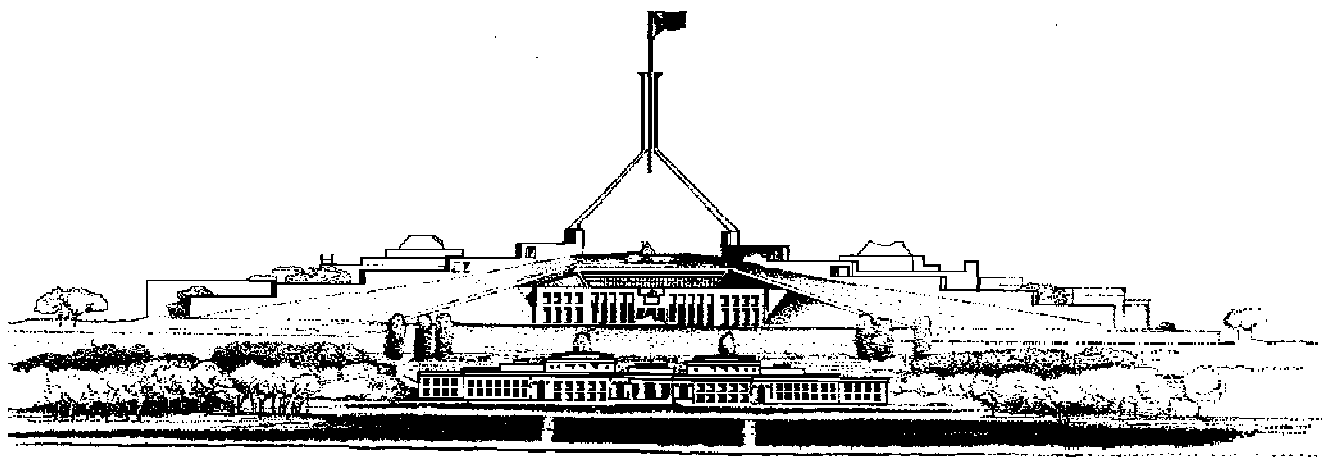




COMMONWEALTH OF AUSTRALIA
PARLIAMENTARY DEBATES



SENATE

Official Hansard

WEDNESDAY, 21 AUGUST 1996

THIRTY-EIGHTH PARLIAMENT
FIRST SESSION—FIRST PERIOD

BY AUTHORITY OF THE SENATE
CANBERRA

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Wednesday, 21 August 1996

The PRESIDENT (Senator the Hon. Margaret Reid) took the chair at 9.30 a.m.

PRAYERS

The PRESIDENT—Before I read prayers, some senators have asked if I would have any objection to their saying the Lord's Prayer with me. I have no objection and, if any senator wishes to, he or she may do so.

The President read prayers.

MR JOHN BRUDENALL: RETIREMENT

The PRESIDENT—I wish to advise senators that Mr John Brudenall, the Deputy Parliamentary Librarian, retired on 7 August 1996 after 30 years of service to the parliament. I think that only the right honourable member for New England and the Clerk of the House of Representatives can look back on a continuous service record which is longer than Mr Brudenall's. He started when a Liberal coalition government was in power and he has retired when the Liberal coalition is again in power.

He had a commendable and distinguished career in parliamentary service, starting in the acquisitions and cataloguing area of the Old Parliament House when the staff then numbered only a few dozen, and he has retired at a time when the Parliamentary Library is one of the very best such services in the world with a staff of over 200 and a budget of \$16 million.

In many ways John can be regarded as the father of the modern Parliamentary Library, for it was largely at his instigation and against a great deal of institutional resistance that he moved the library from being just a reference library and a reading service into a wider, modern, information technology world.

Librarians of course regard books as important, and books are very important to John. He foresaw the coming of the electronic data age and it was under his guidance that the library moved from the card index and now to the Internet. It is without doubt one of the best equipped facilities in the world—as will

be attested to by many of us and our staff who have had to seek information in the library in a short span of time.

John Brudenall will be remembered by his peers as a thoroughly professional librarian and public servant. He was honoured by the Library Association of Australia in 1986 when he was made a fellow of the association for his 'contribution to parliamentary librarianship, to education for librarianship and to the library profession'. He was at all times a highly regarded professional in an institution which, more often than not, was not headed by a librarian. His urbanity and measured confidence will be missed.

He was perhaps of the 'old school' of public servant who believed that his role was to remain in the background and advise, and his record of long and loyal service speaks for itself. We should and do acknowledge the service of Mr Brudenall. On behalf of all senators I wish him and his wife Sue great happiness in retirement and hope that from time to time he will be able to return and see his many friends in this building.

MR ALAN PLATT: RETIREMENT

The PRESIDENT—I now would like to ask Mr Alan Platt to come into the chamber so we can see him. Alan retires next Monday. I do not think many of us here can imagine the chamber without Alan in charge. He joined the department as an attendant in February 1982 and has been the chamber supervisor for 12 years.

Alan, the chamber operates effectively because of your efforts. You take enormous pride in your work and deliver an excellent service—sometimes, we would have to admit, in very trying circumstances. Alan always knows what is occurring in the chamber at any given moment and has the ability to anticipate what might occur, which of course means that we have an excellent service.

Alan is fastidious in the way that he wants the chamber to operate and all of us have witnessed that first hand. I think it is fair to say that Alan regards the chamber as his own. He expects the highest standards from himself and certainly from the staff, all of whom have been trained so well by him. He has gained

the respect and admiration of his staff and, in particular, of the senators he has served in this chamber.

Last week, the Department of the Senate recognised Alan's efforts by awarding him the prestigious meritorious service medallion and certificate, which recognises the outstanding performance of an individual in the Senate department. Alan Platt is very deserving of such an award. The role that Alan has played in the chamber will be sorely missed. In fact, I am sure that many of us cannot quite imagine coming back to the chamber in a couple of weeks from now and finding that he is not here.

I think all senators will want me to say to you, Alan: thank you for what you have done for us and thank you for your dedication and commitment to the task. We wish you very well in the future, and you will be sorely missed by all of us. I would like you to stand so that senators can acknowledge your contribution.

Honourable Senators—Hear, hear!

CONDOLENCES

Hon. Frederick Meares Osborne CMG, DSC and Bar VRD

The PRESIDENT—It is with deep regret that I inform the Senate of the death on 23 July 1996 of the Hon. Frederick Meares Osborne CMG, DSC and Bar VRD, member of the House of Representatives for the Division of Evans, New South Wales, from 1949 to 1961, Minister for Customs and Excise in 1956, Minister for Air from 1956 to 1960, and Minister for Repatriation from 1960 to 1961.

Senator HILL (South Australia—Minister for the Environment) (9.38 a.m.)—by leave—I move:

That the Senate expresses its deep regret at the death, on Tuesday 23 July 1996, of the Hon. Frederick Meares Osborne CMG, DSC and Bar VRD, member of the House of Representatives for the Division of Evans, New South Wales, from 1949 to 1961, Minister for Customs and Excise in 1956, Minister for Air from 1956 to 1960 and Minister for Repatriation from 1960 to 1961, places on record its appreciation of his long and meritorious public service and tenders its profound sympathy to his family in their bereavement.

Madam President, Fred Osborne was born in Sydney on 20 January 1909. He was educated at North Sydney High School and Sydney Church of England Grammar School and went to the University of Sydney where he completed a degree in law.

He had a distinguished naval career before entering federal politics. In 1938, with the threat of war looming in Europe, he joined the Royal Australian Naval Volunteer Reserve, was mobilised in 1939 and seconded to the Royal Navy from 1940 to 1946.

He commanded *HMAS Gentian*, *Vanquisher* and *Peacock* in the Royal Navy and saw active service in the Atlantic during World War II. He was awarded the Distinguished Service Cross in 1940 for bravery and devotion to duty while assisting the evacuation of British and French forces from the coast of Norway. In 1945, while in command of the destroyer *HMAS Vanquisher*, he was awarded a Bar to his Distinguished Service Cross for the sinking of a German U-boat in the Atlantic.

He entered politics in 1949 when he first won the seat of Evans. In his maiden speech in parliament, he highlighted some of the immediate problems facing post-war Australia: he drew attention to the shortage of housing and the countless human problems caused by this shortage; he saw the need to increase the production of building materials; and went on to highlight the splendid contribution being made by the migrant work force, encouraging the government to make every effort to assist these new Australians to settle and contribute to the future development of the country.

His parliamentary career spanned some 12 years. As I mentioned earlier, he served in a number of portfolios in Menzies governments between 1956 and 1961. In addition, he also served on the House of Representatives Printing Committee, the Joint Committee on Foreign Affairs and also was a member of the Parliamentary Delegation to the Coronation of Her Majesty Queen Elizabeth II in 1953. He represented Australia in the inauguration of Ghana in 1957.

After leaving parliament in 1961, he re-established his career as a commercial lawyer in Sydney and held positions on the boards of

a number of prominent Australian companies. He was President of the New South Wales Division of the Liberal Party from 1967 to 1970. He was appointed a Companion of the Order of St Michael and St George for distinguished services to government and the community.

Madam President, Fred Osborne was an outstanding citizen, a staunch Liberal who gave great service to Australia both in war and in peacetime. I know that he will be sadly missed by all who knew him. On behalf of the government, I extend to his wife Elizabeth and children our most sincere sympathy in their bereavement.

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (9.41 a.m.)—On behalf of the opposition, I wish to associate the opposition and opposition senators with the condolence motion moved by the Leader of the Government in the Senate (Senator Hill). We too express our regret at the death of Frederick Meares Osborne, a former minister, and offer sincere condolences to his family.

Fred Osborne was not known to me personally but he was, by all accounts, a much admired man who was also known as a politician who cared very deeply for his constituents and vigorously defended their interests in the parliament. He was a Member of the House of Representatives for the Division of Evans in New South Wales from 1949 to 1961.

He certainly had a very distinguished naval career before entering politics. He joined the RAN Volunteer Reserve in 1938. In fact, he was seconded from the Royal Australian Navy to the Royal Navy and he was one of the few reservists to join the British navy and the only Australian to rise to the command of a destroyer. He commanded the *HMS Gentian*, the *Vanquisher* and *Peacock* and he was awarded two Distinguished Service Crosses during his naval career.

He won his first Distinguished Service Cross as a sub-lieutenant on the *St Loman*, which was an armed trawler, for assisting very valiantly in the evacuation of British and French troops from the Norwegian coast, and he achieved the second DSC in 1945 when he

was a lieutenant-commander of the Royal Navy destroyer *Vanquisher*, which in fact was responsible for sinking a German U-boat.

Fred served in a diverse range of ministerial portfolios in the Menzies government, as outlined by Senator Hill. In 1956 he was appointed Minister for Customs and Excise and, later that year, Minister for Air, and in 1960 he became the Minister for Repatriation.

Fred Osborne will be remembered as an Australian who served this country with honour. Madam President, on behalf of the opposition, we offer our most sincere condolences to his family.

Senator WOODS (New South Wales—Parliamentary Secretary to the Minister for Health and Family Services) (9.45 a.m.)—I rise to support the condolence motion for Fred Osborne, who was a good friend of mine. We have heard that he became a reserve naval officer just prior to the war and, unusually for a reserve officer, he became the captain of at least two vessels, including destroyers. He always said that this was part of the formation of his essential character. He also said that in many ways this was the most enjoyable time of his life and that when he left his last ship when it was decommissioned he realised that life would never be the same. He always pointed out that this was an invaluable formative experience for him.

Fred had been spurred on by his family background. He became a great achiever in politics, in law and in business but if you asked those who knew him what were his quintessential characters they would probably say they were integrity and decency, qualities which Fred made sure he passed on to his family.

We have heard a list of his great achievements—a superb record and one which I believe is not often surpassed. I will not repeat it in detail; Fred's proud record stands for itself. It includes some 12 years in parliament with five years as a minister in the Menzies government.

It could be said of Fred that he came from a kinder, gentler age but Fred was a kinder, gentler man. But he was much more than that; he was a very determined achiever but a very

warm human being who was essentially nourished by a firm belief in the essential virtues of humankind and by the importance of community service.

His contribution to the Liberal Party, to this parliament, to his family—in particular, his son Michael, who is following in his footsteps in the Liberal Party in New South Wales, his daughter Imogen and his wife Elizabeth—and perhaps most importantly to society is incomparable. I think it is fair to say that all of us agree that Fred will be sorely missed.

Senator BOSWELL (Queensland—Leader of the National Party of Australia in the Senate) (9.47 a.m.)—I rise to associate members of the National Party in the Senate with the condolence motion moved by Senator Hill. Frederick Osborne was a man of immense achievement: a decorated naval veteran who displayed great courage and valour during the naval battles of the Second World War and a distinguished minister in a variety of portfolios in the Menzies government.

Frederick Osborne was born in 1909 in Orange and was educated at Sydney Church of England Grammar School, St Andrew's College and the University of Sydney where he studied law. After graduation he practised commercial law and joined the Royal Australian Navy Volunteer Reserve in 1938. The outbreak of the Second World War saw him enlist as a regular in the Royal Navy.

Frederick Osborne's naval career was characterised by courageous actions and the unflinching and superb leadership with which he exercised his commands. As a sub-lieutenant on the *St Loman*, his courageous actions in assisting with the rescue of British and French forces saw him awarded a Distinguished Service Cross. His great capabilities led to his promotion to lieutenant and his commands of the *HMS Gentian*, the *Vanquisher* and the *Peacock* for the remainder of the war. As commander of the *Gentian* he was charged with the extremely risky mission of escorting allied convoys in the battle of the Atlantic while under sustained air and U-boat attack. It was as lieutenant commander aboard the destroyer the *Vanquisher* in 1945 that he received his second Distinguished Service Cross for sinking a German U-boat.

After the war, Frederick Osborne found himself looking to federal politics as an area where he could make a further contribution to public life. To that end he was elected member for the New South Wales seat of Evans in the new Menzies government of 1949. His abundant natural capabilities were quickly recognised by Menzies who called on him to serve in a variety of ministerial portfolios. He was Minister for Customs and Excise in 1956, Minister for the Air from 1956 to 1960 and Minister for Repatriation from 1960 to 1961.

A man of immense talent and drive, it was a great loss to the Menzies government that his ministerial career was cut short by the very tight election of 1961 when he lost his seat by only a handful of votes. His commitment to the Liberal Party never waned and he went on to serve his party as president of the New South Wales division. He also served as Director of the Australian Ballet Foundation for 10 years from 1979 to 1987.

Frederick Osborne made a huge contribution to Australian life. The courage and leadership he exhibited during his naval years were of heroic proportions that few could match. He made an equally distinguished contribution to government during his six years as a minister. I am sure all honourable senators will join with me in extending sympathy to Frederick Osborne's widow, Elizabeth, his family and many friends.

Question resolved in the affirmative, honourable senators standing in their places.

Philip Ernest Lucock CBE

The PRESIDENT—It is with deep regret that I inform the Senate of the death on 8 August 1996 of Philip Ernest Lucock CBE, member of the House of Representatives for the Division of Lyne from 1952 to 1980, Temporary Chairman of Committees from 1956 to 1961, Deputy Chairman of Committees from 1973 to 1975, Deputy Speaker and Chairman of Committees from 1961 to 1973 and from 1976 to 1978.

Senator HILL (South Australia—Leader of the Government in the Senate) (9.52 a.m.)—by leave—I move:

That the Senate expresses its deep regret at the death, on 8 August 1996, of Philip Ernest Lucock

CBE, a member of the House of Representatives for the Division of Lyne from 1952 to 1980, Temporary Chairman of Committees from 1956 to 1961, Deputy Chairman of Committees from 1973 to 1975 and Deputy Speaker and Chairman of Committees from 1961 to 1973 and from 1976 to 1978, places on record its appreciation of his long and meritorious public service and tenders its profound sympathy to his family in their bereavement.

Phil Lucock was born in Eltham, Kent, England on 16 January 1916. He studied theology, but interrupted his studies to enlist in the Royal Australian Air Force in 1941. After his discharge from the RAAF he resumed his studies and became a minister of the Presbyterian Church.

He entered federal politics in 1952 when he won the New South Wales seat of Lyne. In his first speech in parliament he spoke of the economic difficulties facing Australia at the time, in particular the need to contain inflation—a subject which is as relevant today as it was then. He also reflected on the pressures borne by the government of the day.

Phil's long parliamentary career saw him embrace many issues of public concern. In speeches in this parliament during his last days before his retirement in 1980 he commented on a wide range of issues, including the Western economic system, the level of state borrowings, the role of the backbencher, the role of the media and the ultimate accountability of each member to his or her electorate.

Phil was a firm believer in each and every individual playing a part and making a contribution so that Australia could continue to be the lucky country. He was true to his belief and made many significant contributions during his 28 years in this parliament. In addition to holding the offices of Deputy Chairman of Committees and Deputy Speaker and Chairman of Committees, he also provided valuable service to a range of parliamentary committees. He was chairman of the House of Representatives Standing Committee on Printing. He served on the House of Representatives Standing Committee on Standing Orders, the House of Representatives Standing Committee on Privileges, the House of Representatives Select Committee on

Pharmaceutical Benefits, the Joint Committee on Foreign Affairs, the Joint Committee on Foreign Affairs and Defence and the Joint Committee on the Australian Capital Territory.

In 1971, he was appointed a Commander of the Most Excellent Order of the British Empire for his service to the community and to the parliament. He enjoyed a long and distinguished career in this parliament—a career marked by his gentleness and compassion, and a special understanding of the trials and tribulations of politicians and government. In an article published in the *Australian* shortly after his retirement in 1980, he wrote:

Today, more than ever before, the real strength of government is tested by the need to make unpopular decisions that will benefit all Australians in the future.

These are words that we should all bear in mind. Phil will be sadly missed by all who knew him. On behalf of the government, I extend to his children Robert, Ian, Patricia and Alison our most sincere sympathy in their bereavement.

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (9.55 a.m.)—I wish to associate the opposition with the condolence motion moved by the Leader of the Government in the Senate (Senator Hill) on the death of Philip Ernest Lucock. Phil Lucock was a former National Country Party member for Lyne in New South Wales. Labor senators express regret at the death of Phil Lucock and offer their sincere condolences to his family.

Phil Lucock was a member of the House of Representatives for 28 years. He commenced his service in 1952. I think it is appropriate to acknowledge that he served as Deputy Speaker and Chairman of Committees in the House of Representatives from, in the first instance, 1961 to 1973 and then from 1975 to 1978. That is a record term for that particular office. It is appropriate to recognise that this is, in terms of the position of presiding officer, the highest office to which a member of a minority coalition party—at that time the National Country Party—could aspire. This is of great significance and something that ought

to be acknowledged and recorded in this parliament at the time of his death.

Phil Lucock will be remembered as a man of principle and decency. He made a very notable contribution to this parliament and to the people of his electorate. On behalf of the opposition in the Senate, we offer sincere sympathy to his family.

Senator BOSWELL (Queensland—Leader of the National Party of Australia in the Senate) (9.57 a.m.)—I rise to associate members of the National Party in the Senate with the condolence motion moved by the Leader of the Government in the Senate, Senator Hill, for former National Country Party and then National Party member Philip Lucock who passed away a fortnight ago at the age of 80. Philip Lucock made an enormous contribution to Australian public life as a federal parliamentarian for 28 years, including service as Deputy Speaker and Chairman of Committees for a record 12 years.

Philip Lucock was born in 1916 in England. He studied theology at St Andrews Theological Hall in Sydney until the Second World War intervened and he promptly enlisted in the Royal Australian Air Force. Following his medical discharge from the RAAF in 1942, he resumed his studies and was ordained as a Presbyterian minister in 1948.

In 1952, the Country Party prevailed on him to contest the seat of Lyne in a by-election following the death of the sitting member, James Eggins. He won the seat and held it for almost 29 years, winning 11 elections along the way, until his retirement in 1980. Despite his successful contesting of Lyne, Philip Lucock maintained his ecclesiastical commitments by conducting dozens of church services each year.

In a thoughtful first speech to the parliament, Philip Lucock spoke about Australia's place in an unsustainable world following the incursions in Korea and Malaysia. He stated:

The dangers that exist can only be overcome if we show clearly that we are prepared to sacrifice comforts in order to safeguard the freedom of our country and the great traditions of our democracy.

Prophetically he also spoke of the need to increase primary production in order not only

to meet Australia's needs but also to make a contribution to the food requirements of Asia.

During Philip Lucock's long parliamentary career he was appointed to the challenging positions of Chairman of Committees and Deputy Speaker twice under Menzies and later under Malcolm Fraser. He first held the office of Deputy Speaker and Chairman of Committees from 1961 to 1973. He was made a Commander of the Order of the British Empire in 1971 in recognition of his great service to the community and the parliament.

During his long career Philip Lucock also served as Acting Speaker in the House on various occasions, as well as Chairman of the Printing Committee, Vice-Chairman of the Joint Foreign Affairs Committee from 1959 to 1961, and the Joint Foreign Affairs and Defence Committee from 1973 to 1975. His great parliamentary experience and expertise was called on by the Fraser Government in 1976 and he again assumed the office of Deputy Speaker and Chair of Committees until 1978.

During his 28 years in the parliament, Philip Lucock never faltered in his advocacy for the Country Party and the people of Lyne. His appreciation for the primacy of the parliamentary system never faltered. From the day he entered parliament to his final day almost 29 years later he remained committed to his belief that at all times it was imperative to remain a conscientious advocate for his constituents. In his valedictory speech he stated:

The House of Representatives is the most important forum in Australia and the most humble person has the right to have his case presented and argued by his member of parliament.

During the valedictory debates there was a warm, bipartisan commendation of Philip Lucock's long parliamentary career. The government Leader of the House at the time, Ian Sinclair, praised the devotion with which Philip Lucock served his constituents and hailed him as a man 'who has won the hearts of the honourable members of the House.'

Philip Lucock made a great contribution to Australian life through his war duty, his long and diligent parliamentary work and his lifelong commitment to the Presbyterian

Church. He will long be remembered by the people of Lyne for his long and faithful service. I am sure all honourable senators will join with me in extending sympathy to Philip Lucock's family and friends.

Senator CHAPMAN (South Australia) (10.03 a.m.)—Madam President, it was my privilege to serve as a colleague of Philip Lucock in the House of Representatives during the last five of his distinguished 28 years of service to this parliament. As has already been mentioned, his service during part of that period was as Deputy Speaker and Chairman of Committees of the House of Representatives. He served a record term in that office. I particularly remember his courtesy and kindness as Deputy Speaker to a new, relatively young MP in those days. He was ever helpful with advice from the chair for a young MP who was learning the ropes and I was grateful to him for that helpful advice on a number of occasions.

Also, as has been mentioned, he was an ordained Presbyterian minister. It was in that capacity that he was a very active member and, for a time, an office bearer of the Parliamentary Christian Fellowship within this parliament. It was in that particular role that I probably got to know Phil best. He was very committed to that group. He served it well and the strength of that organisation during his period in parliament was due, in no small measure, to the active involvement and support which he gave it.

After his retirement in 1980 he reverted more actively to his role as a Presbyterian minister. From time to time, he visited Adelaide in that capacity and I had the chance to catch up with him. He maintained his enthusiasm for the political process, notwithstanding his retirement, and was always interested in what was happening in this place and to hear news of his former colleagues.

It was a privilege to have served with him for the last five years of his term in parliament as a House of Representatives colleague. It is in that context that I wish to associate myself with this condolence motion.

Senator HARRADINE (Tasmania) (10.05 a.m.)—Madam President, I too would like to join with other honourable senators in this

condolence motion. I knew Philip Lucock for the last five years of his service in the House of Representatives. He was a very fine member of parliament and a very considerate and compassionate colleague. He was the type of person who would be very interested in what your family was doing and how they were. Very often I forget that particular aspect, which should be very important to us. It was very important and much appreciated by me during the long illness of my wife. As Senator Chapman has said, Phil Lucock was a very dedicated member of the Parliamentary Christian Fellowship. It was from those Christian principles that flowed his consideration of his fellow human being.

He was very strong on the need for parliamentarians to be accountable to their electorate. As has been said, he was a member of the House of Representatives for 28 years. In order to serve for 28 years he had to be elected no fewer than 12 times. I do not think he would give too many thanks to certain Prime Ministers who were interested in double dissolutions—they will remain unnamed at this stage. It is no wonder he had the very strongly entrenched view that members of parliament should be accountable to their electorate. He certainly was and the electorate of Lyne continued to return Phil Lucock, and justifiably so. I would also like to express my condolences to his children Robert, Ian, Patricia and Alison and to their families.

Question resolved in the affirmative, honourable senators standing in their places.

PETITIONS

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

East Timor

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

The Petition of the undersigned draws to the attention of the Senate Indonesia's continued denial of human rights to the people of East Timor.

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

1. actively support all United Nations resolutions and initiatives on East Timor;

2. actively support the right to self-determination of the people of East Timor;
3. work for the immediate release of all Timorese political prisoners;
4. repeal the Timor Gap Treaty; and
5. stop all military cooperation and commercial military activity with Indonesia.

by **Senator Bourne** (from 399 citizens).

Telstra: Privatisation

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

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

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

by **Senator Kernot** (from 1,476 citizens).

Industrial Relations

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

We the undersigned citizens respectfully submit that any reform to Australia's system of industrial relations should recognise the special needs of employees to be protected from disadvantage, exploitation and discrimination in the workplace.

We the petitioners oppose the Coalition policies which represent a fundamentally anti-worker regime and we call upon the Senate to provide an effective check and balance to the Coalition's legislative program by rejecting such a program and ensuring that:

1. The existing powers of the Australian Industrial Relations Commission (AIRC) be maintained to provide for an effective independent umpire overseeing awards and workplace bargaining processes.
2. The proposed system of Australian Workplace Agreements (AWAs) should be subject to the same system of approval required for the approval of certified agreements (through enterprise bargaining). Specifically, an AWA should not come into effect unless it is approved by the AIRC.
3. The approval of agreements contained in the legislation should be public and open to scrutiny. There should be provision for the involvement of parties who have a material concern relating to the approval of an agreement, including unions seeking to maintain the no disadvantage guarantees.

4. Paid rates awards be preserved and capable of adjustment, as is currently the case in the legislation.
5. The AIRC's powers to arbitrate and make awards must be preserved in the existing form and not be restricted to a stripped back set of minimum or core conditions.
6. The legislation should encourage the processes of collective bargaining and ensure that a certified agreement within its term of operation cannot be over-ridden by a subsequent AWA.
7. The secondary boycott provisions should be preserved in their existing form.
8. The powers and responsibility of the AIRC to ensure the principle of equal pay for work of equal value should be preserved in its existing form. We oppose any attempt by the Coalition to restrict the AIRC from dealing with overaward gender based pay equity issues.
9. A 'fair go all round' for unfair dismissal so that all workers currently able to access these remedies are able to do so in a fair manner, at no cost.
10. Workers under state industrial regulations maintain their rights to access the federal awards system in its current form.

Your petitioners therefore urge the Senate to reject the above proposed reforms to the area of industrial relations.

by **Senator Faulkner** (from 53 citizens) and **Senator Panizza** (from 243 citizens).

Industrial Relations

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

We the undersigned citizens respectfully submit that any reform to Australia's system of industrial relations should recognise the special needs of employees to be protected from disadvantage, exploitation and discrimination in the workplace.

We the petitioners oppose the Coalition policies which represent a fundamentally anti-worker regime and we call upon the Senate to provide an effective check and balance to the Coalition's legislative program by rejecting such a program and ensuring that:

1. The existing powers of the Australian Industrial Relations Commission (AIRC) be maintained to provide for an effective independent umpire overseeing awards and workplace bargaining processes.
2. Paid rate awards be preserved and capable of adjustment, as is currently the case in the legislation.

3. The AIRC's powers to arbitrate and make awards must be preserved in the existing form and not be restricted to a stripped back set of minimum or core conditions.

In addition we support the ACTU/ANF campaign against the Coalition's proposals to dismantle other existing industrial protection.

by **Senator Panizza** (from 26 citizens).

