and New Zealand forces during the First World War. It was our baptism of fire. Those soldiers quickly became known as the Anzacs, and the pride they soon took in a name that endures to this day.

In 1915 Australian and New Zealand soldiers formed part of the allied expedition that set out to capture the Gallipoli peninsula to open the way to the Black Sea for the allied navies. The ill-fated plan was to capture Constantinople—now Istanbul—the capital of the Ottoman Empire. They landed at Gallipoli on 25 April and met fierce resistance from the Turkish defenders. What had been planned as a bold stroke to knock Turkey out of the war quickly became a stalemate, and the campaign dragged on for eight months. At the end of 1915 the allied forces were evacuated after both sides had suffered heavy casualties and endured great hardships. Over 8,000 Australian soldiers were killed.

Although the Gallipoli campaign failed in its military objectives, the courage and fortitude of the Anzacs bequeathed an intangible but powerful legacy. ‘Remember Gallipoli’ became the watchword of the AIF on the Western Front and in Palestine. My grandfathers carried it with them in World War II, at Milne Bay and in Crete. And it is remembered today by the crowds that flock to Anzac parades and services across the nation. With each passing year, as more and more diggers are lost to us, their service and their sacrifice become more poignant to those who follow.

This tour will help pass the Anzac spirit to a new generation of Australians. The 15 local students participating in the 2008 Anzac Memorial Tour are: Taha Daghestani of Punchbowl Boys High School; Gary O’Shea of De La Salle College, Revesby Heights; Samantha Rae Meredith and Sarah Louise Norris of Mount Saint Joseph school, Milperra; Avani Dias of Bankstown Grammar School; Ryan Lodge of Strathfield South High School; Zakaria Kamoun of Sir Joseph Banks High School; Dylan Keith Williams of East Hills Boys Technology High School; Nagiha Sahyouni of Bankstown Girls High School; Prescilla Zeitoune of St Charbel’s College; Elizabeth Le Claire and Risto Kotevski of Chester Hill High School; Jade Cook of Bankstown Senior College; Kristina Mitropoulos of East Hills Girls Technology High School; and Mohammed Halaby of Picnic Point High School.

They have already had a few memorable experiences. After reading about the Anzac Memorial Tour in the local newspaper, former squadron leader 88-year-old Eugene Konashenko was so moved he sent a donation of \$500 towards the cost of the tour. A number of the students visited him and his wife the next day in their Condell Park home to personally thank them for the donation and to hear firsthand of his experiences in the RAAF. They also met Jack Bedford, a stalwart of the Bankstown community, President of Bankstown RSL and one of the Rats of Tobruk. The contribution of these two men to our nation, like those of all our veterans, must never be forgotten.

That is what Anzac Day is all about. Anzac Day is more than just remembering the fallen. In Anzac Day we find the camaraderie of mateship, strength in adversity and a fighting spirit that is just as much a part of Australia today as it was in 1915. On Anzac Day in 1927, Austra-

lia's great World War I military leader John Monash told an adoring crowd at the Melbourne Exhibition Building:

Anzac Day stands for the ideal of comradeship, a comradeship which consoled us on many a distant battlefield, a comradeship which, I hope, will endure till the last of us has gone to his rest, a comradeship which must never be allowed to fade, a comradeship which must hold us together in the same patriotic spirit in these days of peace that bound us shoulder to shoulder in the years of war. But after all, when the A.I.F. has passed away, let us hope that the Australian people will for all time keep sacred the memory of this day.

This is our solemn duty.

I congratulate the Bankstown Multicultural Youth Service and the 15 young men and women about to embark on this important journey. I am sure they will make us all very proud.

#### **Koo Wee Rup Bypass**

**Mr HUNT** (Flinders) (12.57 pm)—I rise to seek matched federal and state government support for the Koo Wee Rup bypass. Prior to the election, the then Prime Minister, Mr Howard, made a clear and absolute commitment of \$5 million to the Koo Wee Rup bypass. This is a project which is deserving of both state and federal government support for very clear reasons. Firstly, Cardinia council, which is the council responsible, containing within its boundaries the wonderful people and township of Koo Wee Rup, has made the bypass their No. 1 priority for state and federal funding.

The reason is clear: with the opening of the Pakenham bypass, Koo Wee Rup has now become the main north-south link between the South Gippsland Highway and the Princes Highway. As many locals have said, it has become a rat run. Residents in particular are saying that the road right through the heart of the town is not just congested but dangerous—dangerous for seniors and for families with small children. So it is a real matter of concern, it is an important issue and there is an enormous amount of work which has to be done. I am told B-double trucks are now banked up for hundreds of metres on occasions down the town's main street, there have been several near misses and this is a human catastrophe that is waiting to happen.

My request on behalf of the people of Koo Wee Rup is very simple. This township needs a bypass. It needs a coronary bypass. It needs to have its heart given back to it in clean, working order. I would therefore respectfully request that both the federal and state governments agree to do that which Mr Howard proposed—provide \$5 million from the federal tier and \$5 million from the state tier. This bypass is important in economic terms to the region and it is important in health and social terms to the members of the Koo Wee Rup township and nearby residents. I hope that these words will be taken seriously. I will again be writing to the Prime Minister to this effect and asking him to match the proposal and the commitment made by Mr Howard. Please support the Koo Wee Rup bypass.

**The DEPUTY SPEAKER (Ms AE Burke)**—I thank the member for Flinders for his speed in delivering that speech.

**Main Committee adjourned at 1.00 pm**