Food Labelling

We, the undersigned citizens and residents of Australia, call on all Senators to support implementation of the following:

- a requirement to label with the production process, all foods from genetic engineering technologies or containing their products;

- real public participation in decisions on whether to allow commercialisation of foods, additives and processing agents produced by gene technologies;

- premarket human trials and strict safety rules on these foods, to assess production processes as well as the end products.

Precedents which support our petition include several examples of foods already labelled with the processes of production; irradiated foods (here and internationally); certified organic foods; and many conventional foods (pasteurised; salt-reduced; free-range; vitamin-enriched; to name only a few).

We ask you all to accord a high priority to supporting and implementing our petition.

by **Senator Woodley** (from 314 citizens).

Food Labelling

We the undersigned request the Australian Senate implements the following:

- A Senate enquiry into the use of genetic engineering in the Australian Food Supply, including the ethics of its use.

- That consultations be undertaken with the general public to ask if we want this technology in our food supply and consent to its use.

- That consumers be resourced to attend these consultations.

- Any food that is genetically engineered or contains components that are genetically engineered are required to be labelled, including the origin of the genes.

- That meaningful right to know legislation be enacted to guarantee public access to toxicology data.

by **Senator Woodley** (from seven citizens).

Uranium

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

The petition of the undersigned strongly opposes any attempts by the Australian government to mine uranium at the Jabiluka and Koongara sites in the World Heritage Listed Area of the Kakadu National Park or any other proposed or current operating site.

Your petitioners ask that the Senate oppose any intentions by the Australian government to support the nuclear industry via any mining, enrichment and sale of uranium.

by **Senator Kernot** (from 2,089 citizens).

Gun Control

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

The petition of certain citizens of Australia draws to the attention of the Senate the need for tighter gun laws.

Your petitioners therefore ask the Senate to support moves by the Prime Minister to tighten gun laws through the following measures;

- the banning of fully automatic and semi-automatic weapons;

- the introduction of a nation-wide shooters licence system; and

- the introduction of a nation-wide gun registration system.

by **Senator Knowles** (from 126 citizens) and **Senator Newman** (from 124 citizens).

Gun Control

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

The petition of the undersigned shows:

- that the overwhelming majority of Australians support uniform, national gun laws and the associated compensation measures as agreed between the Prime Minister, State Premiers and the Chief Ministers of the ACT and NT.

Your petitioners ask that the Senate:

- continue to demonstrate its firm support for these measures;

- take all possible action to expedite their implementation; and

- resist all calls for the control measures to be watered down or abandoned.

by **Senator Kernot** (from 4,292 citizens), **Senator Newman** (from 5,670 citizens) and **Senator Panizza** (from 63 citizens).

Labour Market Programs

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

We the petitioners here undersigned oppose the cuts made to programs associated with the provision of labour market assistance to the unemployed.

We view the decision to make these cuts as ill advised and in contravention of the Government's pre-election commitments to maintain services to the unemployed.

We call on all members of Parliament, regardless of political party to do everything possible and ensure that:

1. The Government maintain the real level of labour market program funding at levels equal to or greater than that provided for under the previous Government's Working Nation Initiatives.

2. The Government recognises the value of the current Skillshare program as a community provider of services to the unemployed and make provision for the continued existence of, and extension to, this highly successful program.

3. The Government immediately declares a moratorium on any cuts to funding for community based program providers of services to the unemployed and enter into discussions with peak industry advocates, representatives of the unemployed and representatives of employees employed in these services about the most effective ways to deliver these services. That no changes be made to the delivery of these services until these discussions occur.

4. The Government does everything possible to ensure that the experienced and trained employees currently engaged in the provision of community based labour market assistance programs be maintained in these services in order to ensure that unemployed people get the greatest possible opportunity to be successful in gaining meaningful employment.

by **Senator Panizza** (from 24 citizens).

Australian Head of State

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

The petition of the undersigned expresses widespread community support for an Australian as Head of State for Australia.

Your petitioners ask that the Senate note and endorse the wishes expressed in this petition.

by **Senator Panizza** (from 52 citizens).

Telstra: Privatisation

To the Honourable the President and Senators, and to the Speaker and Members of the House of Representatives assembled in Parliament:

The petition of the undersigned citizens respectfully shows that:

As members of the Australian community, considering:

the strategic important of Telstra in the national economy;

the high levels of foreign ownership in the rest of the telecommunications industry;

the growing importance of communications services to the lives of all Australians;

the threat that privatisation poses to the universal availability of both present and future communications services;

We believe that it is in the national interest for Telstra to be kept in full public ownership.

We therefore call on the Federal Government to abandon its proposal to privatise Telstra, the nation's chief telecommunications provider, and to explore alternative means of funding its environmental policy.

And your petitioners as in duty bound will ever pray.

by **Senator Faulkner** (from 16 citizens),

Senator Margetts (from nine citizens),

Senator McKiernan (from eight citizens) and

Senator Panizza (from 28 citizens).

Social Security Benefits

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

We the undersigned citizens oppose the introduction of a 2 year waiting period for migrants who arrive to Australia from accessing Social Security benefits.

We strongly urge the members of the Senate to refer the proposed Social Security Act 1991 amendments on the 2 year waiting period for newly arrived migrants to a bipartisan support parliamentary committee that will assess the impact of the changes.

by **Senator McKiernan** (from 193 citizens) and

Senator Panizza (from 19 citizens).

Native Title

To the Honourable President and Members of the Senate:

This petition of certain citizens of Australia draws to the attention of the Senate the need to continue to allow Aboriginal and Torres Strait Islander people, who wish to claim native title, the

right to access legal aid outside of the Representative Bodies established under the Native Title Act.

To force Aboriginal and Torres Strait Islander claimants to seek funding from so-called representative bodies is oppressive and may result in breach of their human rights.

Your petitioners request the Senate to refuse to pass the amendment 183(4)(a) which would remove the rights of Aboriginal and Torres Strait Islander claimants to seek legal aid for their native title claims from the Attorney-General's department independently of and without interference from representative bodies.

And your petitioners, as in duty bound, will ever pray.

by **Senator Colston** (from 24 citizens).

Port Hinchinbrook Development Project

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

We the undersigned humbly request that the Senate honours the obligations of the Commonwealth of Australia to protect its territory that has received World Heritage status according to the World Heritage Convention of which Australia is a signatory.

Significant areas of marine and mangrove ecosystems of Australia's World Heritage Great Barrier Reef Marine Park are directly threatened with destruction by the adjacent construction of Australia's largest tourist resort and marina complex at Oyster Point near Cardwell North Queensland (opposite Hinchinbrook Island).

We implore the Senate to use its powers immediately to permanently halt the construction of the marina and access channel in the World Heritage "Buffer Zone" as recommended by the Valentine Report made to his Department in October 1994.

by **Senator Kernot** (from 235 citizens).

Native Title

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

We the undersigned respectfully call upon the Senate to block legislation relating to changes to ATSIC and Native Title Legislation.

Native Title Legislation

Pastoral Leases should not squash Native Title Claims—the model of a Regional Agreement which brings together all stakeholders (as seen in the Cape York Agreement) is evidence that differing needs can be catered for and satisfactory settlements negotiated.

Changes to ATSIC

We oppose the reform package put forward by the Coalition Government and the discrediting of

Aboriginal organisations and attacks on the principles of self-determination. Government control over Aboriginal people and services has in the past been disastrous. Aboriginal people should be able to expect support from the Government and the Minister for Aboriginal Affairs not maligning. Numerous Aboriginal organisations all over Australia respond effectively and appropriately to the issues and concerns of their communities.

by **Senator Panizza** (from 28 citizens).

Aerial Cabling

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

The Petition of the undersigned shows:

the strong opposition of residents of the City of Mitcham in South Australia to the proposed roll-out of overhead cables within our City, based on the impact upon residential amenity, our local streetscapes and the environment.

In addition to our concern about visual pollution, we are strongly opposed to the unnecessary duplication of infrastructure and the extent of immunity granted to telecommunications carriers from state and local government regulations.

Your Petitioners request that the Senate should:

1. Stop all further aerial cabling particularly any roll out in the City of Mitcham.

2. Insist on shared infrastructure, underground, for cable roll out.

3. To establish an independent infrastructure management authority to facilitate this fairly and consistently.

4. To immediately halt the installation of the telephone tower in the Mitcham Community Court and insist on real consultation between Carriers and local planning authorities re the establishment of any other towers in our City.

5. To ensure the Telecommunications Code is stringent on the need for thorough consultation and the recognition of local planning authorities jurisdiction in the areas they know best.

by **Senator Panizza** (from 237 citizens).

Higher Education Contribution Scheme

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

The petition of the undersigned demand the Australian Government honour its commitment to the Higher Education sector as stated in the Liberal and National Parties' Higher Education Policy (February 1996).

We demand the Australian Government honour its promises to:

maintain Austudy and Abstudy with benefits at real levels

maintain levels of funding to universities in terms of operating grants

maintain the Higher Education Contribution Scheme (HECS)

ensure no compulsory up-front fees for undergraduate places

ensure no cuts in university places.

Your petitioners ask that the Senate oppose any intention by an Australian Government to introduce student fees, increase HECS repayments, abolish Austudy or Abstudy, or cut funding for university places.

by **Senator Stott Despoja** (from 353 citizens).

Australian Broadcasting Corporation

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

The petition of the undersigned recognises the vital role of a strong and comprehensive Australian Broadcasting Corporation (ABC) and asks that:

1. Coalition Senators honour their 1996 election promise, namely that "The Coalition will maintain existing levels of Commonwealth funding to the ABC".
2. The Senate votes to maintain the existing role of the ABC as a fully independent, publicly funded and publicly owned organisation.
3. The Senate oppose any weakening of the Charter of the ABC.

by **Senator Bourne** (from 523 citizens).

Petitions received.

NOTICES OF MOTION

Australian Olympic and Paralympic Teams

Senator HILL (South Australia—Minister for the Environment)—I give notice that, on the next day of sitting, I shall move:

That the Senate—

- (a) congratulates the Australian Olympic team for its outstanding performance at the Atlanta Games, winning Australia's best ever tally of nine gold, nine silver and 23 bronze medals;
- (b) acknowledges with gratitude the efforts of managers, coaches and support staff in assisting the athletes to achieve the performances of which Australia is justifiably proud;

(c) commends all members of the Australian Olympic team at Atlanta, whether medal winners or not, for their sportsmanship and conduct both on and off the field which brought great credit to Australia;

(d) wishes every success to our paralympians currently competing in Atlanta; and

(e) looks forward to even greater Australian successes at the 2000 Olympic Games in Sydney.

Consideration of Legislation

Senator KEMP (Victoria—Manager of Government Business in the Senate)—I give notice that, on the next day of sitting, I shall move:

That the order of the Senate of 29 November 1994, relating to the consideration of legislation, not apply to the National Firearms Program Implementation Bill 1996.

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

Leave granted.

The statement read as follows—

Statement of Reasons for Introduction and Passage in the 1996 Spring Sittings

The bill creates a special standing appropriation allowing the commonwealth to meet fully the direct cost of fair and proper compensation to gun owners as part of the national gun amnesty and compensation-for-surrender scheme and allows for payments to the states and territories for costs related to the establishing and administering of the gun buy back and registration systems, and the gun amnesty education program. It also allows for commonwealth payments for the same purposes.

The bill needs to be introduced and passed during the first week of the spring sittings in order for monies to be made available to states and territories at the beginning of September.

This statement is circulated with the authority of the Attorney-General.

Australian Olympic and Paralympic Teams

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

That the Senate—

- (a) congratulates the Australian Olympic team for its magnificent effort in Atlanta, with the

record breaking medal haul of 41 medals, including nine gold, nine silver and 23 bronze;

- (b) thanks all athletes who delivered their personal best for their country, including our equestrian team, the 'Awesome Foursome' and other rowers, our gold medal winning women's hockey team, the Boomers and Opals, our tennis players, our swimming team, our shooters, our track and field athletes, softball players and medal winning beach volleyball team and all the other athletes who performed so well at Atlanta;
- (c) acknowledges the important role of administrators, managers, coaches and support staff in Atlanta and congratulates them on their efforts; and
- (d) congratulates all the paralympians who are at this moment leading the medal tally at the paralympics in Atlanta and wishes them well for the remainder of the games.

Education, Training and Youth Affairs: Election Commitments

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

That the Senate notes:

- (a) with deep concern, the Government's deliberate and massive betrayal of its election commitment to the Australian people for education, training and youth affairs;
- (b) specifically, that attacks made by the Government on higher education, technical and further education, public schools and training programs seriously undermine support to young Australians; and
- (c) self ideological-driven Budget cuts weaken the social, economic and cultural development of the Australian people, and should be condemned.

Budget 1996-97

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

That the Senate—

- (a) notes the comments made by Mr Alan Wood in the *Australian* of 21 August 1996, in which he states, 'The horror figures in this Budget are not Peter Costello's spending cuts. They are the \$69 billion of deficits accumulated over the past five years of the Labor Government—mostly during the Keating prime ministership. If (Costello) is to be criticised it is not for being too tough, or breaking promises, but for not being

tough enough' and concludes by stating, 'Instead of playing sleazy games in the Senate, Labor should apologise for its terrible failure as a financial manager and help Costello clean up the mess'; and

- (b) calls on the Australian Labor Party to accept the advice of Mr Wood, pass the 1996-97 Budget and not frustrate the fiscally-responsible Howard Government Budget.

Export of Uranium to Taiwan

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

That the Senate—

- (a) notes:
 - (i) the Australian Government's proposal to sell uranium to Taiwan, and
 - (ii) that the proposal has profound security, environmental, health and ethical implications such as:
 - (a) the potential acquisition of nuclear weapons technologies and materials by threshold nuclear weapons states such as Taiwan,
 - (b) possible on-selling of Australian obligated nuclear materials by Taiwan due to the lack of bilateral safeguards for uranium between Australia and Taiwan,
 - (c) possible damage to Australia's relations with China,
 - (d) adding to the intractable radioactive waste problem in Taiwan and in the Pacific, and
 - (e) contributing to the environmental and health dangers posed by the operation of nuclear reactors; and
- (b) calls on the Government to immediately cease its plans to export uranium to Taiwan and advise the Government of Taiwan accordingly.

ABC: Funding

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

That the Senate—

- (a) notes the broken promise of the Coalition Government and its minister to maintain funding to the Australian Broadcasting Corporation (ABC);
- (b) notes:
 - (i) that the Government's \$209 million cuts to the ABC over the next 4 years will

destroy the ABC as Australians have known it,

- (ii) that this cut is motivated by the desire of the Prime Minister (Mr Howard) to destroy the independence of the ABC,
 - (iii) that this cut, in particular, will reduce broadcasting services to the smaller states, rural and regional Australia and the youth of Australia, and that other services which may be affected include ABC fine music, television, drama, Radio National and the State orchestras, and
 - (iv) with grave concern, the appointment of the Mansfield review of the ABC, with restrictive terms of reference which are clearly aimed at destroying the independence of the ABC; and
- (c) strongly supports the maintenance of the ABC as a broad-based independent national public broadcaster.

Community Standards Committee

Senator KEMP (Victoria—Parliamentary Secretary to the Minister for Social Security)—On behalf of Senator Alston, I give notice that, on the next day of sitting, he will move:

That the following matter be referred to the Select Committee on Community Standards Relevant to the Supply of Services Utilising Electronic Technologies for inquiry and report by 28 November 1996:

The portrayal of violence in the electronic media and related matters arising from submissions to the Committee of Ministers on the Portrayal of Violence in the Media.

King Island Dairy Products Pty Ltd

Senator MURPHY (Tasmania)—I give notice that, on the next day of sitting, I shall move:

That their be laid on the table, no later than Tuesday, 3 December 1996, by the Minister representing the Attorney-General (Senator Vanstone), a report of an investigation by the Australian Securities Commission, pursuant to a direction given by the minister under section 14 of the Australian Securities Commission Act 1989, into the sale to Transequity Ltd of the assets and property of King Island Dairy Products Pty Ltd in 1986 under instruction from the Government of the State of Tasmania.

Rural and Regional Affairs and Transport Legislation Committee

Senator CARR (Victoria)—On behalf of Senator Bob Collins, I give notice that, on the next day of sitting, he will move:

That the following matter be referred to the Rural and Regional Affairs and Transport Legislation Committee for inquiry and report by 31 October 1996:

The administration and management by the Australian Quarantine and Inspection Service and the Department of Primary Industries and Energy of all aspects of the importation of cooked chicken meat into Australia.

Triple J Radio

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

That the Senate—

- (a) condemns cuts to the Australian Broadcasting Corporation's radio Triple J;
- (b) notes:
 - (i) Triple J is the only national youth broadcaster, broadcasting to 2 million Australians each week, and
 - (ii) that Triple J's regional expansion, the Triple J internet site and expansion of the 'Unearthed' new music project will cease;
- (c) denounces this crackdown on young people's access to media and outlets of expression; and
- (d) calls on the Coalition to honour its pre-election commitment to maintain Triple J so that it is accessible for all young Australians, especially those in regional and remote areas.

Introduction of Legislation

Senator BROWN (Tasmania)—I give notice that, on 18 September 1996, I shall move:

That the following bill be introduced: A Bill for an Act to amend the Commonwealth Electoral Act 1918, and for related purposes.

Commonwealth Electoral Amendment (Political Freedom) Bill 1996.

Question Time

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

That the Senate notes:

- (a) that the Leader of the Government in the Senate (Senator Hill) did not provide the Senate with a question time on 20 August 1996, in direct contradiction of his avowed view in 1993 when he said, 'This is a day of ceremony but it is also a normal day of business. . . ' and 'We should be entitled today, on the first day back here, to ask ministers the question that we wish to ask';
- (b) the vociferous support given to Senator Hill's contention by Senators Vanstone and Boswell; and
- (c) that the Opposition did not demand a question time on 20 August 1996, following the proper traditions of the Senate Chamber.

Nuclear Weapons

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

That the Senate—

- (a) notes:
 - (i) the Government has not yet come out with a position on the ruling of the International Court of Justice on the illegality of nuclear weapons, more than 5 weeks after the advisory opinion was brought down,
 - (ii) the ruling that the use of nuclear weapons would be generally contrary to the rules of war and international law now renders illegal Australia's role in nuclear war strategy, and
 - (iii) the ruling sheds doubt over the future of ANZUS, nuclear warship visits and the upgrading of Pine Gap for nuclear purposes; and
- (b) calls on the Government to:
 - (i) publicly accept the findings of the International Court of Justice regarding the illegality of nuclear weapons, and
 - (ii) cease Australia's contribution to the nuclear arms race and nuclear war strategy by stopping the export of uranium, withdrawing from the nuclear alliance with the United States (US), banning nuclear warship visits and closing the US base at Pine Gap.

Protection of Australia's Native Forests (Prevention of Export Woodchips) Bill 1996

Senator LEES (South Australia—Deputy Leader of the Australian Democrats)—I withdraw general business notice of motion

No. 165 standing in my name relating to the introduction of the Protection of Australia's Native Forests (Prevention of Export Woodchips) Bill 1996.

Triple J Radio

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

That the Senate—

- (a) notes that a petition has been circulated in regard to Triple J radio which states the following: ' . . . the petition of the undersigned shows that the potential funding cuts to Radio Triple J will drastically affect services and public broadcasts to the youth of Australia. Your petitioners therefore ask the Senate to retain the current level of funding for Triple J';
- (b) urges all young people to sign the petition;
- (c) notes the important relationship which Triple J has with young Australians and, in particular, the important role it plays in regional Australia; and
- (d) is aware of the part which Triple J plays in promoting new Australian music and the economic benefits which arise from this endeavour.

Employment, Education and Training References Committee

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

That the time for the presentation of the report of the Employment, Education and Training Legislation Committee on the Employment, Education and Training Amendment Bill 1996 be extended to 19 September 1996.

Contingent Notices of Motion

Senator BROWN (Tasmania)—I give notice of 10 contingent notices of motion in terms which I now hand to the Clerk.

The notices read as follows—

(contingent on the Senate on any day concluding its consideration of any item of business and prior to the Senate proceeding to the consideration of another item of business)

That so much of the standing orders be suspended as would prevent the senator moving a motion relating to the conduct of the business of the Senate or to provide for the consideration of any other matter.

(contingent on the Senate proceeding to the consideration of government documents)

That so much of the standing orders relating to the consideration of government documents be suspended as would prevent the senator moving a motion relating to the order in which the documents are called on by the President.

(contingent on a minister moving a motion that a bill be considered an urgent bill)

That so much of standing order 142 be suspended as would prevent debate taking place on the motion.

(contingent on a minister moving a motion to specify time to be allotted to the consideration of a bill, or any stage of a bill)

That so much of standing order 142 be suspended as would prevent the motion being debated without limitation of time and each senator speaking for the time allotted by standing orders.

(contingent on the chair declaring that the time allotted for the consideration of a bill, or any stage of a bill, has expired)

That so much of standing order 142 be suspended as would prevent further consideration of the bill, or the stage of the bill, without limitation of time or for a specified time.

(contingent on the chair declaring that the time allotted for the consideration of a bill, or any stage of a bill, has expired)

That so much of standing order 142 be suspended as would prevent the questions being put in respect of any amendments circulated by the Opposition, the Australian Democrats or any Independent Senator (including Senators from the Australian Greens and Greens (WA)), and that such questions be put accordingly.

(contingent on the moving of a motion to debate a matter of urgency under standing order 75)

That so much of the standing orders be suspended as would prevent the senator moving an amendment to the motion.

(contingent on the President proceeding to the placing of business on any day)

That so much of the standing orders be suspended as would prevent the senator moving a motion relating to the order of business on the *Notice Paper*.

(contingent on any senator being refused leave to make a statement to the Senate)

That so much of the standing orders be suspended as would prevent that senator making that statement.

(contingent on a minister at question time on any day asking that further questions be placed on notice)

That so much of the standing orders be suspended as would prevent the senator moving a motion

that, at question time on any day, questions may be put to ministers until 28 questions, including supplementary questions, have been asked and answered.

Minister for Employment, Education, Training and Youth Affairs

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

That the Senate notes that the Minister for Employment, Education, Training and Youth Affairs (Senator Vanstone) has flagrantly breached the expoused views of the Prime Minister (Mr Howard) on parliamentary behaviour in that she delayed announcements of Department of Employment, Education, Training and Youth Affairs cuts and office closures until one and a half hours after the Parliament had adjourned on 28 June 1996, thereby avoiding parliamentary scrutiny of these decisions.

East Timorese Refugees

Senator BROWN (Tasmania)—I give notice that, on the next day of sitting, I shall move:

That the Senate—

(a) notes that:

- (i) the Department of Immigration and Multicultural Affairs may reject almost 1 500 East Timorese asylum seekers on the grounds of protection by Portugal and qualification for Portuguese citizenship,
- (ii) the Department of Immigration and Multicultural Affairs and the Refugee Review Tribunal have been asked by lawyers to defer considering these applications until the Federal Court has heard an appeal on the issue of dual nationality, however, both bodies have continued to process applications on the direct orders of the Government,
- (iii) the Government's previous position, while in Opposition, was to wait for the Federal Court ruling before processing and rejecting applications, and
- (iv) the Australian Government has been completely inconsistent on the issue of East Timorese, denying that Portugal was the administering body of East Timor during the International Court of Justice Timor Gap court case, then conversely arguing East Timorese refugees have Portuguese citizenship; and

(b) calls on the Government to:

- (i) cease processing East Timorese refugee applications until the Federal Court has made its final ruling, and
- (ii) favourably consider granting all 1 500 East Timorese asylum seekers with refugee status in Australia.

Constitution Alteration (Firearms and Ammunition) Bill 1996

Senator BOURNE (New South Wales)—On behalf of Senator Kernot, I withdraw general business notice of motion No. 167 standing in her name.

Ethanol

Senator LEES (South Australia—Deputy Leader of the Australian Democrats)—I give notice that, on the next day of sitting, I shall move:

That the Senate—

- (a) notes that:
 - (i) the Government has abandoned the commitments given to the emerging ethanol industry,
 - (ii) this action further demonstrates the Government's lack of commitment to reducing greenhouse gas emissions, and
 - (iii) this is a further loss for rural Australia, as this industry had the potential to employ many rural people and improve farmers' incomes; and
- (b) condemns the Government for a very short-sighted, short-term economic decision which will cost Australia many times more than the \$21.3 million cut announced in the 1996-97 Budget.

Higher Education Funding

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

That the Senate—

- (a) condemns cuts to university operating grants of \$623.6 million over 4 years;
- (b) recognises that fees and charges are a financial and psychological disincentive to pursuing higher education;
- (c) denounces the increased Higher Education Contribution Scheme (HECS) repayment rates, the lowered HECS repayment threshold and the ability of institutions to charge upfront and full cost fees for undergraduate places; and

(d) calls on the Government to honour its pre-election promises to:

- (i) maintain operating grants, and
- (ii) maintain Austudy at real levels and not introduce full fees for undergraduate places.

Child Care

Senator LUNDY (Australian Capital Territory)—I give notice that, on the next day of sitting, I shall move:

That the Senate deplores the breach of election promises not to reduce child care services and, in particular, the removal of operational subsidies to community-based, long-day care centres, which provide quality care to thousands of families.

Questions on Notice

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

That the Senate—

- (a) notes:
 - (i) the order of continuing effect moved by Senator Macklin on 28 September 1988 that Senate ministers be required to give an explanation as to why a question on notice has not been answered,
 - (ii) the Coalition voted for this proposition,
 - (iii) the professed view of the Prime Minister (Mr Howard) that parliamentary standards should be improved, and
 - (iv) that of the 112 questions placed on notice in the past sitting period, only 42, that is 37.5 per cent, had been answered within the required time limit; and
- (b) calls on the Coalition Government to meet the standards it set when in Opposition.

Budget 1996-97

Senator REYNOLDS (Queensland)—Madam President, I congratulate you on your election to high office. I give notice that, on the next day of sitting, I shall move:

That the Senate deplores the failure of the Government:

- (a) to recognise women and their families in the 1996-97 Budget; and
- (b) to fully detail the impact of its decisions in a specific Women's Budget Statement.

Reference of Legislation to Legislation Committees

Senator KEMP (Victoria—Manager of Government Business in the Senate)—I give notice that, on the next day of sitting, I shall move:

That the Senate notes that the Australian Labor Party flagrantly breached the undertaking given by Senator Ray that legislation should be referred to legislation committees.

Northern Territory

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

That the Senate—

- (a) strongly disagrees with Senator McGauran's description of the Northern Territory as '... a tin-pot hamlet'; and
- (b) notes Senator Tambling's description of Senator McGauran as '... an opportunistic headline hunter' and a '... Johnny-come-lately'.

Indonesia: Political Prisoners

Senator REYNOLDS (Queensland)—I give notice that, on the next day of sitting, I shall move:

That the Senate expresses its extreme concern about the position of political prisoners detained in Jakarta after recent demonstrations in support of the Democratic Party Leader, Megawati Sukarnoputri.

ORDER OF BUSINESS

Classification (Publications, Films and Computer Games) Regulations

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

That business of the Senate notice of motion No. 1 standing in the name of Senator Bourne for this day, relating to the disallowance of regulations, be postponed till 9 September 1996.

COMMITTEES

Environment, Recreation, Communications and the Arts References Committee

Extension of Time

Senator LEES (South Australia—Deputy Leader of the Australian Democrats) (10.31 a.m.)—I seek leave to move a motion relating to the presentation of the report of the Envi-

ronment, Recreation, Communications and the Arts References Committee.

The PRESIDENT—Is leave granted?

Senator Kemp—Prior to granting leave, I wonder if I could also be granted leave to respond to this matter?

The PRESIDENT—You could speak to the motion.

Senator Faulkner—On a point of order, Madam President: Senator Lees has sought leave. Isn't this a matter for you to ask the Senate if leave is granted?

The PRESIDENT—I have asked that.

Senator Faulkner—I do understand that. I find Senator Kemp's extraordinary outburst quite outside the standing orders. I ask you to rule Senator Kemp out of order.

The PRESIDENT—The question is whether leave is granted for Senator Lees to proceed with the motion she mentioned. Is leave granted?

Leave granted.

Senator LEES—I move:

That the time for the presentation of the report of the Environment, Recreation, Communications and the Arts References Committee on the Telstra (Dilution of Public Ownership) Bill 1996 be extended till 9 September.

The committee has only just received from Telstra certain essential information, which it has not had time to consider or even to check to see if all the documentation required has been provided.

At the hearing in Adelaide on 23 July a large number of the questions asked of the South Australian government were taken on notice. To date, the answers have not yet been received. Other information which has been requested on notice which is essential for the completion of this report has also not been received.

The committee has also noted that the government now plans, according to its forward plan, to reintroduce this bill into the Senate in the week beginning 9 September. The extension of time to report, therefore, as sought by the committee will not delay debate on this bill.

Senator KEMP (Victoria—Parliamentary Secretary to the Minister for Social Security) (10.33 a.m.)—I want to make a couple of observations. The coalition is very concerned that, after many weeks of work, this report is not available to be tabled on time and an extension of time is sought. The committee has sat very extensively. I believe a great deal of work has been done.

A couple of points were raised by Senator Lees in relation to material. My understanding is that Telstra delivered the last of its material late last week and early this week. So my understanding is that the material is on hand.

Senator Robert Ray—Who told you that? What is your source?

Senator KEMP—You can have your chance to speak in a minute, Robert. My understanding is that the Telstra officers who appeared before the committee were extremely cooperative. They made two detailed submissions. They made strenuous attempts to provide answers and took questions on notice on their second appearance knowing the tight time frame the committee has. In fact, they delivered the answers in stages as they were finalised.

Senator Robert Ray—How would you know? Which committee member?

Senator KEMP—I have been extremely well briefed on this, Robert, unlike you. The representatives of the government of South Australia, I understand—and my source for this is the government of South Australia and the *Hansard*—were treated extremely rudely when they appeared before the committee. It is no surprise that they have not been eager to provide answers quickly.

The excuses offered for the delay of the committee report are not sufficient. The committee should have completed its work on time so it would have been available for public consideration.

Senator CARR (Victoria) (10.34 a.m.)—I find it extraordinary that Senator Kemp could suggest to this Senate that there is something wrong with the proposition to extend the time for this report because at the committee hearing yesterday this proposition was seconded by Senator Michael Baume. Senator

Michael Baume seconded this proposition and your briefing should have included some very basic facts.

Those basic facts go to the way in which this government has behaved in regard to this inquiry and whether or not this government has sought to frustrate the work of this committee. Quite clearly, what we saw from government senators throughout this inquiry was quite a deliberate campaign to undermine and attack witnesses who put points of view different from those of Senator Alston.

You could expect, however, that Telstra, being a publicly owned corporation, would respond appropriately, fully and with complete cooperation with this inquiry. What concerns me is whether or not that is in fact the case.

A series of documents were sought by me concerning project Mercury, which you are well aware is a plan, which was instituted by this government after its election, for the removal of one-third of the employees in Telstra. It is a plan by this government, despite its commitments not to engage in the structural separation of Telstra—that is, the carving up of the company—to gut Telstra.

We asked for documents about a project which had come to my attention, a project which was not denied by the officers of Telstra. Documents were then provided to us on an in-confidence basis—quite extraordinary! Documents that I have been handing out all over the country were given back to us on an in-confidence basis. What an extraordinary proposition that somehow or other this committee can be provided with material on an in-confidence basis—that is, secret; we are not supposed to talk about it—when it is common knowledge and publicly admitted throughout the length and breadth of this country. We are talking about the removal of some 24,000 jobs.

We want to have a look at those documents since they were delivered to us on Monday. We want to have a good look at them to make sure that they are the documents that we have asked for and that they are a complete list of the documents that we asked for because I can tell you, in terms of some of the

documents that I have, that they are not a complete list.

What we have is an attempt, I think, by this government to direct Telstra management to carve up that company contrary to this government's election commitments, contrary to the statements made to this parliament, in an attempt to destroy this company, in an attempt to undermine the living standards of one-third of the employees of Telstra and then to somehow or another mislead the committee as to the way in which that is being done.

Officers of Telstra were asked direct questions as to whether or not they had a head count target. They denied it. The documents clearly indicate that they did have a head count target. So there is no doubt in my mind that this government has had a program to undermine Telstra, quite contrary to all that has been said.

It has been stated that the South Australian government has not responded to the questions that have been put on notice. That is clearly the case. What happened in South Australia is that the government of South Australia, the Liberal government of South Australia, acknowledged the very serious and profound effect that the privatisation of Telstra would have on regional employment in South Australia. Quite extraordinary job losses will occur in South Australia as a result of this government's actions in destroying one of Australia's great public companies. We asked the South Australian government to answer a few basic questions. They have failed to do it. What we are seeing right throughout this country is a campaign by the Liberal Party not to cooperate with this inquiry.

We come to the third proposition that is involved in this motion; that is, the cuts that have been imposed on this parliament by this government which require at least a week's gap between the preparation of documents and the printing of them—quite an extraordinary proposition, particularly given an inquiry of this complexity with its some 650 submissions. It is a very serious inquiry. There have been quite detailed and serious responses highly complex in nature, and they require the

committee to analyse them in some detail to make sure we get it right.

What does this government do? It imposes cuts on this parliament so that the documents cannot be printed, so that this chamber is restricted in its capacity to have information. The people of this country are restricted in their capacity to have documents made available as a result of the work of committees of this parliament. The documents from Telstra were delivered to us after the deadlines for those printing requirements—which of course have been imposed as a result of budget cuts by this government—had passed.

When it is all seen in context, we understand that your briefing, Senator Kemp, should have been a little more complete. You should have understood that it was Senator Baume who strongly supported this proposition yesterday. He, for one, has made very clear his very grave concern about the way in which Telstra and its senior officers have treated this parliament and the contempt they have shown towards this inquiry by trying to mislead it and cover their tracks by trying to give us documents on an in-confidence basis. That is quite an extraordinary proposition.

It is this parliament's right to determine what is and what is not in confidence. Quite clearly, the committee needs to look at the documents that go to the meetings of project Mercury, the target counts that they have identified and their attempts to sell off Visionstream, for instance—a whole series of measures that quite clearly demonstrate that this government's word is not worth the paper it is written on. Of course, they try to cover it up by suggesting that we cannot talk about that in a public way. This committee needs to look at those documents, and I think quite properly so. Senator Baume made it very clear yesterday that that clearly was his view as well, and that is presumably why he seconded this proposition.

What we have is quite clearly a case of gross hypocrisy. This government does not even intend to introduce the legislation until the week beginning 9 September. From what I heard Senator Hill say on TV last night, I think that might be a very optimistic timetable. It is quite clear no attempt has been

made here by this government to push an earlier timetable for this legislation. What you have are your documents, your own records, setting down, Senator Kemp, that you do not intend to discuss this legislation until at least that week, and I would suggest it will be perhaps a bit longer than that in terms of possible delays.

What this proposition before the Senate does is allow the committee to do its job properly—quite contrary to the campaign of deliberate frustration that we have had to encounter from this government and from Telstra management. It is very interesting to look at who is actually supporting the privatisation of Telstra. The key supporters are the management of Telstra, who will gain massively in terms of market salaries—huge increases in salaries will come to them—and market analysts, who will enjoy enormous benefits as a result of the privatisation of Telstra. But very few other people in this country support the privatisation of Telstra.

So I am not surprised in the slightest at the way in which the management have treated this committee. We have seen over many years the way in which they have treated parliamentary committees. This is unfortunate, given that one of the great strengths of Telstra is its public accountability—the capacity of ordinary Australians to know, through this parliament, what is going on inside one of Australia's great companies. It seems to me that you, Senator Kemp, would be better advised to get some better advice because quite clearly you have not got a clue.

Senator ROBERT RAY (Victoria) (10.43 a.m.)—I rise to support Senator Lees's proposition. It is with great pain I have to admit in this Senate I was wrong. I was highly critical of John Howard's decision to downgrade the two Kemp brothers. I was highly critical of the fact that two eminent Victorians had been reduced down the ranks—one from being the shadow minister for the environment to being out of the ministry, and the other into a junior portfolio. But Senator Kemp's contribution here today has proved me wrong and John Howard right.

I think I should share this with the Senate: I was informed only yesterday by an eminent

scientist that he had discovered a new mushroom in a cave in the Blue Mountains—way down the back, in the dark—that lived off a certain form of fertiliser. And do you know what, colleagues? He has named it the Kemp mushroom. We heard the reason today. It was obvious from Senator Kemp's performance today.

I rose for this one reason only: I sat on the other side of the chamber a few months ago one day on chamber duty when seven coalition chairmen of committees came in here and moved for extensions of time for inquiries. All were transacted within 20 minutes. So for Senator Kemp to get up here today and say that he really does not want this vital committee to extend its time by two weeks, which will not actually interfere in the legislative consideration of the subject under consideration, is absolutely demeaning to the position of manager of government business in this place.

Poorly briefed as always, inarticulate as always, Senator Kemp is merely going through the motions, pretending to be a manager and waiting for the reshuffle when he will finally go back to the back bench where he belongs. You have to lift your game here, Senator Kemp. You actually have to bend with the wind on occasions and pick your fights in this chamber, and this one was not worth picking. This was not worth picking because the offer that has been made to you is that the committee will bring down its report before we get to the substantive debate on the Telstra bill.

Also, Senator Lees and Senator Carr gave substantively good reasons for the extension. It has not been through a lack of diligence from the committee members. Looking at their onerous timetable, I have immense sympathy and admiration for the massive amount of work people have put into this Telstra inquiry, and you should not belittle it, Senator Kemp. It is true—it is on the record—that Telstra itself was late in responding to questions. Had the committee brought a report in and not considered those late answers by Telstra, you would have been the first one to jump to your feet and say that the committee did not take everything into con-

sideration. This is a reasonable request. I think you should let us get on with it and grant the motion.

Senator Kemp—Well, sit down, Robert.

Senator ROBERT RAY—Do not tell me to sit down, Senator Kemp. Do not tempt me to speak on this for another 25 minutes and frustrate your program—the sort of sleazy tactics you would have adopted in the alternative position.

Senator Bob Collins—Followed by me for another 25 minutes.

Senator ROBERT RAY—You have almost tempted my colleague Senator Bob Collins into the fray. That will have two effects: it will drive me from the chamber and it will delay your program further.

Senator MARGETTS (Western Australia) (10.47 a.m.)—I rise to speak briefly to this motion because I was amongst, as most non-government senators were, those people who helped draft the words to the inquiry into Telstra. The reason these words were carefully drafted was that there was concern that many of the problems the community had were not problems in the bill but were problems not mentioned in the bill. That was why it was necessary to carefully draft the reference so that the concerns about going a new step would be able to be dealt with in the inquiry.

Added to that was concern for the prospective witnesses to this inquiry. If people wanted to bring in those concerns about what was not mentioned in an inadequate bill, then they would be likely to be abused by government members of the committee. So for many reasons, including the lack of desire to have people face that kind of treatment, the various non-government senators looked carefully at the wording of the inquiry to make sure that the community had the chance to put those views about their concerns to the whole package and issue as widely as they could.

The problem is that we failed. We failed because, despite the ability or what should have been the ability of members of the Australian community to speak to various terms of reference without having to speak word for word on the bill, there were many

witnesses who were abused during this inquiry. They were abused and intimidated. I would go as far as to say that those witnesses were bullied. I was ashamed to see that treatment.

People from the eastern states who were wishing to give evidence were contacting my office and saying, 'I've been listening to the inquiry and I'm really quite concerned about giving evidence to the inquiry because I don't want to be treated that way.' We advised them to state very clearly that they were speaking to a particular term of reference and that they did not purport to be an expert in every aspect of the bill or in telecommunications, but that they had the right to speak to a term of reference. That did not stop them from being intimidated and abused.

I think this was a shameful way for the government senators involved to behave and I think it does no good at all. It probably means that they wish to restrict that kind of information from going on the public record. I would certainly like to say that the Senate has not heard the last of my concerns on this issue.

Question resolved in the affirmative.

DAYS AND HOURS OF MEETING

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

That:

- (a) the hours of meeting for Thursday, 22 August 1996, be from 9.30 a.m. to 6 p.m. and 7.30 p.m. to adjournment;
- (b) the routine of business shall be:
 - (i) Petitions
 - (ii) Notices of motion
 - (iii) Postponement and rearrangement of business
 - (iv) Formal motions—discovery of formal business
 - (v) Any debate on committee reports
 - (vi) Government business
 - (vii) At 2 p.m., questions
 - (viii) Motions to take note of answers
 - (ix) Any proposal to debate a matter of public importance or urgency
 - (x) Not later than 4.30 p.m., general business

- (xi) Consideration of committee reports and government responses under standing order 62
- (xii) At 7.30 p.m., Budget Statement and documents—party leaders to make responses to the statement and documents
- (xiii) Adjournment
- (d) The question for the adjournment of the Senate not be proposed until a motion for the adjournment is moved by a minister and the procedures for the adjournment shall be as specified in the sessional order of 2 February 1994 relating to the times of sitting and routine of business.

ORDER OF BUSINESS

Economics References Committee

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

That general business notice of motion No. 2 standing in the name of Senator Lundy for this day, relating to the reference of a matter to the Economics References Committee, be postponed till Monday, 16 September 1996.

COMMITTEES

Legal and Constitutional Legislation Committee

Extension of Time

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

That the time for the presentation of the report of the Legal and Constitutional Legislation Committee on the provisions of the Social Security Legislation Amendment (Newly Arrived Resident's Waiting Periods and Other Measures) Bill 1996 be extended to 22 August 1996.

Foreign Affairs, Defence and Trade References Committee

Extension of Time

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

That the time for the presentation of the report of the Foreign Affairs Defence and Trade References Committee on the Development Import Finance Facility (DIFF) Scheme be extended to 17 September 1996.

Legal and Constitutional Legislation Committee

Extension of Time

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

That the time for the presentation of the report of the Legal and Constitutional Legislation Committee on the provisions of the Bankruptcy Legislation Amendment Bill 1996 be extended to 9 September 1996.

LEAVE OF ABSENCE

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

That leave of absence be granted to Senator Foreman from 20 August to 22 August 1996 on account of ill health.

COMMITTEES

Environment, Recreation, Communications and the Arts Legislation Committee

Extension of Time

Motion (by **Senator Ellison**, on behalf of **Senator Patterson**)—by leave—agreed to:

That the time for the presentation of the report of the Environment, Recreation, Communications and the Arts Legislation Committee on the provisions of the Natural Heritage Trust of Australia Bill 1996 be extended to 19 September 1996.

ORDER OF BUSINESS

BHP Petroleum

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

That general business notice of motion No. 11 standing in the name of Senator Margetts for this day, relating to a review of BHP Petroleum; offshore safety arrangements, be postponed till Monday, 9 September 1996.

Sydney's Second Airport

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

That general business notice of motion No. 166 standing in the name of Senator Forshaw for this day, relating to the proposal for Holsworthy as the site for Sydney's second airport, be postponed till Monday, 9 September 1996.

AIRPORTS BILL 1996**AIRPORTS (TRANSITIONAL) BILL
1996****Report of Rural and Regional Affairs
and Transport Legislation Committee**

Senator CRANE (Western Australia) (10.57 a.m.)—I present the report of the Rural and Regional Affairs and Transport Legislation Committee on the provisions of the Airports Bill 1996 and the Airports (Transitional) Bill 1996, together with the submissions and transcripts of proceedings.

At this stage I do not intend to speak. I will leave that until the bills come before us later on, although I reserve the right to do so if anyone from the opposition makes some comments on the bill.

Ordered that the report be printed.

Senator CONROY (Victoria) (10.58 a.m.)—I move:

That the Senate take note of the report.

I rise to speak on the conduct of the committee. I believe the conduct of the government was inappropriate when it used its numbers on the committee to stifle genuine attempts to hear the views of people, particularly in Sydney. The committee was quite direct in that it refused to go to Sydney to hear from residents there. It was of great concern to the Labor Party that there were a number of issues to do with airport noise and environmental concerns in and around Sydney airport. The subject of cross-ownership of a second airport in New South Wales was specifically denied to committee members. Offers to go to Perth or Brisbane were all available, but not to Sydney, and this was an attempt by the government—

Senator Bob Collins—Disgraceful.

Senator CONROY—A disgraceful attempt by the government, as Senator Collins has said, to misuse its numbers on the committee. I want to put on the record that it was very disappointing to be part of that process.

Senator CRANE (Western Australia) (11.00 a.m.)—I would like to respond to that, because unfortunately what has been said is a total misrepresentation of the facts that

occurred in this inquiry. With regard to witnesses, I am going to have to go through this in some sequence. I start by referring to the fact that this was a reference to the legislation committee that came from the Labor Party itself. I believe that the committee cooperated in progressing this report but that the cooperation from the other side of this chamber was not forthcoming, particularly from Senator Conroy.

I must report that there were at least two occasions when Senator Conroy did not attend when meetings had been called, despite the fact that we went to his office—I went personally and informed his staff that the meeting was on. He did not turn up and we did not have a quorum to discuss any of these matters. I left a message on Senator Collins's answering machine—and I am pleased that he is sitting here—and Senator Collins turned up at that meeting, at which I gave an explanation of where we were at. He accepted and voted for the motion as recorded in the minutes on that matter. The minutes read 'that the Committee meet in Canberra or at other venues to be determined by the Chairman on Monday, 5 and Tuesday, 6 August 1996 in order to hold public hearings into the provisions of the Airports Bill 1996 and the Airports (Transitional) Bill 1996'.

The proposal that was put to the government members of that committee by Senator Conroy was that he would like to have meetings in Melbourne, not Sydney. The proposition that was put from Senator Woodley, also a member of that committee, was that he would like to have meetings in Sydney. The government members—and I in particular—said that in this inquiry and because we were in up weeks it was an opportunity, as Sydney was not in the first tranche, also to have hearings in either Perth or Adelaide or both. That came from us. Because there was no attendance at those meetings and the matter was not progressed, I did say privately to Senator Conroy and Senator Woodley that the situation required a compromise of minds to handle it because a lot of us, as we all know, were involved in other hearings. In my case, it was the industrial relations hearings. No agreement was reached by the time we got to

that particular meeting that Senator Collins came to.

It is interesting to look at the words of that motion that I have read out: 'that the Committee meet in Canberra or at other venues to be determined by the Chairman'. That was me. At no stage after that meeting did I have a request from anyone else to consider another venue. In fact, if we go a little bit further—and I would need to check this with the secretariat—I believe that we actually heard from everybody who put in a submission and, because of the interest shown, we did not meet on two days; we met on one day.

There are other matters in terms of amendments which we will deal with when we debate the bill, but we did not have the request for any more meetings. At no stage was there any request to go beyond that motion which I would have considered. I think it is quite out of place for Senator Conroy to make these charges against the government members of the committee because we were more than reasonable in trying to determine where we should go and how we should handle this. We even discussed the possibility at one stage of looking at Brisbane as well. In the final analysis we came down to one hearing, which dealt with the witnesses that were before us. Your request to go to Melbourne was not denied, but you never delivered any individuals from Melbourne who wanted to appear, other than representatives from the Victorian government. There was nobody from Sydney, other than the mayor of Bankstown.

Senator Conroy, to pick up Senator Ray's words in a debate a little while ago, you have picked the wrong issue to have a fight on. Every opportunity was given to you; you could not agree with the Democrats on the particular position, and it was when Senator Collins came to the meeting that we were able to progress the work of the committee.

Senator CONROY (Victoria) (11.05 a.m.)—I seek leave to make a personal explanation.

Leave granted.

Senator CONROY—I am glad that Senator Crane has decided to reveal personal discus-

sions because there are a number of them that I feel that I must also reveal. It was quite simple and quite clear from Senator Crane what the government's position was. He told me straight: 'The minister does not want us to go near Sydney. You can go anywhere else but you cannot go near Sydney'. It was that simple.

Senator Bob Collins—Maybe you should keep those discussions private, Senator Crane.

Senator CONROY—Absolutely. Senator Crane also said, 'I am on a number of other committees. I am really going to be too busy to go on too many days of hearings for this committee.' This action by the government occurred in the face of their own embarrassing backdown on the issues of cross-ownership and the airports in Sydney. They did back down, and they knew they were going to back down because the minister got rolled in cabinet. Senator Crane was doing his best to use his numbers to protect the government's position. No, in the end, we did not pursue a Melbourne hearing—that is correct—but we did not stipulate that it must happen; we simply said that we felt that Sydney and Melbourne may be areas of interest. And we were told that we could not have them and we could not go to Sydney. When Senator Crane wants to stand up and start talking about what private discussions took place he should have a good look at himself.

Senator CRANE (Western Australia) (11.07 a.m.)—I seek leave to make a personal explanation.

Leave granted.

Senator CRANE—There has been a complete misrepresentation of the facts, as far as I am concerned. I certainly said that I had a busy program. At no stage did I say that the minister did not want us to go to Sydney. Senator Conroy is now making up things on the run and I want to put the record straight. At no stage did I say that the committee did not want to go to Sydney.

Senator Conroy—You said that Sharp did not want us to go.

Senator CRANE—I did not; that is not true. I did not say that at any stage. I am sure that, if Senator Woodley was here, he would

confirm I said that, considering the programs and the time available, it would be rational for us to consider choosing between Melbourne or Sydney or Perth or Adelaide.

I would not have considered any of those discussions that we had as private; they were part of attempts to progress this particular aspect. You know as well as I do in accepting that motion that Senator Bob Collins, who was there, said that the wording of the motion was a reasonable proposition which the government put forward.

So I claim to have been totally and absolutely misrepresented. At no stage did I say to you that Minister Sharp did not want us to go to Sydney.

Question resolved in the affirmative.

COMMITTEES

Community Standards Committee

Report

Senator REYNOLDS (Queensland) (11.10 a.m.)—I present the report of the Select Committee on Community Standards Relevant to the Supply of Services Utilising Electronic Technologies entitled *Report on the Classification (Publications, Films and Computer Games) Regulations, as contained in Statutory Rules 1995 No. 401*, together with submissions and *Hansard* record of proceedings.

Ordered that the report be printed.

Senator REYNOLDS—I move:

That the Senate take note of the document.

The regulations contain a range of 32 fees for the classification activities of the classification board introduced by the former government. They came into effect on 1 January 1996 in conjunction with the Classification (Publications, Films and Computer Games) Act 1995 which represented the Commonwealth government's contribution to the introduction of a virtually national scheme of censorship and classification.

The Senate referred the regulations to the committee for inquiry and report after receiving representations from several major industry groups that some of the fees were a 100 per cent increase on the previous fee and had been imposed with only 12 days notice and

without prior consultation with the industry as had been foreshadowed by government representatives.

The committee had a public hearing in Sydney on 15 July 1996 at which government and industry representatives were able to put their respective positions on the regulations. The committee was informed that the fee increases represented the first stage of the former government's plans for the introduction of a substantial cost recovery for the classification activities of the Office of Film and Literature Classification.

In recognition that the fees had not been increased for the major classification function in relation to film and videos for some 12 years, the then government had decided that as an interim step it would increase these fees by the CPI increase. A firm of private accountants is currently conducting a study of the Office of Film and Literature Classification with a view to assessing the manner in which it carries out its classification tasks and to determine the appropriate user-pay fees.

The committee has found that the fees contained in the regulations are set at a realistic level for the classification services that the Office of Film and Literature Classification provides and is recommending to the Senate that the regulations not be disallowed.

The committee took particular note that after some six months experience with the new fees, there was no evidence of adverse effects on the industry's operations. It also noted that the fees charged by comparable overseas classification bodies for equivalent services were considerably higher than those in the regulations.

The committee did accept, however, that a number of concerns raised by the industry groups about the operations of the Office of Film and Literature Classification had some validity and it made recommendations to ensure that all elements of the industry are closely consulted in future about the process of introducing user-pay within the industry.

The committee also believes that because of the significance for both the community and the industry of the reforms currently under way, it should closely monitor the review

process and it has recommended that no future fees be imposed on the industry until the basis of those fees has been subjected to a detailed examination by the committee.

Question resolved in the affirmative.

**Environment, Recreation,
Communications and the Arts Legislation
Committee**

Report

Senator O'CHEE (Queensland) (11.13 a.m.)—On behalf of Senator Patterson, I present the report of the Environment, Recreation, Communications and the Arts Legislation Committee on the reference of petitions requesting that Jervis Bay be deleted from consideration as a site for any expansion of defence department facilities including the east coast armaments complex and that the national broadcaster fulfil its obligations so that all Australia, and in particular, Bass Strait Islands, can receive its radio and television signals.

Ordered that the report be printed.

Senator O'CHEE—I move:

That the Senate take note of the document.

Question resolved in the affirmative.

**Environment, Recreation,
Communications and the Arts Legislation
Committee**

Additional Information

Senator O'CHEE (Queensland) (11.13 a.m.)—On behalf of Senator Patterson, I present additional information received by the Environment, Recreation, Communications and the Arts Legislation Committee during its examination of the annual reports of Telstra Corporation and the Australian Postal Corporation 1994-95.

LEAVE OF ABSENCE

Motion (by **Senator O'Chee**)—by leave—agreed to:

That leave of absence be granted to Senator Minchin from 22 August to 9 September 1996 and to Senator Tierney for the period 21 to 22 August 1996 on account of absence overseas on parliamentary business.

**ABORIGINAL AND TORRES STRAIT
ISLANDER COMMISSION
AMENDMENT BILL [No. 2] 1996**

First Reading

Bill received from the House of Representatives.

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

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

Bill read a first time.

Second Reading

Senator HERRON (Queensland—Minister for Aboriginal and Torres Strait Islander Affairs) (11.16 a.m.)—I move:

That this bill be now read a second time.

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

Leave not granted.

Senator HERRON—The bill was introduced in the Senate on 23 June 1996 and considered by the Senate on 25 and 26 June 1996. The bill was amended by the Senate. The key amendments by the Senate were to remove provisions which would enable the Minister for Aboriginal and Torres Strait Islander Affairs to appoint an administrator to administer ATSIC's affairs in certain circumstances, reduce the size of ATSIC's regional councils and provide for the appointment of the commission chairman by the minister. The government cannot accept these amendments. As a consequence, the government decided to introduce a new bill in the House of Representatives in identical terms to that introduced in the Senate on 23 June 1996. This bill was passed by the House of Representatives last night.

The bill proposes certain amendments affecting the Aboriginal and Torres Strait Islander Commission, commonly referred to as ATSIC, and to the structure and operating arrangements for regional councils established under the ATSIC Act.

The most significant amendments in the bill provide for:

a reduction in the size of Regional Councils;

selection and appointment of the Chairman of the Commission by the Minister for Aboriginal and Torres Strait Islander Affairs;

improved accountability arrangements for regional councils; and

appointment of an administrator to manage the operations of ATSIC if the administration of public money by ATSIC has been fraudulent or has involved gross mismanagement, or if ATSIC has intentionally failed to comply with a general direction.

When ATSIC came into being, a little over six years ago, it was recognised as representing a unique experiment in public administration. Nothing like it had been tried before, in Australia or overseas. A review by ATSIC of the operation of the ATSIC Act was completed in early 1993 and a number of significant recommendations for change were made as a result of that review. Amongst those recommendations were recommendations for a reduction in the number of regional councils and for the Commission Chairman to be elected by the elected zone commissioners, rather than being chosen by the Minister.

The recommendation to reduce the number of regional councils was aimed at increasing management efficiency and enabling better servicing and resourcing of regional councils.

The recommendation to provide for an elected Commission Chairman was based on the notion that this would be consistent with the principles of empowerment, self-determination and self-management which were the basis of ATSIC's establishment. Nevertheless, the commission's report containing this recommendation did acknowledge that the question of appointment of the Commission Chairman was a complex issue. The report expressed that, in many ways, the chairman is the primary link and source of day-to-day advice between the commission and the government. It went on to say that the chairman must be a person in whom the government may have total confidence, at the same time as having the confidence and trust of, and the ability to represent, all members of the Aboriginal and Torres Strait Islander community.

The former government accepted both of the recommendations for amendment to the ATSIC Act at that time. Consequently, a 1993 amendment to the ATSIC Act provided for a reduction in the number of regional councils from 60 to 36. The reduction in the number of regional councils took effect for the round of regional council elections conducted on 4 December 1993.

The 1993 amendment to the ATSIC Act also included amendments which provided for a fully elected board of 17 ATSIC Commissioners, with the members of that board to elect one of their number to be Commission Chairman. However, these amendments were expressed to be effective from 1 July 1996 and were therefore intended to affect arrangements for the next Board of Commissioners following the next round of regional council elections, due to be held later this year.

Following completion of the 1993 round of ATSIC regional council elections and the subsequent zone elections, an independent panel was convened under section 141 of the ATSIC Act to review ATSIC's boundaries and electoral systems. The review panel conducted consultation meetings in 20 locations throughout the country. Its report to the former minister on its review of electoral systems was completed in March 1995 and was tabled in the House of Representatives on 11 May 1995 and in the Senate on 30 May 1995. One of the recommendations of the review panel was that the size of regional councils be reduced.

Currently the number of members on a regional council is dependent on the Aboriginal and Torres Strait Islander population of the region and ranges from a low of 10 for regions with an estimated population of less than 1,000 people, to a high of 20 for regions with an estimated population of 10,000 or more. The review panel proposed that the act be amended to provide for regional councils to be comprised of eight members for regions of less than 1,000 people, increasing to a maximum of 12 members for regions with a population exceeding 10,000 people.

The initiative was seen as one which would facilitate more effective and efficient operations by regional councils. In essence, it was

the view of the review panel that the larger a regional council is, beyond an optimum size, the more unwieldy it is and the less effective it is in the performance of its functions. The review panel's report included advice of concerns that:

under current arrangements, decision making processes are unnecessarily protracted due to the size of the regional councils;

many councillors, who are often elected with minimal community support, have little interest in or make little contribution to regional council operations; and

administrative expenditure associated with the operation of regional councils (including travelling allowance and fees for members) should be kept to the minimum necessary so that the money available to address community needs can be maximised.

The government accepts the recommendation of the review panel to reduce the size of regional councils and the basis for the recommendation. The proposed amendment will contribute to greater efficiency in regional council operations and reduced administrative costs associated with the operation of regional councils. It will also help to ensure that membership on regional councils is gained on the basis of a more appropriate level of community support.

Regarding selection of a Commission Chairman, the government acknowledges the importance of democratic principles in assisting the achievement of greater self-management and independent decision making. However, the government maintains that it must retain an appropriate degree of control and accountability where large amounts of government funds are being administered. This is basically because we operate in a system of Westminster government and there is nothing like ATSIC anywhere else in the Westminster system. In the end it is the Minister for Aboriginal and Torres Strait Islander Affairs who is accountable before the parliament. Selection of a Commission Chairman by government is central to the achievement of this objective.

Currently the Board of Commissioners is comprised of 17 elected commissioners and

2 commissioners chosen by the Minister for Aboriginal and Torres Strait Islander Affairs. The minister is required to appoint one of the 19 commissioners to be Commission Chairman.

The amendment proposed in this bill would have the effect of retaining the current arrangements so that, following the next round of zone elections, the 17 elected commissioners would not elect one of their number to be Commission Chairman. Rather, a further 2 commissioners would be appointed by the minister, who would then appoint one of the 19 commissioners to be Commission Chairman.

Another significant area addressed by the bill is the improvement of accountability arrangements for regional councils. In the interest of greater public accountability, the bill includes amendments to make regional council meetings open to the public and to give the public an entitlement to inspect a range of regional council documents.

Under the proposed arrangements, regional council meetings will generally be open to the public but will be able to be closed in certain circumstances, similar to those in which local government meetings can be closed. Such circumstances include where commercial-in-confidence and personal privacy issues are being discussed, and where it is necessary to deal with disruptive conduct. Additionally, the public will have an entitlement to inspect regional council codes of conduct, written procedures for meetings, management plans, written policy documents relating to the payment of expenses and provision of facilities to regional councillors, minutes of meetings (except where the meeting or the minutes are closed in relation to the exceptions I have mentioned) and other documents which would otherwise be accessible under freedom of information legislation.

This bill also allows for the Minister for Aboriginal and Torres Strait Islander Affairs to appoint an Administrator to ATSIC or to the Torres Strait Regional Authority in the event that the minister is satisfied that the administration of public money by the ATSIC Board of Commissioners or by the Torres Strait Regional Authority members involves

fraud or gross mismanagement. The minister would also be able to appoint an administrator should ATSIC or the Torres Strait Regional Authority breach a direction given to it by the minister.

This power will enable the government to oversee the administration of public money by ATSIC and the Torres Strait Regional Authority and to act quickly to stop any misuse of taxpayers' money. Of course, I would expect that the appointment of an administrator would be resorted to only in extreme circumstances. In fact, I hope that an administrator will never be necessary.

Once appointed the administrator would assume control of the organisation's property and affairs and perform the powers and functions normally undertaken by ATSIC or the Torres Strait Regional Authority as the case may be. The organisation would continue to operate with the administrator making decisions which would otherwise be made by the ATSIC Board of Commissioners or the Torres Strait Islander Regional Authority members. In this way the provision of services to Aboriginal and Torres Strait Islander people would proceed with minimal disruption while whatever problems identified are examined.

The administrator will be able to conduct reviews and recommend changes to the structure and operations of ATSIC or the Torres Strait Regional Authority. This would ensure that the difficulties which led to the appointment of the administrator can be remedied during the administrator's appointment and will not be repeated in the future. In this way, the elected representatives would be in the best possible position to resume control when the appointment of the administrator ends.

In the end, this is necessary given as I said before that the Minister for Aboriginal and Torres Strait Islander Affairs is the person under the Westminster system who is responsible to the parliament for the expenditure of public funds even by a body such as ATSIC.

I commend the bill to the Senate.

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

COMMITTEES

Membership

The ACTING DEPUTY PRESIDENT (Senator Reynolds)—Madam President has received letters from the Leader of the Government in the Senate and the Leader of the Opposition in the Senate seeking variations to the membership of committees.

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

That senators be appointed to committees as follows:

Community Affairs References Committee

Appointed: Senator Ferris.

Economics References Committee

Appointed: Participating member: Senator Ray.

Employment, Education and Training Legislation Committee

Appointed: Senator Ferris.

Employment, Education and Training References Committee

Appointed: Senator Ferris.

Environment, Recreation, Communications and the Arts References Committee

Appointed: Senator Baume to substitute for Senator Tierney for the period 20 August to 9 September 1996.

Foreign Affairs, Defence and Trade Legislation Committee

Appointed: Participating member: Senator Ray.

Rural and Regional Affairs and Transport Legislation and References Committee

Appointed: Participating member: Senator Ferris.

AIRPORTS BILL 1996

AIRPORTS (TRANSITIONAL) BILL 1996

Second Reading

Debate resumed from 30 May, on motion by **Senator Kemp**:

That these bills be now read a second time.

Senator BOB COLLINS (Northern Territory) (11.29 a.m.)—I move:

At the end of the motion add "but the Senate is of the opinion that:

- (a) Other than at major capital city airports, where a local community has indicated a desire to acquire the airport lease, the Government should make every effort to

ensure that the local community acquires the lease.

- (b) In order to achieve the maximum economic benefit from competition within the general aviation sector, the Government should maximise the diversity of ownership of airports within each capital city other than in relation to Sydney Kingsford Smith and Sydney West.
- (c) The draft EIS guidelines for the proposed Holsworthy site are entirely inadequate, particularly in relation to
 - (i) the defining of Holsworthy as a "semi rural location",
 - (ii) the lack of any detailed runway configuration and publicly available master plan,
 - (iii) temperature inversion problems over the Cumberland basin,
 - (iv) the explicit exclusion of the environmental effects on other parts of Sydney from relocating existing defence facilities, Bankstown airport and the 2000 Olympics shooting venue.
- (d) Until a solution that is satisfactory for residents to the current aircraft noise problem in Sydney is implemented, including the operation of a second Sydney Airport, the Government should not proceed with the sale of leases at Sydney Kingsford Smith and Sydney West Airports.

I note in moving this amendment that there are a significant list of speakers who wish to contribute to this debate on the airports legislation. I am pleased to see that because it is an important issue. I am sure that a diverse range of views will be expressed as has been the case in the past.

The government's position, the previous opposition's position, on this legislation in the past was about as disgracefully opportunistic as you could have seen with respect to any kind of rational program for the operation of Australian airports, particularly the operation of Sydney airport. Honourable senators would recall that when we proposed the sale of the airports the Prime Minister (Mr Howard), who was concerned about the possibility of loss of support in his own seat, blocked the sale. Proposals were introduced into parliament on the pretext of being concerned about the effect of noise on the residents of Sydney, particularly the residents of his own electorate.

We pointed out at the time, in some detail, the unblushing hypocrisy of that particular decision, considering the number of times people like me—former transport ministers with direct experience of the need to construct, at the earliest possible time, the third runway or second parallel runway at Sydney airport—had been berated by the coalition parties. To then see people who were at the vanguard of that debate protesting about noise at Sydney airport and wanting airport sales deferred until the noise problems could be sorted out we thought was a bit rich, but we did not know at that point what was going to happen with Holsworthy. If you thought that the double standard, duplicity and deceit that was involved with the general public concerned with this issue over the third runway was bad, Holsworthy was a blinder and remains a blinder.

You would recall that the now Minister for Transport and Regional Development, Mr Sharp, presented, as his case for not saying anything about this, the unbelievable—literally unbelievable for those of us who had been transport ministers—story that he was prevented from saying anything about the meeting he had had with the proponents of Holsworthy because it was a commercial-in-confidence arrangement. Of course, as I was well aware, the people who had been pushing this proposal for some time were not concerned in the slightest about any commercial-in-confidence with the fact that the proposition was actually around. They had no difficulty with it. So that was the thinnest and the most transparent of the deceptions that were committed by the now government—the then opposition—on this particular issue.

I find myself in an interesting position in respect of debate on this matter in that I have a slight degree of freedom now in opposition that I did not have in government. I am a strong supporter of the proposition that has underpinned our Australian democracy since day one—of a collegiate government and cabinet solidarity. It is absolutely crucial although, at times, individually uncomfortable for all of us who operate within it. It has been one of the great contributors to the stability of the Australian political system and, with all

the faults and failings of two major political parties—the same kind of system that operates in the United States, but entrenched to a greater degree in the US than it is here—has provided a degree of that stability.

The reason I make those digressive remarks is that I have to confess to Almighty God, and to you here present, that I was not an enthusiastic supporter of the sale of the Federal Airports Corporation and I remain an unenthusiastic supporter of the sale of the FAC. As minister, I was a very enthusiastic proponent of the amalgamation and complete sale of our two airlines. For a period of something in excess of 20 years, those airlines between them had not contributed sufficient dividends to their shareholders to build a decent high school. They were always, understandably, with their hands out for more money from the budget to increase their requirements—legitimate requirements in an expanding, volatile and very difficult aviation market. You really have to like the smell of kerosene to be in the airline business. It is difficult at the best of times to make a quid out of it.

In terms of good public policy, I was a strong supporter of that decision. It was the correct decision and I supported it. However, I was not at all happy about the situation with the FAC. Senator Tambling, who is in the chamber, would be very well aware of the domestic political reasons why I would not have been happy about the sale of the FAC; that is, the absolutely crucial role that the Federal Airports Corporation played in having the magnificent airport terminals constructed at Alice Springs and Darwin.

Territorians such as Senator Tambling and I—long-term territorians as we both are—can now say, absolutely unblushingly, what an enormous asset both those terminals have proven to be. We knew the old facilities were bad and we protested loud and long that they were. In fact, they were so bad that they were inhibiting the growth of the tourism industry to the Northern Territory. I want to give great credit to the Federal Airports Corporation and to the then minister, then Senator Gareth Evans—and to his senior advisers, whom I got the ear of; in many ways that is far more

important in lobbying terms than getting the ear of the minister—for the support that I got for having the Federal Airports Corporation put both of those airports on their list.

The reason that I give this example and am not talking about the ones that are always in the news—Sydney and Melbourne, understandably—is that it is a classic example of the real national benefit that, in my view, the Federal Airports Corporation provided to Australia as one of the, in my view, most successful publicly owned enterprises that we had in Australia. There was, no doubt, a cross-subsidisation involved in that operation—no question about it; right up front—within that network of quality terminals across the length and breadth of Australia. I felt then, and I still feel now, that there is a national benefit in real terms, particularly for overseas visitors, in having such a national network of high quality airports.

I know I would get no argument from Senator Tambling by saying that prior to the establishment of the FAC we did not have that. We had some reasonable terminals around Australia but in other parts of Australia, where international visitors are visiting in increasing numbers, we had some shocking facilities. The ones in the Northern Territory were abysmal. People used to complain about Darwin. But Darwin was nowhere near as bad as Alice Springs, which was standing room only most of the time and a very busy airport indeed. The Federal Airports Corporation constructed two world-class facilities at Darwin and Alice which absolutely transformed the face of Northern Territory tourism. It did it without any impost at all on the budget but by the cross-subsidisation that goes on inside that network.

I was, of course, bound—just as I undertake to be bound when I choose to join a mainstream political party such as the Australian Labor Party—by the collective decision taken at the end of the day. That was not a debate I won, but I was happy to abide by that decision. My loyalty to the Australian Labor Party is absolute. I might tell you, Madam Acting Deputy President, that is a loyalty that will never waver. No matter what might happen to me in the slings and arrows of

outrageous fortune that descend on us all from time to time in this business, and no matter how aggrieved I might feel from time to time about decisions that do not suit me within the Australian Labor Party, I will take that loyalty to the Australian Labor Party to my grave.

Senator Herron—You have a closed mind.

Senator BOB COLLINS—Senator Herron, I happen to have that view and, quite frankly, I do not think you would disagree with me in respect of, as I said, the major political parties in Australia. That view, in my opinion, would apply to members of the Liberal Party and the National Party. We are at the end of the day none of us here as a result entirely of our own efforts. Independents, of course, who choose to become independents have to foot their own bills, pay their way themselves and go out and do the hard slog. Those of us who go under a party banner have some loyalty to that party when we get into parliament.

I am not complaining, I want to make it clear, about being bound by a collective decision regarding the FAC that did not suit me at the time. I loyally supported that decision. But—again I am not embarrassed to say this—I make no bones about saying, particularly from a parish pump territory perspective, and I am a territory politician, that the FAC did a great job by the Northern Territory. It was particularly in respect of those smaller regional airports that I think the FAC did Australia a major national service. The reason I said that was to get the smile on Senator Murphy's face that I see is now there.

Senator O'Chee—You have to do something to improve the image, don't you, Shayne?

Senator BOB COLLINS—We could all do with a bit of an image improvement from time to time, Senator O'Chee. The fact is that those of us who do live in an Australia which is outside of Sydney, Canberra and Melbourne are very conscious of the sensitivities attached to the operations of regional airports—and I know Senator Murphy will have a lot to say on this in his contribution to the debate. They are legitimate concerns and remain legitimate concerns. They are certainly concerns of mine. I have an intense personal interest in the future disposition of those major assets in

the Northern Territory, Alice Springs and Darwin airport terminals.

I am not a person who is silly enough to believe that, by shouting 'privatisation' at something, it instantly becomes a more efficient or effective operation. That is not always the case. The Federal Airports Corporation, I think—and the record is there out in public in their annual reports for anyone to see—have done a superb job in constructing a network of world class facilities that are a credit to this country. They have done it off the budget. They have done it by commercially operating within their charter. They have turned around a lot of absolute lemons. It is to their absolute credit and I feel that this should be placed on the record: they had some absolute duds on their books when they first started operations, as you know, Mr Acting Deputy President.

To the great credit and commercial acumen of the people who operate, and continue to operate, inside that organisation, I believe that a superb commercial job has been done by them in bringing in that bottom line; in staying in the black; in servicing their debts in an effective way; and in operating airport terminals around Australia with, at the same time, some of the world's lowest airport charges. And a comparison with other major airports around the world will show that.

One of the reasons I make that point, on behalf of the employees of the Federal Airports Corporation, is that I understand the potential might exist for local ownership by people who want to own the airports—and I am talking about city councils now—who have no expertise in actually operating and managing airports but who wish to use an organisation like the Federal Airports Corporation to run those operations. I repeat: I believe that the FAC have done an absolutely superb job for Australia in operating those airports.

I have mixed feelings indeed about rising in this debate on propositions that will actually see that network disbanded. I am delighted that the government at least has caved in, as Senator Conroy has said quite correctly, under the pressure put on them by the opposition about the cross-ownership propositions which

I thought were absolutely appalling. Had the original government proposition gone through this parliament to effectively replace what is a very effective public monopoly with what would have effectively and simply been a private monopoly—and that would have been the result, had they been allowed to get away with it—it would have been a disastrous result indeed, particularly for rural and regional Australia.

Having said that, I refer again to those of us who do choose to live outside of Sydney, Melbourne and Canberra who once again have been kicked in the teeth—this time by the budget that was delivered last night—with those places being made even more difficult to live in. I noticed in passing that on transport issues—and I recall the caning I got as transport minister but, I might also add, particularly as primary industries minister from coalition politicians and organisations like the National Farmers Federation on the hypothecation of fuel excise—

Senator Woodley—And roads!

Senator BOB COLLINS—Yes, and the fact that we were not spending enough on roads—there was an absolutely whopping \$600 million reduction in the budget last night for the national highways system, without there being, to the best of my knowledge to this point, one peep of protest from the National Farmers Federation.

Senator Woodley interjecting—

Senator BOB COLLINS—Did the NFF protest? The NFF last night put out a press release saying what a fantastic budget this was for the bush. Perhaps they have put out a supplementary release, but I have seen nothing. I used to get belted around the flat by organisations such as the NFF about things like proper transport for regional Australia—roads as well as airports. The fact is that life has been made, again, far more difficult for regional Australia, as you have noted, Senator, by the NFF's blinding hypocrisy on this issue.

To be honest, I could not believe it when I saw in the budget papers that \$600 million has been taken out of the national highways system by this federal government that pon-

tificated on this issue right around regional Australia. I say again to the government and indeed to my own colleagues that, for those of us who live in regional Australia, concerns about what is going to happen to our airports remain.

The amendment to the second reading that I have moved in this debate on behalf of the opposition is self-explanatory. I refer honourable senators particularly to paragraph (c) of the amendment, which specifically points out the completely inadequate draft EIS guidelines for the proposed Holsworthy site. The shadow minister for transport, Mr Tanner, has at some length gone into the debate on the stupidity and duplicity of the Holsworthy option, so I will not unnecessarily detain the Senate by going over that ground again.

But I do want to put this on the record for a second time: I was speechless at the now minister's unbelievable explanation that the only reason he said nothing about Holsworthy—until it was too late for the electorate concerned—was because of some commercial-in-confidence obligations he had. I knew about that proposition when I was transport minister, as Laurie Brereton has said he knew about it when he was transport minister. The proponents had no difficulty in it being known that they wanted to develop that site. Forget the details of the proposal; it was a transparent piece of duplicity by the now government and the present transport minister on that issue.

You cannot sensibly proceed with this debate until the question of Holsworthy has been absolutely determined. The EIS guidelines are utterly inadequate for Holsworthy. The reasons why Holsworthy was even put up as a blind, as I suspect it was by the government, and for all the machinations on KSA would probably still not be known publicly.

I say again in conclusion—other speakers from the opposition will speak for themselves about their own particular parts of the country—the opposition's real concern about what happens at airports around Australia other than Sydney and Melbourne remains as acute as it was when we were in government. That concern, of course, when we were in government is on the public record in terms of the

process that was required to get the decision to sell the FAC. None of that concern has abated, as Senator Murphy will tell the Senate shortly. We certainly want to hear as much detail as possible from the government in this debate, particularly when we have a Parliamentary Secretary to the Minister for Transport and Regional Development (Senator Tambling) in an ideal position to tell us what is going to happen to airports like Alice Springs and Darwin. (*Time expired*)

Senator WOODLEY (Queensland) (11.48 a.m.)—We are debating the Airports Bill 1996 and the Airports (Transitional) Bill 1996. Listening to Senator Bob Collins, I am more and more convinced that the Australian Democrats' position on this, which will be to oppose the bills, is substantiated. I regret that party solidarity really does not allow him to vote according to his conscience because on this one he is absolutely right. He is absolutely right in what he has been saying in raising all of the problems that the privatisation of the FAC is going to bring to this country. The proposition is a disaster. I wish that the Labor Party could follow the conscience of Senator Collins, because he is absolutely right.

The airports bills are a prime example of how the policy thrust of the new coalition government is travelling down a path cleared for them, unfortunately, by the previous Labor Party government. These bills will be passed in a form which will now be almost identical to the bills debated before this chamber towards the end of last year. With the bringing back of the prevention of cross-ownership clauses into the bill, it means that the Labor Party no doubt will support it because it brings the bill back into line with the one that the Labor Party put before us last year.

Given that the bills and the issues are so similar, I intend to draw on a speech made by the Leader of the Australian Democrats (Senator Kernot) in this place last year when she very eloquently put our position. It is very hard to improve upon what she said, so I will draw on some of her words. She said at the time:

This legislation implements the decision of this Labor government to have a Clayton's sell-off of federal airports. It is a sell-off you are having when

you are not having a sell-off because, instead of selling the airports outright, we are selling the right to run airports for 50 years.

What the coalition is doing in this area, as in so many other cases, would not be possible if the Labor Party had not prepared the way. I am afraid that the recent squeals on the policy directions of the government from the Leader of the Labor Party, Mr Beazley, ring hollow in this regard.

The Democrats oppose these bills because they act against the interests of the general public, they act against the long-term benefit of the economy and they remove opportunities for accountability to the public. I am sad that the Labor Party is prepared to support these latest privatisation initiatives. It highlights how much they have been compromised by their record in government. The Labor Party has blazed a trail of privatisation in this country: a clear-felling of a forest of public assets has occurred and most of the one-off cash inflows from these fire sales have already been squandered. We find the Labor Party lining up again to support the coalition from the sidelines, as they even more enthusiastically take up the privatisation torch.

However, let me commend Senator Collins on his second reading amendment. There is no doubt that the Democrats would support that amendment because it underlines the problems that the very bill itself will bring to us. The amendment, in some ways, is a recognition of the very problem that the bill itself creates. So we will support that second reading amendment because it simply underlines the position we take in opposing the bill as a whole.

The bill itself contains principles which are meant to underlie the leasing process. These principles include: that airports must be majority owned; that the government will seek diversity of ownership to the maximum extent possible; that there is encouragement towards transparency and benchmark competition between the airports; and that they seek separate ownership of Sydney, including Sydney West, from Melbourne and Brisbane airports. There is also provision for the ownership of airports by individual airlines

and associated interests to be restricted to five per cent.

The Commonwealth will retain responsibility for land use, planning and building controls at the major airports. The Commonwealth will retain reserve powers to deal with demand management issues that may arise during the 50-year leases. The Airports Bill also sets out details of the post-leasing regulatory arrangements to apply to the airports.

In outline, that is what the bill seeks to do. It simply reinforces the key question which the Democrats continue to ask: why is the privatisation of airports necessary? The answer, of course, is that privatisation is not necessary. Virtually all major airports overseas have been publicly owned and operated. That is a fact. Australians should be asking why we are deviating from this principle. The Democrats would argue that little, if any, micro-economic benefit will flow from the new airports regulatory regime.

We are told that competition will force down airport usage prices. The reality, in the case of airports, is that scope for competition between Sydney and Melbourne, for example, or between Sydney and Perth airports is very remote. In fact, it is a ridiculous proposition. Not only is disaggregation against the world best practice of keeping airports together in a network, it is also against the advice of the FAC.

It is hard to see how anyone could seriously believe that there could be significant competition between airports in Australia. Just to state it makes obvious how ridiculous such a proposition is. Clearly, people fly to destinations because of location attractions—not just because of the airport. They are not going to fly to Melbourne in preference to Sydney because they like the airport lounge in Melbourne better. They fly to the destination because that is where they want to go. The proposition just leaves me speechless—and that is unusual for me.

The merit for breaking up the very profitable FAC into a string of single airport companies is also not immediately evident. The FAC, and many industry observers, are not convinced. Like many other decisions of the previous government—and even more so

of this government—this so-called reform is likely to impact even more negatively on regional Australia. Senator Collins was more eloquent than I could be about the effect on regional Australia.

As a monopoly, the consumer benefits of the private sector running airports are only as good as the regulator overseeing them. We need to ask some fundamental questions, beginning with: are our airports now inefficient? Will the private sector run them so much better that the regulators might be able to force them to deliver lower costs? The Democrats believe the answer is no.

The FAC is a very profitable government business enterprise. Last year, it recorded a profit of \$128 million. Sydney airport recorded a \$69 million profit, Melbourne, \$52.3 million, and Brisbane, \$43.5 million. By the standards of the Stock Exchange, its earnings over assets ratio is up there among the top three or four firms—ahead of the big Australian BHP and ahead of News Corporation. Its productivity, measured by the passenger per employee ratio, increased by 14 per cent in 1994-95 following the 15 per cent improvement the previous year. What more do you want from a company? I really have to say to you that this is a crazy proposition.

Its fees are the fourth lowest of a world representative listing of 40 major airports, with increases kept below the CPI over the past five years. What more do you want FAC to do? They are doing a fantastic job. This is an organisation which is achieving the shareholders' objectives. Why on earth—and I nearly used a word I wouldn't use—are we selling it? The Australian people, as the shareholders, are entitled to continue to ask this question.

Airports, by their nature, are incredibly influential on the quality of life of nearby communities. Communities should be entitled to express their views on demand management at airports. They should be entitled to express their views on things like—and surely the political lesson has been underlined over Sydney—curfews, noise, usage, tourism promotion, the balance between general aviation and commercial aviation, and so on.

The running of an airport every day requires a long string of decisions made in the public interest. It is impossible to divorce the commercial aspect of running an airport from the public policy aspect. For more than almost any other utility, the Democrats believe this is the case. In short, there is a good, long list of reasons why airports should stay in public hands and few reasons why they should be in private sector hands.

Despite the privatisation wave across the world, virtually no other country outside the lunacy of Margaret Thatcher's Great Britain has sold its airports, because other governments throughout the world realise that to do so is to get rid of a utility that is too vital to a community, to its commerce, to its quality of life and to its environment to be trusted to private sector hands. That is not to disparage the private sector, but it is to point out a few obvious things. There are no market forces to constrain the private sector on airports. Competition will be at the margins only.

The Democrats have made accountability one of our core issues since our inception nearly 20 years ago. All Australians know how hard it can be at times to make governments and government bodies accountable. The chance of a privately owned company—one where the major shareholder is not the government, but more likely an overseas investor—having accountability to the Australian people as its primary objective is practically zilch. It becomes much harder for the public interest to get a look-in when the company is run solely for the private interest of the shareholders.

The ideologically driven obsession of the coalition and Labor parties with privatisation has yet to show any benefits. We should assess privatisation on a case by case basis. In doing so, we should be seeking to determine whether in all the circumstances it is of economic benefit and of community benefit for the asset to pass from public to private ownership.

On airports we can unambiguously state that the benefits of this bill to the community at large will be negligible. It is time community interest and social interest were once again given consideration by governments.

We should learn from the third runway debate in this country that community impact is just as important as financial impact. The Democrats are opposing these two bills and urge the Senate to vote against them on economic grounds, on public policy grounds and on environmental grounds.

Senator CALVERT (Tasmania) (12.02 p.m.)—Thank you, Madam Acting Deputy President Reynolds, for taking the chair so that I could make a few comments on these airport bills. These bills are designed to take Australia's aeronautical industry into the next century. They will ensure that our national airline industry runs in the most efficient, safe and effective manner. These bills will also ensure that Australian airports remain a vital asset in our tourism infrastructure, which is so important for our international tourism competitiveness.

One of the most pleasing aspects to come out of the hearings of the Senate Rural and Regional Affairs and Transport Legislation Committee, which I attended as a member, was the unanimous support for the general thrust of these bills. I take note of what Senator Woodley had to say, but I think a lot of the concerns he raised here today could have been answered if he had bothered to attend the hearing we had in Canberra. There may have been pressing reasons why he could not attend.

Most of the major players gave evidence. We had quite an interesting day putting our points of view and asking questions.

Senator Tambling—Did he read the report? It did not sound like it.

Senator CALVERT—I do not know whether he has read the report or not but, as I said, some of the questions he raised here today were also commented on in the report. At those hearings the major airlines and local councils were all of the view that these bills can bring significant economic benefits, firstly, to the tourism industry and, secondly, to the local economies.

I speak on these bills today because I wish to acknowledge the representation made by the Hobart Metropolitan Councils Association to the committee.

Senator Murphy—Why are you ratting on them?

Senator CALVERT—I believe we have the support of the opposition on this, Senator Murphy, so I cannot see why you raise that.

Senator Murphy—Read the amendment.

Senator CALVERT—I read the amendment. I am extremely well aware of the importance of airports. I have one at my back door. I know the importance of the Hobart airport to the Tasmanian economy.

It was not surprising in the HMCA submission that it expressed concerns about the impact of full cost recovery following the leasing of the Hobart airport. A study conducted by the Federal Airports Corporation in 1993 for the Institute of Industry and Economic Research indicated that the application of full cost recovery principles for our local airport would raise landing charges by 194 per cent and cause a devastating blow to the local tourism numbers of between 11,000 and 21,000. That same report indicated that the loss of revenue to the Tasmanian economy would be in the order of \$11 million to \$22 million. They made the point that this would be totally unacceptable and no doubt lead to a significant increase in unemployment and the loss of many tourism operators.

The HMCA on behalf of the southern Tasmanian council members made the point that the Hobart airport must continue to operate in the best interests of all users. I understand that there is a proposal being formulated for a joint authority of southern Tasmanian councils who will submit a proposal at some stage in the future—when the second tranche of sales comes up, I believe—to the Commonwealth requesting that they be given a lease over the Hobart airport.

Senator Murphy—How are you going to give it to them if you are going to sell it to the highest bidder?

Senator CALVERT—My colleague Senator Tambling indicated at that hearing that the government wishes to adhere to the tendering process.

Senator Murphy—So how does the municipal association get it?

Senator CALVERT—You will have your chance, Senator Murphy. I believe your name is further down the speakers list. If you have some problems, you should raise them then rather than keep interrupting me.

Senator Tambling indicated that the government would wish to adhere to the tendering process. In situations such as Hobart, where there is a strong community of interest in ensuring local ownership, then these criteria must be acknowledged. I trust that the government will see fit to consider the benefits which local ownership could bring in terms of job and business development in regional communities throughout Australia.

I recall comments made at the hearing by some of the government's advisers about more communication with community groups—with the likes of the HMCA—about the effect that the sale of, for instance, Hobart and Launceston airports would have. Also noted at the hearing was the apparent success of the ALOP scheme with airports such as Wynyard, Devonport—which Senator Murphy would know of—and Mackay. We were told that that scheme has worked very well, and that was noted.

I also took note of a fact that came out as a result of a question I asked about Hobart's debt. I was told, much to my pleasure, that the Hobart and Launceston airports would be sold debt free, which I think is very significant. As Senator Murphy would know, one of the major reasons Hobart in particular has been showing a trading loss is its indebtedness. If that airport is sold debt free, then its new owners will be more likely to be able to conduct the works of that airport in a profitable manner and therefore not be put in a position of having to increase landing charges and the like to the detriment of tourism and other services.

The HMCA also raised that some essential capital works need to be carried out before a prospective buyer can be found. I guess the market will determine that further down the track. I do not believe it would be unusual if the government made a decision like that, because I note that some \$29 million will be spent on extending the Adelaide airstrip before that airport is sold.

As already indicated by Senator Bob Collins, our committee recommended that these bills be agreed to subject to the amendments notified to the committee by the Minister for Transport and Regional Development (Mr Sharp). I support our committee's wish to draw to the minister's attention the comments made by state, territory and local governments expressing concern about the selection of future airport lessees. Although it could be said that I have a vested interest in relation to Hobart and Launceston airports and their future ownership, I considered the points raised by the councils, and no doubt similar points would be raised by the Launceston Port Authority, for instance; I think they would make the same sorts of comments—that they would far prefer to see local ownership of what we would have to class as regional airports.

Senator Murphy—No. They are saying that you ratted because you promised before the election—the same as what we were going to do—to grant them to those communities. Now you are turning around and saying it is for the highest bidder.

Senator CALVERT—I think you can raise that with the minister or the parliamentary secretary. The minister will answer those questions. I think the indications are—if you had been at the hearing you would have heard this—that, as far as the second tranche of sales is concerned, the principles and success of the ALOP scheme have been noted. I am of the opinion that further discussions would be held with airports such as Hobart and Launceston before those matters are resolved. It would be totally unacceptable for private interests to control airports where it could detrimentally affect the local community. I think all those matters have to be taken into account before the smaller airports are sold, because it could have a devastating effect on the local community.

That was the reason why our committee recommended that the minister raise with the Minister for Finance (Mr Fahey) the need to ensure that the selection process which takes place takes into account the broader development and economic concerns of particular regional areas. I support that recommendation,

and I encourage the minister, before he makes a decision, to consult the state, territory and local governments which made submissions to our committee, to ensure that he fully understands their reasoning and their concerns.

A number of other state, territory and local governments expressed concerns about the lack of consultation which they perceived could occur under the bill. Although, again, my colleague Senator Tambling has indicated the opportunity to resolve matters of concern by negotiation, I feel it was a strong view of those making submissions to our committee that this would not go far enough.

During our hearing the First Assistant Secretary, Aviation Policy, Mr Peter Harris, indicated that he would be raising this issue with Minister Sharp, seeking consultation in advance of plans being released by the minister under the statutory requirements in this legislation. I think it is fair to say that all those who gave evidence to our committee did raise quite strongly the point about consultation. Our committee has seen fit to formally recommend to the government the establishment of a clear consultative process because we feel such a critical process as this must ensure that there are clear-cut guidelines in place from the outset.

I also note the assurances that were given, particularly to local councils, that the Commonwealth was unwilling to concede to the state and local government authorities control of land use planning and building developments on its land. We do know that Commonwealth control of planning and building could ensure a consistent regime for all major airports, but I think that, again, this does not go far enough.

Just as an aside, as a former warden of the municipality which controls the Hobart airport and member of the Mayoral Aviation Council, I know that many years ago we voiced concerns about the unsatisfactory situation regarding local government's lack of control over airports around Australia. As a result of some of our concerns, the previous government—I think it was then Senator Gareth Evans—gave us an assurance in writing that airports would pay the equivalent of local

government rates where they considered it appropriate.

I think that situation is a little loose and could be tightened. We need consistency across the board in Australia as far as where local governments and state governments fit in is concerned. As I mentioned at the hearings, we could have a situation where, if it is Commonwealth property, people can conduct businesses without having to pay rates. They could be protected from paying rates and have an unfair advantage over private operators in nearby areas. I think this has happened in Western Australia

It is important that the Commonwealth comes to some arrangement with state and local governments about these concerns that were raised during the inquiry, and I think they were reflected in our recommendations. If that does not occur, it may provide an opportunity for unscrupulous operators to bypass the normal controls. That was a concern that was raised by local government.

There are a number of other matters which the committee has sought to bring to the minister's attention as a result of the submissions. Obviously areas such as a national invoicing code and economic regulation and charging principles will have a big impact on the flow-on effect to those users of our airport networks. I believe there again that they warrant some consideration by the minister. Whilst the committee has raised a number of points of concern, they are not fundamental to the general principle of these bills but perhaps better represent a finetuning which will ensure that our airports are used more effectively on behalf of our local communities.

I support the bills and the government's amendments. I encourage the minister to look very carefully at the recommendations which have been made by the committee. I think the opposition's concerns have been largely covered in their amendment. I do not have too many problems with one or two parts of that amendment, but I would like further time to consider my attitude to part (c) of Senator Bob Collins's amendment. I guess those matters will come up in the committee stage.

Senator FORSHAW (New South Wales) (12.17 p.m.)—The government's legislation, as has been indicated, mirrors largely the legislation put before the parliament by the former government. On that basis, it is generally supported by the opposition. But, as has also been clearly outlined by Senator Bob Collins, the government has been dragged kicking and screaming back to the position that the Labor government had on this issue.

I rise to support the amendment moved by Senator Bob Collins and particularly that aspect of the amendment which goes to the proposal for Sydney's second airport. This government, in its decision to relist Holsworthy as a potential site for Sydney's second airport, has demonstrated clearly the length it will go to to deceive the people of this country and particularly the people of Sydney. I just want to recount very briefly the sequence of events because, as has been the case for a long time, whenever the coalition has been in government it has approached the situation of dealing with Sydney's airport needs in an underhand, deceitful manner.

We must never forget that it was the coalition, along with its colleagues in the state Liberal government at the time, that so strongly pushed the development of the third runway at Sydney and then turned in the latter stages to attack the Labor government merely for base political purposes—that is, to pander to the legitimate outcry of the many residents affected by aircraft noise in Sydney.

It is unfortunate that we have airports which clearly create environmental problems, particularly aircraft noise, for communities. Sydney suffers probably more than just about any other city in the world in that respect. But this government treats this issue as a political issue. Prior to the election the Leader of the Opposition at the time and now Prime Minister, John Howard, and other shadow spokespersons, including Senator Parer, were firmly on the record—not once, not twice, but dozens of times—as saying that they supported Badgerys Creek, Sydney West airport, as the site for Sydney's second airport. Indeed, John Howard gave evidence to the Senate Select Committee on Aircraft Noise, of which I was a member and which looked in detail at

this issue last year. He gave evidence on 25 July. I would like to quote what he said on that occasion. He said:

What you have to do is to look at the short- and medium-term problem, which is the unfair noise burden being carried by a limited number of people. That has to be fixed; it is the first and most important thing. Obviously there are then the alternative airport needs. As I understand it, both parties have commitments in relation to Badgerys Creek, although I know that some evidence is put from time to time that Badgerys Creek raises difficulties and that some people argue for alternatives to Badgerys Creek. Certainly I am appearing here as the member for Bennelong, although it is hard to discard other hats. Our parties have a commitment in relation to Badgerys Creek which I reiterate.

But the short-term problem is the problem that is exercising people's minds very acutely at present, which is the noise burden problem. As far as the longer-term problem is concerned, we do need an alternative; there is no doubt about that. We do need additional airport capacity in this city. Some people have put to me that that should ultimately replace Kingsford Smith. It is not an argument that I am adopting. I want to make it clear that I am not adopting that argument. I would not adopt that argument unless I were completely satisfied that it was a realistic and practical option to put. I am not satisfied at present that that exists, so I am not adopting it.

So the now Prime Minister was then on the record, as the Leader of the Opposition and as the member for Bennelong, as being concerned about the impact of aircraft noise on people in his electorate, as supporting Badgerys Creek and as rejecting the concept of an alternative site as a replacement airport for Kingsford Smith.

We can recall that when this legislation put up by the then Labor government for the sale of the airports came before the parliament last year the then Leader of the Opposition and the coalition used that legislation to in effect defeat the government's attempt to implement the process of sale by linking it to the reopening of the east-west runway. They moved amendments which sought to tie the two issues together to therefore frustrate the government's processes. So it is very relevant, in considering this legislation, to be aware of that history because at the time the then Leader of the Opposition, John Howard, frustrated legislation similar to this legislation,

for his own political purposes to get the east-west runway open. He went to the election saying, 'We will reopen the east-west runway, and we support Badgerys Creek'.

There was never any mention of Holsworthy. Never once were the people of Wattle Grove, Holsworthy, Hammondville or Liverpool—all those people in those surrounding communities, the southern shire—told that what this government had in mind was putting Holsworthy back on the agenda as a site for Sydney's second airport, nor that it was put on the agenda not as simply an overflow site in the way that Badgerys Creek was to be seen as an airport complementary to Sydney, but rather for the potential establishment of Sydney's major airport.

That was what was announced by the Minister for Transport and Regional Development, Mr Sharp, a couple of months ago. He announced, out of the blue, with no warning—not even a warning to the local member, a member of his own Liberal Party—that they were going to put Holsworthy back on the agenda. He announced that the EIS to be conducted into Badgerys Creek, the EIS which had been implemented by the previous Labor government, would now be expanded to include Holsworthy. Most importantly, Holsworthy was to be included on the basis that one of those two sites would have an airport.

This is one of the major problems with the EIS process that now exists with respect to Badgerys Creek and Holsworthy, as Senator Bob Collins has identified in his amendment. The draft EIS guidelines for the proposed Holsworthy site are entirely inadequate. One of the major things missing is the opportunity for consideration of other alternatives such as an airport at neither site.

In his newsletter to his electorate at Bennelong, the *Howard report*, the Prime Minister is on the record as saying to Bennelong residents:

Sydney is to be guaranteed a second international airport regardless of the outcome of the Environmental Impact Statement at Badgerys Creek.

The EIS (Environmental Impact Statement) process will now be broadened to include an alternative site—the Holsworthy Military Reserve, in Sydney's

south-west. This will ensure a fall-back option is immediately available if the Badgerys Creek EIS proves unfavourable.

Further, when we look at the proposal put up by the Department of Transport and Regional Development with respect to the location and development of the second Sydney airport, it states:

The proposal is to consider the construction and operation of a second major international/domestic airport for Sydney at either Badgerys Creek or Holsworthy on a site large enough for future expansion of the airport if required.

So we have gone from a position where this government when in opposition supported Badgerys Creek, and supported the Labor government proposal that Badgerys Creek would be constructed and run complementary with KSA, to the position we are now in where we will have an EIS into the Badgerys Creek site and the Holsworthy site with the potential that one of those two sites will be a major international and domestic airport, way beyond what was ever envisaged for Sydney West airport—a potential replacement.

That is why the people of Holsworthy and surrounding areas are so irate. They knew that on at least two previous occasions back in the 1980s that site had been rejected as being totally unsuitable. In fact, in 1985 Holsworthy did not even make it to the short list because it was so unsuitable for various environmental and other reasons. Not only were they not told that Holsworthy was going to be put back on the agenda, but they now know that this proposal to put Holsworthy into the EIS process means that it has the potential for future expansion because, of the two sites, it is the only one that fits the bill. I am not sure, but Holsworthy is probably five to 10 times bigger than Badgerys Creek and, of those two sites, it is the only site that could cope with an expanded airport in the future. On the proposal as it stands, there is clearly an in-built bias towards the Holsworthy site. Yet what is being said constantly by the Prime Minister and the Minister for Transport and Regional Development is, 'We still prefer Badgerys Creek.'

Other aspects of the EIS—and I do not wish to go into them today as I will have plenty of opportunities to do so in the future—are

seriously deficient. Firstly, as I have said, there is an EIS here which is structured so that a choice is made between one of two sites—but one of them has to succeed. That is the whole basis for it; there is no opportunity for both of them to be ruled out.

It has been made very clear by the Environment Protection Agency that, when you have an EIS, you start from the premise that the proposal is being supported, and you then look at its impact to see if you can find ways of ameliorating the impact. When the EIS is drafted, the consultants do not start from a totally objective position—'Well, should we or should we not have an airport on this site?' They start from a position of being told, 'Here is a proposal to have an airport; you consider its impact.'

Clearly, therefore, there is a bias in the process, as there is in all the EISs that have been undertaken, towards favouring the development of the proposal rather than not. I understand that the statistics are that only in about three out of 100 cases does an EIS ever come out with a recommendation which totally opposes the proposal that is being put up to be examined.

There are a whole range of other deficiencies. The amount of community involvement that is envisaged in this EIS process for Holsworthy—and I dare say for Badgerys Creek but particularly for Holsworthy, given that it has only recently been put onto the agenda—is nothing short of woeful. The guidelines were issued on 22 July; the people were given approximately four weeks to respond. There was a toll free number that nobody could get through on—I know that, having tried for days—because they were inundated with requests. Many people had not even seen the draft guidelines until maybe a matter of a week or two ago, yet they were due to close on 19 August. How can you possibly have community involvement in an EIS process on a matter as important and as sensitive as this and allow a lousy four weeks for people to obtain the draft guidelines, read them, understand them, dissect them, comment on them and get a submission back to the EPA?

In fact, what happened was that, because of the terrific organisation in the local community by community leaders, they went out and educated the people and brought to their attention the deficiencies in this proposal—because the EPA did not do it. The EPA had three meetings. I attended one of them, and it was a total disaster. I requested the EPA to hold a meeting in the Sutherland shire and they would not hold one. They said they could not find a hall big enough. If that does not show that there is a need to hold one, I do not know what does.

Last Friday, due to the efforts of the community organisations opposing this airport, some 30,000-plus submissions were lodged with the EPA—not due to any great opportunity for the community to respond but due to the massive amount of work put in by community representatives of the South-West Sydney Community Alliance.

There are a whole range of deficiencies in the EIS guidelines. It is said by the minister that the EIS process will be run in accordance with the recommendations of the report of the Senate Select Committee on Aircraft Noise in Sydney, of which I was a member. It was a large report presented in this chamber last year, one of the recommendations of which was that there needs to be the most open, transparent EIS process and there needs to be every opportunity for community representatives to be involved in the process right throughout; they need to have access to the technical information that is provided to the consultants and upon which they prepare the EIS. There is none of that in the current guidelines.

As I have just indicated to you, the people in the community have been treated with utter contempt. First of all, they were deceived. People purchased ex-army land to build their houses in places like Wattle Grove. Thousands of people have moved into this area over the past 10 years or so, in the firm belief that there would never be an airport at Holsworthy because it had been rejected. Secondly, they are not told before the election that they are going to get an airport in their backyard but they are told straight after—another broken promise. Then when the EIS

draft guidelines are handed down, they are totally inadequate and there is very little opportunity for the people to participate.

I could go on, but the point that needs to be reiterated is that this government's policy on airports is an absolute disgrace. You have neglected the interests of the Sydney residents for years and years: you never did anything about addressing the problems of Sydney airport in all those long years when you were in government. Now that you have got back into government again you are putting thousands and thousands of people living in the south-west of Sydney—not on the North Shore, not in the Liberal held seats—into a state of utter distress and anguish because of your policy on airport development.

(Quorum formed)

Senator MARGETTS (Western Australia) (12.40 p.m.)—The airports bills are an example of government re-use or recycling. We have seen these bills before. Just last year the Senate passed them, although the Greens (WA) voted against them—and here they are, washed-up, sanitised and presented again.

The bills are for the privatisation and management of airports. The government will not support recycling paper which would reduce the chopping down of forests, reduce government outlays, support the efforts of councils to extend the life of their tips and the efforts of Australians to reduce the environmental impact. But privatisation bills seem to be something the government likes recycling. Like the coalition itself, this was the main reason these could not be used last year by the ALP.

I would like to go into detail on the reasons the Greens oppose privatisation but I will not because I did so in my last speech. If people want to see the reasons for the general concerns, they can re-check my last *Hansard* because those concerns still apply.

Senator Crane—We are into reading your *Hansard*.

Senator MARGETTS—Yes. I spoke on that last year. I will just say that airports are monopolies, there is no competition between airports in different cities. For example, in Western Australia you can go to Perth airport

or you can go to Perth airport. There are other cities in Western Australia but if you want to fly to Europe there is not a lot of choice.

Also, the only ways that concerns like the maintenance of low cost regional airports or management of social and environmental impacts can be met where the airports are not owned directly by government is through extensive regulation. That is why we have this Airports Bill; it tries to cover all the things people want to ensure happen with airports by specifying them in law as requirements.

Nothing here will protect regional airports which have been cross-subsidised in the past. The virtually inevitable outcome will be higher costs for rural people—government users such as flying doctors. In fact, a fair bit of the use of regional airports may be by government agencies, and I expect that that will increase as government closes down rural offices of all sorts. Fly-in fly-out rural services will perhaps have some difficulties. So I expect that it will be government as well as rural people who will pay the cost of this policy. Then again, some airports may just shut down.

Since this is simply a recycled bill from the previous government cleansed of the coalition's own amendment requiring a solution, part solution or proportion of a solution to the airport noise problem, I expect the now opposition will support it, meaning it will pass, in spite of the fact that the Greens will again oppose it. Nevertheless, we will suggest a few amendments in the Airports Bill which I believe work to preserve the intention of the ALP when they put forward the bill last year.

The amendments to the Airports Bill concern parts 5 and 6 which detail the requirements for the master plans, development plans and environmental strategies. I am quite certain, having received various briefings and assurances, that the Labor Party intended these requirements and the requirements for consultation to ensure that private sector managers of airports should behave responsibly and be responsive to the public.

Once the government is no longer the manager of airports, the only way of ensuring responsiveness and accountability is through some mechanism such as these plans and

requirements that they be implemented and penalties for failure. We owe it to the people whose airports we are selling to do a good job on these kinds of requirements. It would not surprise many honourable senators to know that many people in the community are not fully assured that many of these requirements will be met.

At issue is the real people who have to live around the airports, live with the sound of morning rush, evening rush, planes going overhead every few minutes for a period of hours, not being able to speak on a phone without having to stop and wait for the passing of a plane, the roar drowning out the sound of voices.

Airports have generally had buffer areas around them—areas to keep the houses from being built too closely. Government owned and operated the airports so the buffer zones were also publicly owned and managed. These will go with the airports and present new opportunities for commercial development by the airports' managers. You can put sound-proofing over those which means you can basically get these at an ultra-bargain price, especially if you have ratted off the neighbours.

Airports will also expand to maybe include hotels and other services for travellers. Planes will get bigger and louder and air traffic heavier. There will be pressure to expand out into the buffer areas. It is important to manage these plans and ensure that the additional burden put on people nearby is acceptable—acceptable to the people affected, not just to some bureaucrat or corporate bean counter who considers a bit of sacrifice by some as essential to growth.

The problems that have been obvious to people are the ones where somehow or other a person in one house was considered to be affected and the person in the next house was not considered to be affected. Part of our concern that we will be putting in our amendments will deal with the level of noise that is a problem so that the remedy, whether it is by a private operator of an airport, has to be based on the noise effect and not just some

definition of which areas are affected by wingspan.

These buffer areas are also often areas of ecological significance. Airports are usually initially sited on less desirable land, often near water or wetlands. It makes sense to put an airport near water where planes are not taking off over land, over houses. This has meant that in an odd way airports have acted to preserve remnant areas of original bush or wetlands—original landscape.

MATTERS OF PUBLIC INTEREST

The ACTING DEPUTY PRESIDENT (Senator Reynolds)—Order! It being 12.45 p.m., I call on the matters of public interest debate.

Parliament House: Demonstration

Senator ABETZ (Tasmania) (12.45 p.m.)—The matter I wish to raise this afternoon is the unfortunate assault on Monday on our nation's Parliament House by extremist elements. A number of fundamental questions and issues arise as a result of what occurred last Monday. Most important—and I trust we all cherish it—is the right to freedom of speech and the right to demonstrate. Unfortunately, the events on Monday will put pressure on the Presiding Officers and other people around this place to try to limit the demonstrations near Parliament House and the right of people to give voice to their feelings and views. It is my hope that the ugly scenes on Monday of this week do not lead to that because I think it is vitally important that the Australian people have the right and freedom to have access to this Parliament House and their representatives.

Of course, that is the other important and fundamental point; that our Parliament House is a symbol of the Australian way of life and our democratic process. Any assault on the Australian Parliament House is, in fact, an attack on our way of life and our democratic process. It is an attack on our freedoms and, as such, I am sure everybody would wish to condemn what occurred last Monday.

Whilst we are talking of symbols, can I say it was most disturbing to see a Young Labor flag hoisted upon the coat of arms outside the

front of this Parliament House. It really was a besmirching of the symbols of this great nation. The fact that protesters, especially of Young Labor, sought to hoist their flag and use the coat of arms for that purpose ought to be deeply regretted by all Australians. I trust that the Australian Labor Party, through their own processes, will be able to find out who was responsible for that and deal with it appropriately.

It has been somewhat interesting and at other times somewhat pitiful to observe how some are now running to dissociate themselves from the attack on Parliament House. On the other hand, some such as Bill Kelty tell us that the ACTU rally was a great success. I suppose he is right—it is just a question of definition: what is success? Do you measure it by the number of broken ribs, the number of bruises, the pints of blood that were spilt or the dollars worth of damages occasioned to the Parliament House? I suppose it really is simply a question of definition.

To think that this same man, Bill Kelty, was the one who sat *ex officio* at Labor's cabinet table! He was the keen supporter of the former Prime Minister Paul Keating who allowed that man to become Prime Minister. No wonder Robert James Lee Hawke had no chance whatsoever when confronted with that sort of tactician.

The Secretary of the ACT Trades and Labour Council, Jeremy Pyner, has taken some responsibility. I was pleased to read that in today's *Australian*. It is to be regretted that it was not combined with an apology. The CFMEU tells us that they will not conduct a witch-hunt amongst their members. I would have thought that was not necessary because every single Australian who watched the TV news on Monday night saw people with white t-shirts and white windcheaters emblazoned with the red lettering of the CFMEU breaking down the doors of Parliament House. I would have thought it to be very easy for them to determine who those people are and take the appropriate action.

If they fail to take action against people who were wearing their insignia on clothing—undoubtedly produced and handed out by the

CFMEU—and fail to condemn them, they will be rightly accused of harbouring thugs and vandals. If the CFMEU wants to have any credibility in future industrial negotiations or with the Australian people they will need to be seen as responsible trade union citizens of this country. I urge the CFMEU, rather than trying to attack the police as they did and trying to blame the police for starting it, to take some action within their own ranks and expose those involved for the thuggery and damage occasioned on Monday.

A number of the apologists for what occurred on Monday said, 'Look, it was a good peaceful rally but things just somehow got out of hand. We are not sure how or why.' If that is the case I suppose we need to ask ourselves who addressed the rally and what type of language was employed at the rally. I remember when we were discussing the Racial Hatred Bill being lectured and hectoring by those opposite in the Labor Party, talking about the need to deal with people who would seek to vilify and make people the object of hatred and who might incite violence as a result of outrageous comments.

What did the Labor Party's leader say at the rally? What did he tell the assembled throng? In full view of the TV cameras, so that it was broadcast into every household of this nation, he said, 'The Liberal government that hates the workers, hates students, hates Aborigines and hates women,'—one wonders who is left in the community when one goes through all that list. They were the words of hatred, incitement and vilification that those on the opposite side tried to lecture us about when we were previously discussing legislation.

I simply say to the Leader of the Opposition, Mr Beazley, 'You can't use language like that and then walk away from the consequences.' I think that Mr Beazley is basically a decent bloke. I think that in his heart of hearts he deeply regrets using those words last Monday. Nevertheless, he used them in public and in full view of all Australians.

I have then got to ask: if that is your public behaviour then what would you be like in private when the TV cameras are not on you? When one is asking that question of the Leader of the Opposition one should more

importantly ask the same question of those trade union officials who were battering down the front doors of Parliament House. If that is how they conduct themselves in full view of the TV cameras, can I ask the rhetorical question: how would they behave when negotiating with a small businessman without any other witness present? How would they deal with a worker on the factory floor behind the lockers with no other witness present if that is the sort of behaviour that they are willing to display in full view of the TV cameras of this nation?

Similar questions can unfortunately be asked—and I must say that it pains me to have to say this—of certain elements within the Aboriginal movement. There have been a number of allegations about what has been occurring within Aboriginal communities in Australia. I have heard that dissident Aboriginal groups—and they have spoken to me—do suffer substantially because they are not part of the mainstream culture of Aboriginal leadership and bureaucracy.

It would appear that this sort of thuggery is part of the culture for some people within the Australian Labor Party and it would be fair to say that some have come to live with it. The honourable member for Sydney, Mr Peter Baldwin, is a living example of that sort of behaviour. He still bears the scars of physical attacks for his views he held within the Australian Labor Party and for which he has suffered greatly.

What occurred last Monday was nothing but an horrendous assault on the institutions of our democracy and an horrendous assault on our freedoms. It was most regrettable that when I went down to inspect some of the damage immediately after it occurred banners of the maritime workers, the health services union and the communications and postal union were all scattered on the floor. It was a very dark day in the history of the trade union movement of this country.

I fully accept that people who have lived with a culture of compulsory trade unionism and are used to getting things their own way feel threatened by this government's move to try to free up our industrial relations system and give individual workers the right to

choose whether or not they want to belong to a union. I have to say to my Labor colleagues on the other side of the chamber and the people of Australia, 'Remember this—most Australians believe in a fair go.'

The Prime Minister, Mr Howard, and the Liberal government have been in power for not even six months and they are trying to turn on a turn like this. Basically, the Australian people will be repulsed by what occurred. The trade union leadership did itself and its cause a great disservice. For pure political purposes and as a supporter of the government's industrial relations thrust, I suppose I can say that it was pleasing to see that it was so counterproductive.

More important than the short-term political gain that somebody sought to achieve from that demonstration is the potential damage that was done to the very institutions of this nation—and, in particular, I talk about the symbol of our parliamentary democracy, the symbol of freedom, which is this Parliament House—and the denigration and besmirching of our coat of arms for very cheap political purposes by some extreme elements within the young Labor movement.

Having seen some of the people who were affected by Monday's events and having seen the damage in the Parliament House gift shop and elsewhere, I felt moved to put on record my views and my feelings and to urge all Australians and all CFMEU and ACTU members to write to their trade union organisations and say, 'Sure demonstrate, sure engage in freedom of speech, but when you organise rallies and things of this nature make sure that you run them in an appropriate way so that people do not come along with the sorts of things they came along with to this rally which would clearly indicate that some of the activities that were undertaken were in fact premeditated.' Just because the mood changes it does not mean that crowbars, battering rams or paint all of sudden materialise out of thin air. Those things do not just appear. They were there at the very beginning.

Let me simply say that I hope that the events of 19 August 1996 will never be repeated and that the seriousness of what

occurred on 19 August 1996 will be etched forever in the minds of the leadership of those movements that were involved in the demonstration and that they ensure that something of this nature never occurs again within Australian politics.

Canberra Commission on the Elimination of Nuclear Weapons

Senator CHILDS (New South Wales) (1.00 p.m.)—I rise today to draw the attention of the Senate to the final report of the Canberra Commission on the Elimination of Nuclear Weapons. The formal rejection today of the nuclear test ban treaty by the Indian government makes this issue very topical. About one year ago, we saw the largest mobilisation of Australians against nuclear weapons and their testing that we have really seen in a decade. Australians of all political persuasions marched together to send a message to the French and the Chinese governments that nuclear testing was not on as far as Australians are concerned and that, as peace loving people who care for our planet, we would not tolerate the threat that nuclear testing posed to nuclear non-proliferation agreements, nor the threat it posed to the people and the environment where tests took place.

The Labor government criticised the testing in the strongest terms. We even took out advertisements in French newspapers. A group of parliamentarians from all political parties worked together to oppose the tests, and a group from this parliament and the state parliaments took our protest to Tahiti. Under the palm trees in Tahiti, Parliamentarians for a Nuclear Weapons Free World was formed as an organisation. The group declared itself to be:

A network of parliamentarians cooperating on a continuing basis as a network to exchange information and plan action including meeting from time to time to achieve a primary purpose of the cessation of all nuclear tests and the dismantling of all nuclear weapons.

The time has now come to take up the second and more difficult part of this challenge: the elimination of all nuclear weapons.

The most lasting and important initiative of the period of protest against French nuclear tests was the establishment of the Canberra

Commission on the Elimination of Nuclear Weapons. The former Prime Minister, Paul Keating, and the then foreign affairs minister, Gareth Evans, should be congratulated for the role they took in initiating this high level international commission whose charter it was to come up with a practical and achievable plan for the total elimination of nuclear weapons.

The report of the Canberra Commission was presented to the Australian government last week. Prime Minister John Howard and his foreign affairs minister, Alexander Downer, must be congratulated for accepting the commission's report and agreeing to promote it in the international community.

I was privileged to attend an address by Maj Brit Theorin, one of the distinguished members of the Canberra Commission, to the Evatt Foundation in Sydney. Mrs Theorin is a member of the European Parliament; she served in the Swedish parliament for 24 years, and she is a former Swedish Ambassador for Disarmament in charge of Swedish disarmament policy. She is President of the International Peace Bureau and, as you know, Madam President, she is President of Parliamentarians for Global Action. She has held several important United Nations positions. Mrs Theorin was pleased to say that the Australian government will promote the report in the international community.

The report will be presented, as was intended by the Labor government, to the 51st Session of the General Assembly of the United Nations in September and to the Conference on Disarmament at the beginning of its 1997 session in January. The government has contacted the five nuclear weapons powers and, in total, will contact 30 countries directly to promote this report. The government has also undertaken to distribute the report to Australian embassies around the world. The full report of the Canberra Commission is available on the Canberra Commission website on the internet.

With the immediate threat of nuclear weapons testing now receded, the public perception of the danger of nuclear weapons has also receded. But the threat of nuclear weapons is as real today as it always was.

Thousands of nuclear weapons remain in the stockpiles around the world. These weapons are not just gathering dust, they remain on alert. They are ready to fire at any time. Each of these weapons has many times the destructive capabilities of the bombs that destroyed Hiroshima and Nagasaki half a century ago. These weapons do not act as a deterrent; they endanger life on this planet. Nuclear weapons are too dangerous and too destructive to use in conventional warfare. They have not prevented wars in recent years, nor has the end of the Cold War reduced the threat of their use. The Canberra Commission report, states:

In some respects the risk of use by accident or miscalculation has increased. Political upheaval or the weakening of state authority in a nuclear weapon state could cripple existing systems for ensuring the safe handling and control of nuclear weapons and weapons material, increasing the odds of a calamity.

We have all read the horror stories of fissile material and nuclear technology being traded on the black market. The report says:

The possible acquisition of nuclear weapons or material is a growing threat to the international community. It adds a disturbing new dimension to the more well-established concern about proliferation among states. During the Cold War, the most probable targets of nuclear attack were the nuclear weapon states themselves who targeted each others' military installations and even cities. Today the possible acquisition of nuclear weapons or material, including by terrorists and sub-state groups, has become a serious threat to the international community.

The Canberra Commission report warns in particular of the consequences of the illegal trade in fissile material, particularly from sites in the former Soviet Union.

A recent Harvard study makes the point:

It does not require a large step to get from terrorist acts like Oklahoma City and the World Trade Centre to the first act of nuclear terrorism. Suppose that instead of mini-vans filled with hundreds of pounds of the crude explosive used in Oklahoma City and New York, terrorists had acquired a suitcase carrying one hundred pounds of highly enriched uranium, roughly the size of a grapefruit. Using a simple, well-known design to build a weapon from this material, terrorists could have produced a nuclear blast equivalent to 10,000 to 20,000 tons of TNT. Under normal conditions, this would devastate a three-square-mile urban area.

There is also an increasing availability of the relevant expertise from scientists and technicians formerly employed in nuclear weapons establishments. Maj Britt Theorin proposes that these scientists should be employed to begin the process of safely dismantling nuclear weapons, rather than left on the scrap heap to sell their expertise to the highest bidder in their own countries, as they are in many cases, particularly in the former Soviet Union.

The report of the Canberra Commission on the Elimination of Nuclear Weapons sets out a number of clear steps which can be taken immediately—today—to begin the process of elimination of nuclear weapons. The first step, of course, is an unequivocal commitment from the nuclear weapons states to the goal of a nuclear weapons free world and a commitment to start work immediately on the steps necessary to achieve that goal. These immediate steps include: taking nuclear forces off alert; removing warheads from delivery vehicles; ending deployment of non-strategic nuclear weapons; ending nuclear testing; initiating negotiations to further reduce United States and Russian nuclear arsenals; and getting agreement among the nuclear weapon states of reciprocal 'no first use' undertakings and of a 'non-use' undertaking by them in relation to non-nuclear weapon states.

The reinforcing steps needed to ensure that all nuclear weapons are eliminated include: action to prevent further horizontal proliferation; developing verification arrangements for a nuclear weapons free world; and cessation of the production of fissile material for nuclear explosive purposes. Details of this process are included in the executive summary of the report and, accordingly, I seek leave to incorporate the executive summary into *Hansard*.

Leave granted.

The document read as follows—

EXECUTIVE SUMMARY

The Canberra Commission is persuaded that immediate and determined efforts need to be made to rid the world of nuclear weapons and the threat they pose to it. The destructiveness of nuclear weapons is immense. Any use would be catastrophic.

The proposition that nuclear weapons can be retained in perpetuity and never used—accidentally or by decision—defies credibility. The only complete defence is the elimination of nuclear weapons and assurance that they will never be produced again.

The end of the bipolar confrontation has not removed the danger of nuclear catastrophe. In some respects the risk of use by accident or miscalculation has increased. Political upheaval or the weakening of state authority in a nuclear weapon state could cripple existing systems for ensuring the safe handling and control of nuclear weapons and weapons material, increasing the odds of a calamity. The same fate could befall other states or sub-state groups with a less developed nuclear weapon capability or those that seek to develop such a capability in the future.

Nuclear weapons have long been understood to be too destructive and non-discriminatory to secure discrete objectives on the battlefield. The destructiveness of nuclear weapons is so great that they have no military utility against a comparably equipped opponent, other than the belief that they deter that opponent from using nuclear weapons. Possession of nuclear weapons has not prevented wars, in various regions, which directly or indirectly involve the major powers. They were deemed unsuitable for use even when those powers suffered humiliating military setbacks.

No nuclear weapon state has been or is prepared to declare as a matter of national policy that it would respond to the use of chemical or biological weapons with nuclear weapons. The solution to these concerns lies in the strengthening and effective implementation of and universal adherence to the Chemical Weapons Convention and Biological Weapons Convention, with particular emphasis on early detection of untoward developments. The response to any violation should be a multilateral one.

Thus, the only apparent military utility that remains for nuclear weapons is in deterring their use by others. That utility implies the continued existence of nuclear weapons. It would disappear completely if nuclear weapons were eliminated.

A New Climate for Action

Nuclear weapons are held by a handful of states which insist that these weapons provide unique security benefits, and yet reserve uniquely to themselves the right to own them. This situation is highly discriminatory and thus unstable; it cannot be sustained. The possession of nuclear weapons by any state is a constant stimulus to other states to acquire them.

In the 1960s, the world looked at the prospect of dozens of nuclear weapons states, recoiled and rejected it. The result was the Treaty on the Non-

Proliferation of Nuclear Weapons (NPT) of 1968 with its promise of a world free of these weapons. The overall success of the NPT and other nuclear non-proliferation regimes has been gratifying, but it has been hard won, and is by no means guaranteed. The prospects of a renewal of horizontal proliferation have become real.

The proliferation of nuclear weapons is amongst the most immediate security challenges facing the international community. Despite the impact of the international nuclear non-proliferation regime, the disconcerting reality is that several states have made, and some continue to make, clandestine efforts to develop nuclear arsenals. The possible acquisition by terrorist groups of nuclear weapons or material is a growing threat to the international community.

The end of the Cold War has created a new climate for international action to eliminate nuclear weapons, a new opportunity. It must be exploited quickly or it will be lost.

The elimination of nuclear weapons must be a global endeavour involving all states. The process followed must ensure that no state feels, at any stage, that further nuclear disarmament is a threat to its security. To this end nuclear weapon elimination should be conducted as a series of phased verified reductions that allow states to satisfy themselves, at each stage of the process, that further movement toward elimination can be made safely and securely.

Immediate Steps

The first requirement is for the five nuclear weapon states to commit themselves unequivocally to the elimination of nuclear weapons and agree to start work immediately on the practical steps and negotiations required for its achievement. This commitment should be made at the highest political level. Non-nuclear weapon states should support the commitment by the nuclear weapon states and join in cooperative international action to implement it. This commitment would change instantly the tenor of debate, the thrust of war planning, and the timing or indeed the necessity for modernisation programs. It would transform the nuclear weapons paradigm from the indefinite management of a world fraught with the twin risks of the use of nuclear weapons and further proliferation, to one of nuclear weapons elimination. Negotiation of the commitment should begin immediately, with the aim of first steps in its implementation being taken in 1997.

The commitment by the nuclear weapon states to a nuclear weapon free world must be accompanied by a series of practical, realistic and mutually reinforcing steps. There are a number of such steps that can be taken immediately. They would significantly reduce the risk of nuclear war and thus

enhance the security of all states, but particularly that of the nuclear weapon states. Their implementation would provide clear confirmation of the intent of the nuclear weapon states to further reduce the role of nuclear weapons in their security postures. The recommended steps are:

- . Taking nuclear forces off alert
- . Removal of warheads from delivery vehicles
- . Ending deployment of non-strategic nuclear weapons
- . Ending nuclear testing
- . Initiating negotiations to further reduce United States and Russian nuclear arsenals
- . Agreement amongst the nuclear weapon states of reciprocal no first use undertakings, and of a non-use undertaking by them in relation to the non-nuclear weapon states.

Nuclear weapon states should take all nuclear forces off alert status and so reduce dramatically the chance of an accidental or unauthorised nuclear weapons launch. In the first instance, reductions in alert status could be adopted by the nuclear weapon states unilaterally.

The physical separation of warheads from delivery vehicles would strongly reinforce the gains achieved by taking nuclear forces off alert. This measure can be implemented to the extent that nuclear forces can be reconstituted to an alert posture only within known or agreed upon timeframes.

The nuclear weapon states should unilaterally remove all non-strategic nuclear weapons from deployed sites to a limited number of secure storage facilities on their territory.

Pending universal application of the Comprehensive Test Ban Treaty all states should observe at once the moratorium it imposes on nuclear testing.

The United States and Russia must continue to show leadership in reversing the nuclear accumulations of the Cold War. Their purpose should be to move toward nuclear force levels for all the nuclear weapon states which would reflect unambiguously the determination to eliminate these weapons when this step can be verified with adequate confidence.

The nuclear weapon states should agree and state that they would not be the first to use or threaten to use nuclear weapons against each other and that they would not use or threaten to use nuclear weapons in any conflict with a non-nuclear weapon state. Such an agreement should be brought into operation as soon as possible.

Reinforcing Steps

The following steps would build on the solid foundation of commitment, accomplishment and goodwill established through implementation of the steps recommended for immediate action:

- . Action to prevent further horizontal proliferation
- . Developing verification arrangements for a nuclear weapon free world
- . Cessation of the production of fissile material for nuclear explosive purposes.

The problem of nuclear proliferation is inextricably linked to the continued possession of nuclear weapons by a handful of states. A world environment where proliferation is under control will facilitate the disarmament process and movement toward final elimination, and vice versa. The emergence of any new nuclear weapon state during the elimination process would seriously jeopardise the process of eliminating nuclear weapons. Action is needed to ensure effective non-proliferation controls on civil and military nuclear activities, and to press for universal acceptance of non-proliferation obligations.

Effective verification is critical to the achievement and maintenance of a nuclear weapon free world. Before states agree to eliminate nuclear weapons they will require a high level of confidence that verification arrangements would detect promptly any attempt to cheat the disarmament process whether through retention or acquisition of clandestine weapons, weapons components, means of weapons production or undeclared stocks of fissile material. Formal legal undertakings should be accompanied by corresponding legal arrangements for verification. To maintain security in a post-nuclear weapon world the verification system must provide a high level of assurance as to the continued peaceful, non-explosive use of a state's nuclear activity. A political judgement will be needed on whether the levels of assurance possible from the verification regime are sufficient. All existing arms control and disarmament agreements have required political judgements of this nature because no verification system provides absolute certainty.

A key element of non-proliferation arrangements for a nuclear weapon free world will be a highly developed capacity to detect undeclared nuclear activity at both declared and undeclared sites. Progressive extension of safeguards to nuclear activity in the nuclear weapon states, the undeclared weapon states and the threshold states will be needed with the end point being universal application of safeguards in all states. Systems will be needed to verify that nuclear warheads are dismantled and destroyed, and their fissile material content safeguarded to provide maximum confidence that such material cannot be reintroduced to weapons use.

The political commitment to eliminate nuclear weapons must be matched by a willingness to make available the resources needed for nuclear disarmament including effective verification. States must

also be confident that any violations detected will be acted upon. In this context, the Security Council should continue its consideration of how it might address, consistent with specific mandates given to it and consistent with the Charter of the United Nations, violations of nuclear disarmament obligations that might be drawn to its attention. This should demonstrate that the collective security system enshrined in the Charter will operate effectively in this field.

Further United States/Russian Strategic Arms Reduction Treaties (START) and nuclear confidence building measures should establish a receptive international climate for negotiations on global reduction of nuclear arms. The United States and Russia could commence a process for bringing the United Kingdom, France and China into the nuclear disarmament process. Further early steps could be for the US and Russia to prepare the ground for verification of nuclear weapon states reductions by sharing information and expertise on START verification, on weapons dismantlement and on verification and control of fissile material from dismantled weapons. US/Russian experience on nuclear confidence building might be extended to the other nuclear weapon states and new measures developed which involve them.

The Future Environment

Concurrent with the central disarmament process, there will be a need for activity supported by all states, but particularly the nuclear weapon states, to build an environment conducive to nuclear disarmament and non-proliferation.

It will be extremely important for the pursuit of the elimination of nuclear weapons to protect fully the integrity of the Anti-Ballistic Missile Treaty.

Nuclear weapon free zones are part of the architecture that can usefully encourage and support a nuclear weapon free world. The spread of nuclear weapon free zones around the globe, with specific mechanisms to answer the security concerns of each region, can progressively codify the transition to a world free of nuclear weapons.

At the level of national action, states have the fundamental obligation, under a variety of treaties, and in moral terms, to ensure that sensitive nuclear material, equipment and technology under their jurisdiction and control do not find their way into the hands of those who would misuse them.

The Commission noted with satisfaction the response of the International Court of Justice made in July 1996 to a request from the General Assembly of the United Nations for an advisory opinion on the legality of the threat or use of nuclear weapons. The Court's statement that there existed an obligation to pursue in good faith and bring to a conclusion negotiations leading to nuclear disarmament in all its aspects under strict and effective

tive international control is precisely the obligation that the Commission wishes to see implemented.

The Commission considered carefully the merits of setting out a precise timeframe for the elimination of nuclear weapons, but elected not to do so. However, this does not imply that it accepts the extended timelines imposed by such current constraints as limited warhead dismantlement facilities. Those constraints could be relieved by political decisions and the allocation of resources required to advance dismantlement. In addition, another limiting factor may prove to be establishing the necessary confidence in the verification regime which would be required to take the final step to complete elimination. In this context, the Canberra Commission remains convinced of the basic importance of agreed targets and guidelines which would drive the process inexorably toward the ultimate objective of final elimination, at the earliest possible time.

Senator CHILDS—I conclude by saying that the report of the Canberra Commission is a cause for great optimism. The 17 members of the Commission are distinguished in their fields. They represent a number of different disciplines—they have scientific, military, diplomatic or political backgrounds. At least four of them were involved with the development of nuclear weapons or were responsible for a decision to use them—they literally had their fingers on the button. These leaders from around the world, brought together by an initiative of the Labor government, have said, 'Yes it is possible, we can have a world free of the threat of nuclear holocaust.' Maj Britt Theorin told the Evatt Foundation meeting that, 'It will happen during my grandchildren's lifetime, during my children's lifetime or even during my lifetime. It is absolutely possible to get rid of all nuclear weapons in my lifetime.'

This optimism is heartening, but results come only through hard work. Governments must commit to the practical and achievable steps the Canberra Commission has mapped out. Our government, and other non-nuclear powers, must pressure the nuclear states to comply. Those people who protested against the French nuclear tests, those 150,000 people in my own city, Sydney, who marched during the mid-1980s—all of these people; all of us—must come together to promote action from our own government and from governments around the world.

The Canberra Commission report does not set out a timetable for the elimination of nuclear weapons. Maj Britt Theorin made the point that total elimination could happen more quickly than any of us could imagine. The timetable is in the hands of the international community and peace activists, and we must keep up that pressure to ensure that, in our lifetimes, the madness of the nuclear arms race is completely eliminated.

Olympic Games: Radio and Television Coverage

Senator ROBERT RAY (Victoria) (1.11 p.m.)—I want to make some comments on the electronic coverage of the Atlanta Olympics. Let me say, first of all, that I followed it very intensely and I found that the ABC—

Senator Schacht—Never went to sleep.

Senator ROBERT RAY—I acknowledge, Senator Schacht, that sleep was at a premium if you followed it properly, although most of the events were between eight and 12 in the morning. I found the ABC radio coverage of this quite faultless. It was always up-to-date, it covered a wide range of sports, it featured in-depth analysis and, whilst it catered to a degree for chauvinism that the Australian audience would expect, it also gave full acknowledgment to the sporting efforts by athletes around the world. Whether they came, as a 5,000-metre runner did, from Burundi or whether it was Hong Kong winning its first gold medal at sailing, it was all covered on the ABC.

I want to pay tribute to a few of the individuals involved in the coverage. Tracey Holmes was the anchor person and did a splendid job. Most of us who are familiar with her performance on *Sports Grandstand* on Saturdays and Sundays have come to expect high standards from her because she has helped turn that program into an absolute must, especially in summer. Her interviews are always in-depth, she is articulate and a reasonable degree of humour is always injected into any of her interviews. She did very well. She was able to do well not because she is a person with or without natural ability but because she knows her sport—all sorts of sport—and she knows it back to front. She

was able to bring that experience to her anchoring of the ABC coverage of the Olympics and make it a really meaningful thing.

I also thought Gerry Collins and Norman May did well in the swimming coverage. I know at times Norman May has attracted criticism. But now he has become a specialist commentator. He knew all the swimming form from around the world and was able to bring it to us and give us an excellent assessment of people's prospects in each race. Tim Lane did an excellent job at the athletics, covering a wide range of events. Of course, Tim Lane is also a versatile all-rounder—an excellent football commentator, a very good cricket commentator; in fact, he can turn his hand to almost any sport. We also had Neville Oliver at the rowing—one of his specialities. Again, I found his descriptions—sometimes I listened to the radio while watching the event on television—enormously insightful and enormously accurate.

I also have to mention a Western Australian, George Grljusich, who covered the equestrian events. It should be noted that, in 1992, George Grljusich brought live to Australian audiences coverage of two gold medals that television missed. At the equestrian in 1992, George Grljusich not only described Matt Ryan winning an individual gold medal, but also described the Australian three-day team winning the team medal at the same time. It is interesting that, even on the television broadcast an hour and a half later in 1992, the commentators had not really realised that Australia had won the team gold medal. But George Grljusich had calculated the odds and I will never forget his description—every time the leading New Zealander hit a rail, George was able to calculate how many more rails he had to hit to put Australia in a gold medal winning position.

He starred again at Atlanta. On the second day, the day of the endurance event, the computers went down but George Grljusich was able to tell us over radio exactly where we stood in the teams event and how many penalties the three continuing riders had attracted. Gillian Rolton had fallen, although she still was willing to continue if necessary. George had calculated to two decimal points

the penalties the three leading Australian riders had attracted and where they stood on the table, when everyone else seemed to have no idea at all. So George Grljusich at two Olympic Games has proved his depth on equestrian matters and has given an excellent coverage to Australia.

I suppose we should also acknowledge that George Grljusich, with Benny Pike, attracted quite a cult following at the boxing. I cannot recall their actually ever describing a fight, but nevertheless they provided entertainment in abundance. In particular I can remember Benny Pike remonstrating with someone behind who had a ghetto-blasters on. I have never heard anyone turn loud music off so quickly as when Benny had a word to him off microphone.

I have to make a political point here, though. The reason the ABC has been able to give such a great coverage is that it has had the funds to do it and it has the widespread experience of describing sporting events. If the ABC funding is cut by \$210 million over the next four years, and if the Mansfield inquiry recommends, as it is expected to, that the ABC cuts back on its radio sports coverage, Australia will never ever again be able to mount the sort of coverage that we saw at the Atlanta Olympics. And for the host nation, I think that would be a major tragedy.

It does not matter if in four years time the government throws \$10 million, \$15 million or 20 million dollars to the ABC and asks it to do the Olympics on radio. If you have lost all that expertise from your sporting departments around the country you will not be able to provide the necessary commentators to be able to make the sorts of accurate and considered descriptions of events that we have so far been so lucky to have. This point should be made in respect of maintaining funding to the ABC sports departments.

It is terribly fashionable to profess concern about symphony orchestras, and I am concerned about those, or to profess concern about the rotten current affairs programs the ABC often runs—*Four Corners* last Monday night was a classic example of a distorted program. I have been a critic of the ABC over the years. But the fact is that no commercial

radio network or station could get near the standards and integrity of ABC sporting broadcast. We do not want to be elitist and just be concerned about the top end of the market. These are the bread-and-butter programs of the ABC that a majority of Australians like. It is not to say, in pushing that line, that we should ignore the minority groups who have other tastes in Australia, which the ABC also adequately caters for. But make no mistake, if the funding cuts go ahead, sport and sports broadcasting will be the first victim and, as such, its value will be greatly diminished.

While I am on my feet, I might make some comments on the Channel 7 coverage of the Atlantic Olympics. I found their performance at Atlanta a vast improvement on that at Barcelona. Some of the lessons learnt at Barcelona were applied very well in Channel 7's coverage. Everyone complained about Channel 7's coverage because they ran commercials. Frankly, that just goes with the territory. If you have to spend multiple tens of millions of dollars to win the rights to Olympics, you must expect that there will be adverts coming on and off during the time. But they were able, on this occasion, to get a lot more events live to air and had a lot more flexibility switching between venues than they showed at Barcelona.

There was also a greater acknowledgment by Channel 7—not complete; they were not perfect—that some events were off tape and not live to air. But I think they actually carried every Australian gold medal winning performance live to air. They carried every Olympic swimming final. They also carried a majority of the athletics finals, apart from maybe on the last day when the Australian basketball match was being played contemporaneously with those athletics events. They also managed to give an excellent coverage to the men's marathon and, I have to say, in terms of critique, an inadequate coverage of the women's marathon event. But on the whole, I think Channel 7 showed that they were an improving broadcaster of the Olympics. Let me pay tribute to some of those who covered it.

Bruce McAvaney's coverage of the athletics was absolutely superb. There have been many accolades delivered to Bruce McAvaney over the years. He does know his athletics probably better than any other commentator in the world. He knows where all the key individuals come from. He has that nice blend of Australian patriotism and an acknowledgment of superior efforts by athletes from around the globe. He brought much to that commentary.

It was interesting also that Channel 7 was able to get interviews with the key athletes within three or four minutes of the events concluding—the Michael Johnsons and all the rest of them. A lot of it, I think, was due to Bruce McAvaney's reputation. Bruce McAvaney has been probably the best sports broadcaster in Australia in the last couple of decades, and certainly the best athletics broadcaster. The only tragedy was that these responsibilities probably deprived him of anchoring a lot of the sports coverage that we all would have benefited from.

I must also pay tribute to Denis Commeti for his very accurate calling of events in the swimming pool. He also had a realistic blend of analysis as to Australia's prospects and was assisted ably by Neil Brooks. Peter Landy, who is not necessarily my favourite broadcaster for football reasons, brought great credit to himself in respect of one area in which he has expertise, and that is his description of rowing events. He knows it back to front. He was very good at picking where the Australians were in the field, their chances of improvement or whether they would drop off the place. Peter Landy did an excellent job.

I also commend Sandy Roberts for his efforts. He was thrown in at the deep end in several sports, and again showed the sort of experience that enabled him to cover them competently. Pat Welch did very well on the track.

I must say that one of the things that bind these sporting broadcasts together is the anchor person. Most of these did very well. If I have one criticism of the Channel 7 performance, it was the anchor person between midnight and 2 a.m., although I must concede that counting up the mistakes she made did keep me awake. You usually got to

15, 20, 25 bloopers, inanities or misread cue cards in that two hours. Whilst I am not a great fan of David Fordham, wasn't I relieved every night when he came on at 2 a.m.! The classic point here is that there is no use putting a newsreader who can just read cue cards into a position where you are switching from venue to venue.

I do not know if you, Madam Acting Deputy President, know that she got totally wrong the names of the two great female rowers who won on the first night. She acknowledged that two different rowers had won the gold medal! Channel 7 needs to make sure that commentators with sports backgrounds anchor these events. This will relieve the sorts of absolutely elementary blunders that we saw in that particular coverage.

On the whole, I think Channel 7 has improved its coverage of the Olympics. The ratings show that they got outstanding ratings right throughout the Olympic Games, and I hope that when they go on to cover Sydney they will improve yet again. They face challenges in Sydney where we will have teams in every team event, which we normally do not do. They are going to have to give a lot of consideration—I know my colleague Senator Schacht has been thinking about this too—to how they will be able to get enough events live to air. It may well be that some arrangement will have to be made to try to maximise that. Sports such as women's soccer and men's volleyball deserve some airplay during the Sydney Olympics. But quite clearly they are going to have to prioritise and give concentration to the athletics track, the swimming pool and the velodrome, where the majority of peak audiences will be. But that challenge is in front of them. If Channel 7 continue to improve at the rate they have since Barcelona through to Atlanta, we are in for a real treat.

I want to conclude my comments by reiterating how good the ABC radio coverage of the Olympics was and the fact that that has now been put in jeopardy by the funding arrangements that this government has put in place. It will be an easy mark for those highbrow people who tend to run the ABC

and who will say, 'Let's get rid of the sporting coverage.'

I can tell you now that there will be a rebellion all round Australia, not only in cities, but in regional areas that rely on the ABC for such a component of the broadcasting service. When you think of the ABC you cannot but think of their test cricket coverage, their Sheffield Shield coverage, their range of coverage from women's netball right through to all the sports that deserve at least some mention and coverage. I hope that when Mr Mansfield does his review of the ABC charter, he does not take the weak road and simply recommend that most of these sporting programs be butchered.

City of Wanneroo

Senator McKIERNAN (Western Australia) (1.25 p.m.)—I am sure Mr George Grljusich will appreciate Senator Ray's comments about him, and I will make sure that they get to him. I wonder whether Senator Ray has ever heard George making commentary on the games between Collingwood and the Eagles. Even when the Eagles are losing, George can make it sound as if the Eagles are winning, particularly if Peter Sumich is in the team. I think that there is some distant relationship there.

But as I raise the matter of Western Australia and Mr George Grljusich, I want to bring the Senate back to my home state of Western Australia and, in fact, to my home city of Wanneroo. Many people around Australia will have heard about Wanneroo, particularly in recent years, because of the corruption that has been to the forefront, unfortunately, among some councillors within the City of Wanneroo.

There is now currently a royal commission of inquiry into the city of Wanneroo, and I want to address the manner in which the Western Australian government has handled the allegations of corruption in the Wanneroo council. It is causing deep concern about the administration of justice in my home state.

Former Wanneroo councillor David King was convicted and gaoled in 1994 for taking bribes. Following his trial, he tried to blow the whistle on the widespread corruption that

had existed for years within the council. Since that time, what have we seen? Have we seen a government dealing with these serious allegations? Have we seen them being dealt with in a manner which shows that the government is committed to eliminating corruption? Unfortunately not. We have seen an attempt at whitewash and cover-up. The Western Australian government had to be dragged by public pressure into re-establishing the former government's Cahill inquiry into the Wanneroo City Council. Then it had to be further dragged kicking and screaming into setting up the royal commission which is currently on.

But what then? The honest people back in Perth and in Western Australia would have hoped that the rottenness that is there amongst some people within Wanneroo would have been finally opened up and, therefore, eradicated. But this has not happened. Why not? Because the corruption that is endemic there among the leading individuals in Wanneroo goes right to the heart of the Liberal Party. King detailed all this in the statement he made to the justice ministry and to the Director of Public Prosecutions in late 1994. The statement was forwarded to the Western Australian police force.

Should King have been listened to? Indeed, he was listened to, at least by the courts. He had convinced the jury that the former Wanneroo mayor, Wayne Bradshaw, was corrupt. Bradshaw is now in prison. King's statement had convinced the magistrate that another local developer, Ted Hodgkinson, has a case to answer on bribery charges. Hodgkinson is currently awaiting trial. So what has happened with all these allegations? We really do not know because the police department in Western Australia has wound up the investigations with 17 lines of inquiry apparently still left open. Why did it do that?

Why did Peter Kyle, who ran the early stages of an independent inquiry into Wanneroo, say that the police in Western Australia are soft on pursuing corruption against politicians? Why did he say that some of the same police officers alleged to be involved in the Argyle Diamonds affairs were also involved in Wanneroo? It would have to come as no

surprise to Mr Kyle that the *West Australian* newspaper reported yesterday, Tuesday, 20 August, that seven senior police officers are to be disciplined over adverse findings in the Australian Federal Police inquiry and report into the Argyle Diamonds case.

The honest people of Western Australia would hope that the current royal commission would answer some of these questions. Has that happened? Indeed, it has not. What has happened instead is that King and the other whistleblowers, such as the former Director-General of the Ministry of Justice, David Grant, and his officers, have been viciously attacked by the royal commission for involving themselves in this. This has been done using some of the very police officers, including Deputy Police Commissioner Les Ayton—who retires later this week—and his internal affairs unit which are the subject of disciplinary action. The Ministry of Justice officers are also facing charges laid by Grant.

Counsel Assisting the Royal Commission, Ms Narelle Johnson, has been strongly critical of the role of the justice ministry's intelligence unit even being involved at all in gathering this information from King, who was then being held in prison by the ministry, and passing it on to the Director-General and then to the Director of Public Prosecutions. She described that as information gathering 'at large' and dangerous. Her attack has serious implications for the fight against crime and corruption not only in Western Australia but generally throughout Australia, because all law enforcement agencies, at both federal and state levels, depend upon this type of information flow.

King in particular was subjected to what a Queen's Counsel has described as forensic axe-work. The result is not only that doubts have been thrown over King's broad allegations but that the mates of the Liberal Party, Bradshaw and Hodgkinson included, who are waiting for their appeal and trial, suddenly find that the main witness against their particular matters has been discredited. In the Queen's Counsel's opinion the royal commission was in contempt of court in doing this and the royal commissioner, who intentionally allowed this to happen, should immediately

resign. This has been put to the Western Australian Attorney-General, Mr Peter Foss, but he has refused to act.

And what has the royal commission done about the police investigations into Wanneroo which have been prematurely wound up? Nothing. It has conveniently decided that looking at the police investigations into Wanneroo is outside its terms of reference. Kyle predicted this when Roger Davis replaced him as chairman of the inquiry. The result was that Police Commissioner Falconer was not even asked when giving evidence why the investigation was wound up.

The royal commissioner made one exception in his ruling about police investigations. He allowed the examination in detail of the investigation of former police officer Wayde Smith. The not so surprising result was that counsel assisting says that Mrs Cheryl Edwardes, former Attorney-General and current Minister for Family and Children's Services, has been greatly maligned by the suggestions that she had been heard on tape discussing a bribe. And how did she come to that conclusion? Because the police officer in charge of the investigation, Detective McLeod, said so.

This is the head of the internal affairs unit recently criticised by the Chairman of the Western Australian Legislative Council Committee into the Police Force as being a failure in fighting corruption and more interested in concealing corruption than exposing it. It is the officers from this unit, along with the Deputy Police Commissioner, who are being disciplined over Argyle Diamonds.

This is the same officer who admitted in evidence that he had actively campaigned for Mrs Edwardes before the previous election. He also admitted that he had erased all the tapes and all the transcripts of the tapes, even though the Kyle inquiry had been re-established. Even the counsel assisting, who had carried out the attack on King, was forced to concede that that had been both 'odd' and 'unwise', but she said that she did not want to read anything into it more than that.

But there is more that is of concern in the police approach to Wanneroo. McLeod told the commission that he had been informed by

former Wanneroo Councillor Sybil Roberts that she had been visited by uniformed police warning her to stop giving Bradshaw trouble. By his own admission, McLeod made no efforts of his own to follow this up, even though it was the exact role of his unit.

He also told the commission that the Police Bureau of Criminal Intelligence had been informed of an association between Bradshaw and convicted drug runner Allan Harriman. What had been done about this, or about contacts between Bradshaw and well-known criminal identity John Kizon? The royal commission has decided not to require Harriman to give evidence because his information is outside the terms of reference. Sounds familiar?

But there are other serious concerns being raised about the process of the royal commission. The Queen's Counsel's opinion has claimed that the commission is operating in an apparently biased way, saying that a reasonable member of the public could think it is being conducted as a 'whitewash'. It is doing this by its aggressive discrediting of whistleblower David King. It is doing this by characterising the Ministry of Justice criminal intelligence gathering role in a way which will prevent the pursuit of corruption. It is doing this by the acceptance of the evidence of politically aligned and disciplined police officers like Ayton and McLeod and by accepting the evidence of those in the ministry whose mates have been charged with criminal offences or who are facing disciplinary offences themselves, against the whistleblowers who laid the charges. It has been done by 'artificial' and 'unreal' interpretation of the evidence presented, in the opinion of the Queen's Counsel.

The honest and fair people of Western Australia must be concerned—and, indeed, are very concerned—about this. We have a state government which has resisted investigating Wanneroo council as long as it could, because it knew that not only its mates but also its politicians were involved. We have senior police officers, some of whom are being disciplined themselves, who are politically connected to the government and who are carrying out the first stage of investigations

and then destroying the evidence after another inquiry has been set up, which then winds up the second stage when investigating officers still have 17 lines of inquiry remaining open.

Then we have an apparently biased royal commission which is shooting the whistleblowers, and in a way that helps the government's mates in their upcoming court cases. In doing this it is in contempt of court, but nothing is done about it. It is a white-wash, pure and simple, and the whistleblowers are being shot to achieve it.

But it is not only the Western Australian government whose motives should be examined here. The federal government also has questions to answer.

In June of this year, the former Director-General of the Ministry of Justice, David Grant, approached the federal Attorney-General's Department with his concerns about the lack of action by the Western Australian authorities regarding Wanneroo. He was told that these were not federal issues, except for one matter. This was raised with Attorney-General Williams who referred it to the Australian Securities Commission. Their response was that it was too long ago and that the information was too vague, 'but if there is some political pressure there might be some action'. Nothing has happened.

Where does this government stand on corruption? Is it going to do something about it or will it just protect its mates in the west? Whichever way you look at this entire Wanneroo saga, it is clear that there has been massive corruption and that corruption is being covered up to protect the interests of Richard Court and his government as it comes up to an election early next year. Now it seems the Howard government may be playing a role in this, and it is the whistleblowers and the honest people of Western Australia who want a decent system of justice who are suffering.

Olympic Games: Media Coverage

Senator SCHACHT (South Australia) (1.39 p.m.)—I just want to say a few words following on from the remarks made by my colleague Senator Ray about the media coverage of the recent Olympic Games. I do

so as shadow minister for communication. First of all I want to endorse the very measured remarks that Senator Ray made about the quality of the coverage, both by ABC radio and by Channel 7. I, like Senator Ray and a lot of Australians, spent far too many hours—into the early hours, and even the late morning hours—sitting in front of a television set watching the Olympic Games.

Some people might say that this really is going over the top a bit. But when the rest of the world is willing to compete with each other on the sporting field, and get the joy, the success and the pride in their own country's performance that come from it, one can say, 'It is much better for people to compete on the sporting field than as in past centuries when often they would be competing on the battlefield for national glory.'

I noticed, a week or so after the Olympic Games had concluded, the SBS, on a Sunday morning, ran programs from Poland, Italy and Greece. Each of those programs did a summary of the achievements of their own sports people and what they had achieved at the Olympic Games. It was covered with exactly the same level of pride as that of Australians who watched and heard our athletes perform. Once again, it shows the enormous positive power the Olympics has as a pre-eminent international event.

Like Senator Ray, I believe there will be a threat to the ABC's future as a broad based national broadcaster if the government goes through with these dreadful funding cuts, which will be \$210 million over the next four years. If it is true that a thousand people will be retrenched from the ABC, I understand that the ABC will have to borrow the redundancy money from the Department of Finance and then repay it over the next couple of years. I am told that those thousand redundancy packages could approach \$50 million.

That would have to go on top of the \$210 million to be cut so we might be looking at a \$250 million cut to the ABC's funding over the next four years. There is no doubt that that would wreck the structure of the ABC. It would mean that the institutional experience and skill of all of those people who were mentioned by Senator Ray in being able to

give such an excellent coverage would, in large measure, disappear. That is one reason why I call on all Australians, no matter where they live, no matter which party they support or belong to, to put a submission to the Mansfield inquiry—people have until the end of this month to put in a submission—demanding that the broad charter of the ABC be left untouched so that the excellent coverage that was achieved in Atlanta by ABC radio staff can be available in an even bigger and better way for Australia's great moment when we have the Sydney Olympics in the year 2000.

Again, I endorse the remarks made by Senator Ray that Channel 7's coverage was a considerable improvement on Barcelona. Senator Ray touched on the issue that, because of the scope of the Olympic Games and the large number of individual sports, it is almost impossible for one channel to provide live coverage of every event. Events are held each day, many of them simultaneously at different venues around the Olympic site. But, nevertheless, there was an improvement by Channel 7 and we got better coverage.

I think in the case of some of their commentators—some of whom were selected because of their reputation in the media generally, but not in sports—they stumbled a bit trying to explain the technicalities of some of the sports that they were covering. I think Channel 7 has to have a further look at making sure that the person commentating, even on delayed broadcast, knows the rules of the sport being covered, knows the intricacies of it and the background to it. With some of the team sports that are now being covered, the rules are quite technical. Because the sport may not be well known in Australia, we need a specialist who understands it.

The major issue I wish to raise for Channel 7 for its coverage of the Sydney Olympics is that of team sports. As Senator Ray said, because we are the host country, we have automatic entry to every team sport in the Olympic games, even team sports such as handball, which got very little coverage because there is very little interest or participation in it in Australia. We can also enter men's and women's soccer, men's and

women's volleyball, men's and women's beach volleyball, women's softball, men's and women's hockey. There are also, of course, men's and women's tennis. Australia will automatically enter all of those sports without having to go through qualification. No matter how Channel 7 tries to juggle it, I suspect it will find it very difficult to give coverage to all of those sports, even when we are playing for a gold medal or a medal of some sort, let alone all those we participate in.

I think Channel 7 is going to have to look at negotiating appropriately and it should make arrangements for some of these team sports to be covered by another station. For example, I am sure it could reach an agreement that men's and women's soccer could be covered by SBS.

Senator Woods—Why?

Senator SCHACHT—Because they will not be able to cover all of the soccer on Channel 7.

Senator Woods—Some sort of ethnic thing, is it?

Senator SCHACHT—No. Why I said that is that at the recent Atlanta Olympics there was a whole tournament of men's and women's soccer. There were some soccer matches which Australia did not participate in. But, by world standard, they were matches that any soccer fan would have liked to have watched for the whole of the match.

Senator Woods—So it should be on Channel 7.

Senator SCHACHT—But if they are on Channel 7 another sport misses out. All I can say, Senator, is that there will always be someone missing out if you only have one station, and maybe there is a chance that Channel 7 ought to have a look at making some of those arrangements. For example, I would draw your attention, Senator Wood, to the fact that in the men's soccer tournament, Nigeria beat Brazil in an absolutely pulsating, exciting match that was world class.

Senator Woods—It should have been on Channel 7, not synchronised swimming.

Senator SCHACHT—There will probably be some people Senator Wood, who would

say, 'We have an interest in synchronised swimming. We want to watch it.' You may not have that taste. I may not have that taste. But that is the problem. So I think that is an area where there are some issues that Channel 7, as the host broadcaster for the Olympic Games, which is covering it for all Australians because of the extreme interest, is obviously going to have to discuss with the Olympic Committee. I hope it can do that sensibly.

I have to say that I hope we do not have a repeat of the arguments about other television stations getting news coverage and being able to interview athletes. Without apportioning blame on this, I really think the arguments between networks over whether people should be able to be interviewed on other networks, and so on, ought to be able to be resolved amicably between all networks, particularly for the Sydney Olympic Games.

Others have made the point, and I make it too, that the Australian athletes at the Sydney Olympics will be funded overwhelmingly through programs supported by Australian taxpayers. There is a community interest there for news services, and so on, that ought to be looked at, and that issue has to be amicably settled.

Overall, I think Channel 7 has an enormous task ahead of it. I am sure they will be able to meet that challenge. But I think they could look at a couple of these ideas that I and Senator Ray have raised about further improvement, particularly how to cover all the team sports at the same time, which I think will be very difficult. They should also look at how to cover those major team sports even when Australia is not participating as there will be people wanting to see adequate coverage of that top quality sport.

I will also say in conclusion that the real issue here is that we have this threat to the future structure of the ABC—the cuts to the ABC—which could really affect the radio broadcast it will give of the Sydney Olympics. That is why the Labor Party in opposition will strongly oppose the cuts to the ABC that the government has outlined in the last few weeks.

Sitting suspended from 1.49 to 2.00 p.m.

QUESTIONS WITHOUT NOTICE

Budget 1996-97

Senator FAULKNER—My question is directed to the Leader of the Government in the Senate, Senator Hill. Minister, Mr Howard said that after the budget he would be able to look any Australian in the eye. I ask: how can Mr Howard look Australia's jobless in the eye when he has demolished the labour market programs he promised to maintain? How can he look country people in the eye when he has broken his promise to them to maintain \$150 million worth of regional development programs? What about his deceit on HECS? How can he look Aborigines in the eye when he has shown us all what priority he attaches to their concerns by slashing so many of the programs on which they rely? How can he look any Australians in the eye when his election commitments have now been exposed as barefaced deceit and his budget has been exposed as a gross betrayal?

The PRESIDENT—Before calling Senator Hill, would honourable senators refrain from holding up newspaper headlines. It has been ruled as disorderly on a previous occasion.

Senator Bob Collins—You know what you can do with your newspapers, Senator Watson.

The PRESIDENT—Senator Collins!

Senator HILL—Madam President, that was an interesting piece of theatre and somewhat astonishing coming from the leader of the party that gave us the l-a-w tax lies, the party that made a deliberate decision before the 1993 election and had no intention of honouring the promise that it gave to the people and that it had entrenched within legislation.

Senator Faulkner—Try to answer the question, Senator.

Senator HILL—It is a cheeky start, Senator, on the basis of your record. Nevertheless, I will move to the substance of the question. The first part of it related to the issue of unemployment. Labor's formula failed. Labor's formula gave us record unemployment. Labor's formula gave us a recession with unemployment at nine, 10, 11 per cent and youth unemployment at 30 per cent.

Senator Faulkner—Answer the question.

The PRESIDENT—Order!

Senator HILL—I am. This is what we have inherited: 8.5 per cent unemployment and youth unemployment in this country still around 20 to 25 per cent and, in some parts, 30 to 35 per cent. So, Madam President, it is not surprising that we are entitled to try a different approach. In fact, that is what the Australian people elected us to do. The Australian people elected us to reduce expenditure, to take pressure off interest rates, to take pressure off inflation, to take pressure off taxation and to give small business, in particular, the chance to grow and to employ.

Senator Faulkner—Answer the question.

Senator HILL—I am answering the question. What I am putting to you is the alternative direction of economic policy that we now have in this country. It is an alternative that can give the unemployed hope for the future; an alternative that is not simply recycling the unemployed through make-work schemes; an alternative that is designed to produce economic growth and opportunities for small business to employ people—because 8½ per cent unemployed is unsatisfactory. That is your legacy. Over a period of time, having got the fundamentals of the economy right through the budget, through not lying to the Australian people—as you did about the so-called budget surplus all the way through the election—

Senator Sherry—How will you do this?

The PRESIDENT—Order!

Senator HILL—by not lying, by finally facing up to the true economic circumstances, which you were unwilling to do for all your years in government, and by addressing the expenditure side of the budget, we will be giving business a chance. It is only business that can provide the jobs that will reduce that unemployment. Your alternative of simply pump priming and recycling people through unemployment schemes failed. Our alternative has a much better hope of success.

Senator FAULKNER—Madam President, I ask a supplementary question. Could Senator Hill explain to the Senate why Mr Howard redefined the election promises that he did not

intend to keep as ‘non-core’ election commitments? And, for the benefit of the Senate, can you now give us a definition of non-core commitments?

Senator HILL—Madam President, we are proud that we have been able to keep our promises.

Opposition senators interjecting—

Senator HILL—Didn’t we! The family tax package, delivered in full, is a wonderful achievement and a great benefit to many lower and medium income Australian families. Small business—

Senator Bolkus—The mugs up there might believe you but the people outside do not.

Senator HILL—Senator Bolkus, you are not interested in small business. The capital gains tax benefits to encourage small business to grow—

Senator Faulkner—On a point of order, Madam President: I asked Senator Hill a very specific supplementary question. I asked him to define non-core commitments. I asked him to outline to the Senate why Mr Howard defined promises he did not intend to keep as non-core commitments and I ask you to direct Senator Hill to answer the question.

Senator Alston—On a point of order, Madam President: the fact is that that point of order is completely misfounded. What Senator Hill is in the process of doing is explaining some of the critical initiatives that we took to the last election and which the government delivered on last night. While you are in the process of dealing with points of order, I invite you to examine the conduct of the members of Club Thuggery over the other side and look at the way in which they have not been interested in any shape or form in hearing Senator Hill’s answer. If we are to consider properly points of order, you ought to look very carefully at the way in which they are responding.

Opposition senators interjecting—

The PRESIDENT—Order! I am surprised that anybody could hear what Senator Hill was saying. I am certainly finding it difficult with the amount of noise in the chamber. Senator Hill, I think you should proceed with

the answer to the question and deal with it as asked.

Senator HILL—Thank you, Madam President. I was defining core promises; I am listing them. The family tax package: delivered in full. Benefits to small business: delivered in full.

Senator Faulkner—Non-core. Define 'non-core'.

Senator HILL—That is as far as I had got. Now I will talk about the health care promises: delivered in full to give lower income earners an incentive to take out private health care for their benefit and the benefit of the economy as a whole.

Senator Cook—Madam President, I raise a point of order.

Senator Bob Collins—If you are a student, what's a core promise?

The PRESIDENT—To whom am I supposed to be listening, Senator Collins or Senator Cook?

Senator Cook—I called the point of order, Madam President.

The PRESIDENT—It was Senator Collins whom I heard loudest. Senator Cook.

Senator COOK—Madam President, Senator Hill is defying your ruling. He is not answering the question as you instructed him to. You asked him to answer the question as put. He is not doing that. The question as put was to define non-core promises. He is going off on a litany of lists which he claims to be core promises. The only conclusion we can draw is that the ones he does not mention do not matter.

Senator HILL—How long will you give me?

Senator Cook—Why don't you just answer the question—and, Madam President, I ask you to direct him to do so.

The PRESIDENT—Senator Hill, there are five seconds remaining for you to deal with the issues.

Senator HILL—I would like to mention the elderly, the promise to self-funded retirees: delivered in full, a fair and equitable—*(Time expired)*

Families

Senator KNOWLES—My question is directed also to the Leader of the Government in the Senate. You are no doubt aware of the very recent comments of the Labor Party's Secretary, Mr Gary Gray, following the Labor Party's electoral defeat post mortem, when he said:

We could not run on policies because they—the voters—

thought we were liars on policy. We could not run on our record because they thought our record stunk.

This is Gary Gray, the Labor Party Secretary: You do not like to admit you got things wrong but we did.

Can you inform the Senate as to how the Howard government will assist Australian families who were so badly treated by this Labor Party, which treatment was reflected in Mr Gray's comments only recently?

Senator HILL—Certainly, Senator. In fact, I thought that was the question Senator Faulkner was seeking to ask me.

Senator Faulkner—You were trying to give a Dorothy Dix answer to me.

Senator HILL—That is what it is all about: your credibility in coming in here and talking about broken promises, when the secretary of your party only a fortnight or so ago said that you lost the election because you lied to the Australian people—and you claim to come in here with clean hands and then start to question us. What Secretary Gray was saying, in fact, was that you deliberately misled the people before the 1993 election and you suffered the logical consequences of that, and that was, ultimately, rejection by the people—and not surprisingly. Those who deliberately go—

Senator Carr—Well, you are in trouble—a lot of trouble.

Senator HILL—Those who deliberately go out before elections with the intention to mislead should suffer that consequence—and I am quite happy to say that.

What did the Labor Party government do to Australian families? It is worth remembering, in fact, that the real average weekly earnings

of families under Labor—and this is apart from those suffering from unemployment of whom there were many—fell, and they fell in an inequitable way as well. Lower income earners, Senator Carr, in whom I thought you would be interested, under Labor actually suffered more, disproportionately more. Home loan repayments for Australian families under Labor rose.

Australian families were worse off under Labor. That was the point. They suffered from the consequences of the recession that we did not have to have, the Labor Party induced recession. But they suffered beyond the recession as well. It is for that reason that we said before the last election that we would deliver benefits to Australian families, particularly to lower to middle level Australian families. I am pleased that we have been able to deliver that promise in full, notwithstanding the fact that we also have had to face up to a deficit of somewhere between \$8,000 million and \$10,000 million, which we had been assured by Labor—this Labor Party that claims to tell the truth—did not exist.

We announced last night, in contrast to Labor's failure, our family tax initiative which will direct an additional \$1 billion a year to almost two million Australian families with children. These initiatives will provide families with a greater array of choices and genuine opportunities. They recognise the contribution of families as integral to maintaining a strong, cohesive and compassionate society—something that the Labor Party would not understand.

The majority of Australian families with dependent children will benefit. They will receive a \$1,000 increase in their tax-free threshold for each dependent child. One-income families will receive a further \$2,500 increase in their tax-free threshold if they have a child under five. This is an excellent initiative that this new Howard government has been able to deliver, notwithstanding the difficult economic circumstances that we have inherited. It is not surprising that it is already being applauded by Australian families who finally have a government that understands their needs and is prepared to deliver the benefits to which they are entitled.

Senator KNOWLES—Mr President, I ask a supplementary question. Could the Leader of the Government tell the Senate how many families who are also involved in small business will have their lot improved according to the budget last night? What are the real benefits that will flow to this crucial section of the community who—as I say, according to Mr Gray, the Labor Secretary—have been lied to and failed by the previous Labor government?

Senator HILL—The small business sector, which is, of course, critical to Australian families because so many are employed within it, benefits strongly as a result of this government. This government is a government committed to small business. In the election there were two areas of the economy we were particularly committed to—families and small business. They are, as Senator Knowles implies, so often related.

How has small business suffered? Small business under Labor has particularly suffered from high interest rates. I have put to you how our whole macro-economic policy is designed to keep pressure off high interest rates. Wasn't it exciting the other day when something disregarded by Labor happened? The fact is that official interest rates started to come down. Howard government elected; tough economic decisions taken; interest rates start to come down; small business benefits; and Australian families benefit. (*Time expired*)

Budget 1996-97

Senator FAULKNER—My question is directed to the Leader of the Government. Before the election Mr Howard made it clear that, if elected and then confronted with a choice between breaking election promises and running a budget deficit, he would not break any promises. I quote him: 'Oh look, I've made it clear—I'm not going to break any promises.' Why did Mr Howard break this commitment in the budget; why did Mr Howard break at least 25 of his election promises; and why did Mr Howard deceitfully claim that he would ensure honesty and integrity in government?

Senator HILL—Again, Senator Faulkner judges himself by the standards of his party

and its record. This is a different government. This is a government that is restoring integrity in government. That is why I have already listed the way in which we have met the expectations of the people in relation to a whole series of core promises—vital promises that are important for the interests of the community—

Senator Faulkner—Why did Howard break his promises? What about the non-core ones?

The PRESIDENT—Order!

Senator HILL—Important not only because the community deserves it but also because the promises were made and then the promises were honoured. What happened to income tax? It was not increased—good decision. What happened to the wholesale sales tax? No increases—good decision. What did you do? You put up tax on fuel, particularly on fuel used by poorer members of the community—leaded fuel, greater penalty—because you sought to disproportionately burden those who were less able to afford it. There has been no increase in corporate tax.

So you see, Madam President, we kept the promise. We said that we would cut expenditure—we would take the hard decision—rather than go down the path of Labor which is always to either increase taxes or borrow more. We said that is not the way. We are not going to be remembered for Labor's legacy. I thought it was put very well in the *Australian* this morning. It reminded us all that, despite five years of growth, there was a legacy of \$69 billion of cumulative deficit. What did they want us to do? They want us to add more to it. We said we were not going to do that.

We said that we would take the hard decision that your previous government was not prepared to take and cut expenditure. We did it; we kept our promise. What is so pleasing is that, despite having had to take that hard decision, we have been able to deliver on so many of the critical promises: the core promises to the families, to small businesses, on health—

Honourable senators interjecting—

The PRESIDENT—Just a moment, Senator Hill. Would senators please refrain from

shouting across the chamber. It makes it impossible to hear what is being said.

Senator Faulkner—I have a supplementary question—

The PRESIDENT—He is answering the question.

Senator Faulkner—I was not sure what he was doing.

The PRESIDENT—I asked him to sit down because I wanted to ask senators to stop shouting across the chamber.

Senator HILL—I was saying that what was pleasing and what will be applauded by the Australian people is that, despite taking the hard decision on expenditure which Labor was never either prepared to or able to take, we were also able to deliver on so many of the core promises in the first budget—promises to families, promises on health, promises to the elderly and promises to small business. That is an achievement not only of which we are proud but also if you listened to the radio this morning and read the newspapers and letters to the newspapers you will find that it is something that has very much pleased the Australian people.

Senator FAULKNER—I ask a supplementary question, I thank Senator Hill for that answer. I am sure he will regret it. Can I ask you this, Senator Hill—

The PRESIDENT—Senator Faulkner, would you address your question through the chair?

Senator FAULKNER—I address this supplementary question to Senator Hill: in future when the government makes promises, can you give a clear indication at the time that you make your promise as to whether in fact it is a core promise, a core commitment, or a non-core commitment, a non-core promise? In other words, is it a promise you intend to keep or a promise you intend to break?

Senator HILL—I return with the rhetorical question: were we entitled to believe the former Prime Minister, Mr Keating, when we framed our alternative budget during the election? Were we entitled to believe him when he said, 'The budget is in surplus'?

Senator Faulkner—I raise a point of order. Is it in order for Senator Hill to respond to my question by asking a rhetorical question or is he obligated under the standing orders of the Senate to answer the supplementary question that I directed to him?

Senator Alston—On the point of order, Madam President: it is quite clear this was not in any shape or form an attempt to ascertain government policy; it was simply a rhetorical statement about the future. It was a statement about the future: 'Will you in future express yourself in terms of core and non-core?' It has nothing to do with it. Senator Hill is perfectly entitled to treat a rhetorical question with the same respect that the question itself deserves.

The PRESIDENT—It was a question framed into the future, and there is no reason why, in answering a question, you cannot answer it by posing a question as you do so.

Senator HILL—What we are now going to do is ensure that the Australian people are not misled at another election—in the way they were by Mr Keating—by the introduction of a charter of budget honesty. We are prepared to open the books.

Senator Carr—What about all your costings?

Senator HILL—They were not prepared to open the books. They knew the true situation. They lied to the Australian people and he has the gall to come in here to that background and start asking these questions. This charter of budget honesty is necessary as a result of the people of Australia having been misled so many times in the past by Labor, but on no occasion more enormously than the last in relation to the budget deficit. (*Time expired*)

Higher Education Contribution Scheme

Senator O'CHEE—My question is to the Minister for Employment, Education, Training and Youth Affairs, Senator Vanstone.

Senator Cook—Make it sensible.

Senator O'CHEE—You would not understand it anyway, Senator. What action has the government taken to ensure that the amended HECS scheme promotes the twin principles of access and equity for students of any back-

ground who wish to participate in higher education? How will the changes to HECS redress the inequity which forces lower income families to subsidise, through the tax system, a university population which is overrepresented by children from higher income families?

Senator VANSTONE—I thank Senator O'Chee for that question. It is important to recognise that the HECS system introduced by Labor is, in fact, an acknowledgment of the dual benefits of higher education. There is already substantial public benefit, and there is a private benefit at the same time. Labor recognised that when it introduced the HECS system.

To maintain equity, however, students do not need to pay any money back at all until they start earning an income. So the payment back comes when you start getting the benefit of the higher education that you have received. That is a very important equity and access point of the HECS system which we are retaining. We think Labor did the right thing when it introduced HECS. It acknowledged the private benefit that students get, asked them to make a contribution on that basis and did not ask them to pay it back until they started earning an income.

It is important to recognise that Labor's actual record on equity and access in higher education is not really that good. The expansion in participation in higher education since 1989 is not in itself proof of increased equity. It might be a larger system, but it is not necessarily a more equitable one. It is very important to understand that survey data tells us that households with the top 20 per cent of incomes enjoy 38 per cent of the benefits of higher education. So the top 20 per cent get 38 per cent of higher education. These households have an average income of \$84,000. They get the big slice of the cake.

By contrast, the bottom 20 per cent of households, with an average income of \$7,800 a year, enjoy only seven per cent of the benefit of higher education. In other words, higher education remains largely a middle-class preserve. The very real key to improved access for lower economic backgrounds comes from increasing opportunities in pri-

mary and secondary schools and getting those students more prepared for higher education.

In the 10 years before Labor realised that higher education could not be funded by the taxpayer alone, the years of the so-called free education—and we know it is not free; someone else pays—the higher education participation rate of year 12 graduates from the wealthiest 25 per cent actually went up from 55 per cent to 59 per cent.

Senator Bolkus—When are you going to pay yours back?

Senator VANSTONE—So what free education did—and you recognise this; that is why you introduced the HECS scheme—was allow access from the wealthiest groups to go from 55 per cent up to 59 per cent. At the same time, the participation rate of the poorest 25 per cent dropped from 48 per cent to 40 per cent. So that puts paid to the lie that the contribution improves in any way the access of low socioeconomic groups. It puts paid to that lie completely.

We are introducing 4,000 equity and merit based scholarships. If, by returning to universities the HECS contributions for students, they over-enrol, we are, in fact, encouraging universities to provide more places. We are introducing further equity into the system by introducing a differentiated HECS. If Senator O'Chee cares to ask me about that, I will be happy to give him some detail on it that I am sure the opposition will not want to hear. I think it reflects well on this government that it has been prepared to take up a recommendation—(*Time expired*)

Senator O'CHEE—Madam President, I ask a supplementary question. The minister has been kind enough to explain how, under the Labor Party, the poor subsidised the rich. Can she please explain how there is a cross-subsidy in terms of the courses people do and how the government is going to change the system to make sure that HECS more properly reflects the cost of the service?

Senator VANSTONE—I thank Senator O'Chee for that question as well. I expect that there will be the same sorts of interjections there were during the first answer I gave, because members opposite do not like to hear

that free education did not increase access for lower socioeconomic groups.

Senator Bolkus—Madam President, I raise a point of order. I ask that there be a withdrawal of that, because, from our perspective, Senator Vanstone is distorting the facts. She is allowing for the rich and thick to get into the system to the exclusion of those that we want to get into the system. She is basically spending this question time misleading the Senate. I think she should be asked to tell the truth or sit down.

The PRESIDENT—There is no point of order.

Senator VANSTONE—We are taking up the recommendation of the Wran committee—that is, Neville Wran—and introducing more equity into the HECS system. We will have a differentiated HECS. That means the more you get out of higher education, the more you will be expected to contribute back.

So doctors and lawyers and people who are in the box seat for the rest of their lives will be asked to pay more. Teachers and nurses, who do not get the same benefits, will be kept on the lowest level. In the same way that the Wran committee recommended that engineering and science students be paid on a middle level, we will be doing this as well. It is not equitable to ask the same of a teacher, who has a low cost course and a lower income, as you ask of a doctor, who has a high cost course and a high income. That inequity was recognised by Neville Wran and we will remove it. (*Time expired*)

Unemployment

Senator SHERRY—My question is to the Assistant Treasurer, Senator Short. Given that unemployment will remain at over eight per cent, can the minister explain how \$1.8 billion in cuts to labour market programs, \$600 million in cuts to university operating grants, \$1.1 billion more in HECS, \$160 million in cuts to vocational education funding and over \$450 million ripped out of Austudy will help reduce youth unemployment? Why should young Australians not regard this as a gross betrayal of your government's election commitments?

Senator SHORT—The biggest betrayal I have seen in recent times was Senator Sherry's—and he must be ashamed of this—appalling campaign of scaremongering and the fear that he put into elderly Australians in the last two weeks with absolutely shameless and misleading reports on what we are doing with superannuation. I hope we will come back to that later.

To answer Senator Sherry's question, I hope that by now even the opposition has learnt that you cannot solve the unemployment problem in this country by willy-nilly throwing money at the problem if you do not target it properly and if you do not have the right program. You tried to do that in One Nation. You spent billions of dollars doing that, and what happened? There was virtually no budging at all in the unemployment figure.

Unemployment this year will remain too high. It will remain, on our forecast, at about 8¼ per cent—a little below the level of last year.

Senator Sherry—But how will that help the unemployed?

The PRESIDENT—Senator Sherry, you will get a chance to ask a supplementary question.

Senator SHORT—But Senator Sherry and Labor know, I would hope, that the only way that you are going to solve the unemployment problem in this country on a lasting and sustainable basis is to get the basic fundamental underpinnings of your nation right and you can do that in various ways.

We are going to do that with industrial relations reform, which is decades overdue, that will provide flexibility and opportunity for greater employment in Australia than we have seen for a long time. Labor refused totally to undertake that. We are also at the same time engaging in a major revamp of labour market programs. They are the province of my friend and colleague Senator Vanstone. Perhaps you should direct that question to her.

The reason why we have unemployment at the level that we have and the reason why it is so difficult to reduce it in the short term is that Labor had five years of economic growth

to solve and tackle seriously the problems of unemployment in this country. Not once since the end of 1990 has unemployment been below eight per cent. That is an absolute disgrace.

During that period the government sold off many of its assets. It spent like a drunken sailor. It put money on bankcard. We do not have a \$10 billion or an \$8 billion bankcard—

Senator Alston—Is that the Beazley bankcard?

Senator SHORT—Yes, the Beazley bankcard. What we have as a result of Labor's mismanagement and incompetence over the last five years is a \$69 billion bankcard, and that is drawing on Australia's savings.

What you should have been doing during that time was putting an economic strategy and a budget process in place which contributed to Australia's savings and did not detract from them. It was that gross, massive, monstrous failure by you to manage your budgets sensibly, properly and competently that led to the unemployment problem that this government has been elected to solve. *(Time expired)*

Senator SHERRY—Minister, you obviously do not recall your commitment to improve employment growth. How can you claim that the forecasts in the budget papers of a pathetic two per cent employment growth fulfils your promise to the unemployed, particularly with the slashing and burning you are carrying out?

Senator SHORT—Employment growth through this year will be of the order of two per cent, which is quite a healthy employment growth. It is true that, because of the participation rate and because of increases in the work force, the unemployment rate will not fall much during the year. But you will never solve your unemployment problem in the medium and longer term—let alone in the shorter term—unless you put in place the essential underpinnings to allow for growth, to allow for reduction in interest rates, to allow for increased investment and to allow for a better standard of living and higher

wages for Australians. That is what we are about. That is what you failed monumentally to do.

Home and Community Care Program

Senator WOODLEY—My question is addressed to Senator Newman, the Minister representing the Minister for Health and Family Services. I refer the minister to the government's announcement last night of an increase in user charges under the home and community care program. The lack of detail surrounding this announcement is causing great concern among elderly and disabled Australians. Therefore, will the minister spell out exactly who will be affected by the introduction of these charges, what services provided under HACC will be subject to fees, who will determine the level of those fees and will these fees be subject to means testing?

The PRESIDENT—I call Senator Newman.

Senator NEWMAN—Thank you, Madam President. It is nice to address you as Madam President for the first time. I am very interested that the first question to the Minister for Social Security should come from the Democrat spokesman and not from the opposition spokesman.

Senator Faulkner—Get it right.

Senator NEWMAN—That is the problem, you see. I have a problem because—

Senator Faulkner—The government's spokesman could not get it right.

Senator NEWMAN—The opposition spokesman has not asked me a question on the portfolio that he shadows. He has put out a press release which has great difficulty—

Government senators—Who is the opposition spokesman?

Senator NEWMAN—I think I remember his name. Superman, isn't it? Superman has put out a press release that has about 10 points, only seven of which actually relate to social security. He had to drag in some more comments in order to be able to make a press release that—

Senator Lees—Madam President, I raise a point of order. I ask—

Opposition senators interjecting—

The PRESIDENT—Order! I am trying to listen to a point of order from Senator Lees.

Senator Lees—I ask the minister to please address her answer to the question that Senator Woodley asked. We did not ask a question about anybody's press releases but indeed asked quite a serious question about the home and community care scheme.

Senator NEWMAN—I share Senator Lees's concerns. I think it is very important for this Senate to be interested in budget measures. You will understand, Madam President, that older people are some of the winners in this budget, despite what you might hear from the rabble opposite.

Opposition senators interjecting—

The PRESIDENT—Order!

Senator NEWMAN—It has been of great concern to me that over the last—

Opposition senators interjecting—

Senator NEWMAN—Madam President, it seems pretty clear that some people in this chamber are not interested in the answers to questions that are asked, but the people outside, the Australians who are concerned to know the detail of our budget, do want to know the answers. If the people opposite are not prepared to listen, then I suggest they should leave the chamber and let us just tell the people of Australia direct.

Aged people have been guaranteed, were guaranteed, 25 per cent of average weekly earnings, and that the value of their pensions would be maintained. We have delivered on that. They were promised twice weekly indexation. We have delivered on that. Senator Woodley—

Senator Cook—Answer the question!

The PRESIDENT—Order!

Senator NEWMAN—I am answering the question in the way in which I choose, which is a way I saw the previous government answer over 13 years. Senator Woodley would be interested to know that those promises have been kept. They are very important in determining the future wellbeing of aged Australians. People who are on low incomes but in retirement will be able to get a tax—

Senator Faulkner—Madam President, I raise a point of order about relevance. Clearly the minister has no idea at all about how to answer Senator Woodley's question. I ask you to direct her to answer the clear question that was asked by Senator Woodley.

The PRESIDENT—I am sure Senator Newman heard Senator Woodley's question and is answering it as she sees fit and still has time to do so.

Senator NEWMAN—I wanted to make it quite clear to the Senate that older Australians have been well looked after in this budget and will have a financial position which enables them to meet small costs that they are being asked to meet in terms of their—

Senator Bob Collins—You haven't got a clue, Jocelyn, have you?

Senator Faulkner—You don't know, do you?

Senator NEWMAN—Madam President, do I have to have—

Senator Bob Collins—This was a big hit on the elderly and you don't even know.

Senator Hill—Madam President, I take a point of order. Isn't it time for a fair go? All interjections are disorderly. We were prepared to cop a fair share but, if those opposite are going to constantly shout down ministers so they are unable to answer the question, they should not be getting up and complaining about the answers. I take the point of order that the minister is entitled to be heard, Madam President, and you should keep order and ensure that that occurs.

Senator Faulkner—Madam President, on the point of order: anyone who asks a question in this chamber is also entitled to an answer. On a number of occasions today there has been a vague attempt by one or two ministers to address themselves to one or two elements of questions they have been asked. On this occasion this minister is exposed as knowing absolutely nothing about the question that has been directed to her.

The PRESIDENT—On the matter of the answering of the question, it seems to me there is so much noise in the chamber that it is unlikely that anyone in here can hear any

of the answer at all, whether it is relevant or not. The answer should be as relevant to the question as it possibly can be, and I would ask Senator Newman to be so.

Senator NEWMAN—Senator Woodley may wish to ask me a supplementary question if we cannot get through it all. Because the people opposite are making so much noise, he is having difficulty hearing as well. The situation is that people currently go into hostels and pay an entry fee. On the same basis, in the future they will be expected when they go into nursing homes to pay the same fee. In addition—

Opposition senators interjecting—

The PRESIDENT—Order!

Senator Faulkner—You don't understand.

Senator NEWMAN—Madam President, I see they are very agitated—

Senator Faulkner—You're kidding.

Senator NEWMAN—The situation is when you leave a hostel—

Senator Faulkner—She doesn't know what the question is about.

The PRESIDENT—Order!

Senator NEWMAN—The current situation is that when people leave a hostel they have deductions made for the number of years that they were in the hostel and then they get money returned to them. It will operate in a very similar fashion in nursing homes.

I turn now to the question of means testing. My department will be responsible for means testing those people who are currently not on pensions or part-pensions—in other words, the people that Social Security are not means testing currently. They will be asked to means test non-pensioners. We will be doing it on an agency basis—(*Time expired*)

Senator Faulkner—She has not answered the question.

The PRESIDENT—Order!

Opposition senators interjecting—

The PRESIDENT—Order! It is very difficult for anyone to answer a question they have not heard.

Senator WOODLEY—Minister, the question was really about the HACC program, the

home and community care program, and the budget projection last night that you were going to increase the user pays component of that. It has been suggested that the states will be left to determine the details of the changes. If that is so, what action will the government be taking to ensure equity and uniformity are maintained between the states in relation to the HACC program?

Senator NEWMAN—Senator Woodley, I did hear you talk about aged care accommodation; therefore, I started to answer that. If I did not hear you properly, you will understand full well, from the noise opposite, why it was difficult to hear you.

Opposition senators interjecting—

The PRESIDENT—Order! Senator Newman, please wait until we have order.

Senator NEWMAN—In terms of the HACC fees, Senator Woodley, you would understand, I am sure, what the real opposition spokesman does not understand: currently across Australia that is rather a mixed bag. Some states charge user fees, some organisations charge user fees, and it varies enormously from state to state and organisation to organisation.

The Minister for Family Services, Mrs Moylan, will be meeting shortly with state officials on this matter because, as you know, the HACC scheme is very much a joint venture by the Commonwealth and state governments. This issue of course is going to also be affected by the COAG direction of reforms in terms of who provides what services; therefore, this is not spelt out precisely at the moment. I suggest that Senator Woodley might like to ask—(*Time expired*)

Care of the Elderly

Senator SHERRY—My question is directed to the Assistant Treasurer. Minister, in your policy document *Meeting our Commitments* it clearly states, 'The coalition will not be cutting spending in areas of social need.' Will you therefore explain why cuts to hospital funding grants worth \$314 million are not a betrayal of this promise? How can forcing the poor, the sick and the elderly to pay an extra \$500 million for pharmaceuticals not be considered a betrayal? Why is abolishing the

Commonwealth dental health program for health care holders and the elderly not a betrayal? How can cutting over \$300 million to residential aged care not be considered a betrayal? Minister, why have you betrayed the trust of millions of elderly Australians and why does your budget punish elderly Australians so much?

Senator SHORT—Again this is a question from Senator Sherry that I think should have been directed to the appropriate minister; but just let me answer the question. I find it very interesting that this question comes from—

Opposition senators interjecting—

The PRESIDENT—Order! The minister is entitled to be heard. You are complaining about not getting answers to the questions. You should at least listen to what is being said and I ask you to do so.

Senator Bob Collins—Madam President, I raise a point of order. I would like a point of clarification from the chair. Is it not a fact that Senator Short's portfolio responsibilities in this chamber are to be responsible for questions on the budget?

The PRESIDENT—And I have called him to answer the question.

Senator SHORT—The overwhelming response to this budget is that it has been seen as a very fair budget, a very responsible budget, a very honest budget, indeed, as has been said, arguably the only honest budget that we have had in living memory and it is a budget full of integrity. It is a budget that has framed itself for the future in a way that will enable Australia to grow, to get interest rates down, to get investment up and to enable higher standards of living for all Australians in the medium and the longer term. We have said that we—

Senator Sherry—Madam President, I raise a point of order. When is Senator Short going to address all of these slugs against the elderly in our community? Answer the question.

The PRESIDENT—That is a matter for Senator Short.

Senator SHORT—Senator Sherry is simply wrong in the statement he has made. The fact

is that the government has honoured its commitments to older Australians in precisely the way that it said it would do so before the election. We have delivered our promises and our commitments to families, we have delivered them to small business, we have delivered them to older Australians and we have delivered them to younger Australians.

Any budget is a package. I say to the opposition that, if you try to pick out different parts of a package, you will unbalance it and you will do great damage to the fabric of the benefits that are going to be produced in the future. You ought to be looking at the budget as a whole. You ought to be seeing that it is a budget that has been required to repair the monstrous damage that you did to the economy over five years at a time when you should have been—

Senator Sherry—Madam President, I raise a point of order. What about Senator Short addressing the monstrous damage that I have outlined in my question with respect to elderly Australians? When is he going to get to the issue?

Senator Newman—I have already covered a lot of these allegations in my answer.

Senator SHORT—First of all, as Senator Newman rightly reminds you, Senator Sherry, she has given the Senate today much information in terms of that. We have also given you a commitment—

Senator Sherry—Madam President, I raise a point of order. My question did not address the issue of HACC funding; that is the only matter that has gone to Senator Newman. When is Senator Short going to deal with the fundamental issues that I have raised today?

The PRESIDENT—Senator Short is dealing with issues relating to the elderly and may deal with them more specifically or not.

Senator SHORT—We have delivered to older Australians the commitments that we undertook to deliver to them; we have done that. Has any government in history not only committed itself to a continuation of pensions twice yearly indexed at 25 per cent of average weekly earnings—

Senator Sherry—We did.

Senator SHORT—Did you ever write it into the forward estimates? You gave yourself scope every year to welsh on that commitment. We have built that into the estimates; something that has never been done before. We have brought low income, self-funded retirees in to benefit in the same way that pensioners do from the pension rebate. We have done a host of other things that are going to benefit not only older Australians but younger Australians, small business, all Australians. We inherited those problems from you. Your responsibility was doing them; it is our opportunity to fix them, and we will be doing so.

Senator SHERRY—I repeat, Senator Short: why shouldn't elderly Australians—elderly Australians—consider this a budget of betrayal, or is it that all the broken promises that I read out were just non-core promises?

Senator SHORT—There have been, as I have outlined, benefits delivered to elderly Australians and older Australians precisely along the lines that we committed ourselves to, and that is recognised as fair, reasonable and honest. For Senator Sherry, who ran around for two weeks scaring witless older Australians because of—

Senator Sherry—Point of order, Madam President. Name one benefit—just one. When will Senator Short—

Opposition senators interjecting—

The PRESIDENT—Order! It is almost impossible to hear when someone takes a point of order with the amount of noise in the chamber. What is your point of order, Senator Sherry?

Senator Sherry—When will Senator Short outline one benefit to the elderly? He has not yet addressed the issue at all about the elderly. That is what this question is focused on.

Senator Newman—Could I take a point of order? The boys opposite have been yelling so loudly right through this question time that they obviously cannot hear through their own shouting. I have gone through a list of the benefits that are accruing to older Australians, and so has Senator Short, and yet they keep denying that. In addition, they have spent months now frightening the life out of older

Australians. This was a government that was not prepared to put the money in the forward estimates to protect the pension.

Senator Sherry—I didn't ask you; I asked him.

Senator Newman—We have done that—the first government ever.

The PRESIDENT—Order! The question was framed in a way that enabled a specific or a general answer. Senator Short is clearly choosing to give a fairly general answer about benefits to the elderly, and is entitled to.

Senator SHORT—Thank you, Madam President. With respect, I think I have given both a detailed and a general response to the question. I do not have anything more to add to this, other than to say that this is a budget which is a fair budget, which is a responsible budget, which is a budget which takes the interests of all Australians, young and old, into account, and from which all Australians will derive great benefit in the future.

Austudy: Students

Senator HARRADINE—My question is directed to Senator Vanstone, and it relates to the budget. Under the new independent Austudy arrangements, students now will be deemed to be dependent on their parents until they are 25. That means a substantial loss of benefits in a number of cases. But when it comes to the provision of benefits under the new family tax initiative, students will be deemed to be dependent on their parents only to the age of 18. Could you explain to the Senate why there is a discrepancy?

Senator VANSTONE—Yes, Senator Harradine, I believe I can. It is important to remember that Austudy is not a tax benefit to families. There is a different purpose in Austudy than a tax benefit to families. Austudy is both an income supplement and an educational incentive. It is quite unique in that respect. It is a combination of those things. Similarly, you would expect there to be differences between Austudy, perhaps, and unemployment rates. So I think, with respect, you are comparing not oranges and lemons but oranges and pears in that respect.

If I can come to the point of Austudy and the return of the independent age for Austudy, as you probably well know, Senator Harradine, there are other means by which one can be classified as independent, but one of them is age, and we will shift that back to 25.

Opposition senators interjecting—

Senator VANSTONE—While I hear some scoffing from the other side, I just remind the other side—through you, Madam President—of something of which I am sure Senator Harradine is aware, and that is that under the Labor government in 1992 the independent age was 25. So Labor was quite happy to live with it at 25 for a period of time and subsequently reduce it, so we are simply returning to a situation that senators now in opposition were prepared to endorse at the time. I think that is a very important point to remember.

The additional point that I wish to make, Senator Harradine, is that we have made it clear that those people who are already on Austudy and have been classified as independent will continue to be so—that is, this will apply to new applications.

Senator HARRADINE—As a supplementary, could I ask the minister why the fiction when these students—when they are post-18 years of age, up to 25—are actually dependent upon their parents? Is it or is it not the government policy that the tax system should acknowledge the intra-family transfers of income for the purpose of sustaining dependent children and students? By what you have done, is it not fairer then to extend the new FTI in respect of actual dependent students to age 25?

Senator Bolkus—No one will qualify. You are ripping \$242 million off them.

The PRESIDENT—Order! Senator Bolkus, the question was directed to Senator Vanstone.

Senator Bolkus—I am trying to help her with the answer.

Senator VANSTONE—That may be your view, Senator Harradine. I understand the line of argument you are running, but it is not a view that the government has come to agree with. We believe the Austudy independent

age can be shifted up to 25, that it should be, that it perhaps should not have been shifted down, and it will then be at the appropriate level while protecting students, especially next year, who are expecting to continue on their existing levels.

Superannuation

Senator SHERRY—My question is addressed to Senator Short. In your proposal to allow people to opt out of superannuation, those people earning \$450 to \$900 a month, what percentage of low income earners do you estimate will opt out, and what will be the value of lost superannuation contributions and the subsequent effect on national savings?

Senator SHORT—Madam President, the question by Senator Sherry says that the people earning between \$450 and \$900 a month would be forced out, I think he said, of superannuation.

Senator Sherry—I said ‘opt out’, not ‘forced out’.

Senator SHORT—Opt out. That is right; the opportunity is there for them to opt out or to stay in. In other words, it does something that Labor does not like very much—that is, it gives people some choice as to whether they want to put some money from limited income aside for their savings in the future, or whether their family circumstances, their personal circumstances, are such that they would prefer to have that money in the hand and in the pocket now to meet the needs of the day. So what we are doing is, as I say, simply to enable people to have choice.

As to how many people will choose to opt out and how many will choose to stay in, that is a matter that time alone will tell. I would say to Senator Sherry that I would expect, given the circumstances of most of the people in that category, that a large majority of them would probably opt out.

However, they would only opt out because they would choose, they would make the decision that the use of the funds now is in their better interests than if the funds were locked away for some future long-term time. They may be small amounts in terms of long-term savings; they could be very significant amounts in relation to their present needs.

Senator Sherry—What is your estimate? What is the basis of them?

Senator SHORT—There are various estimates around. As I say, it is all highly speculative, but the estimates that are around range up to an opt out possibility of about 80 per cent. As I say, it is highly speculative and we will not know until we experience it.

Senator SHERRY—Madam President, I ask a supplementary question. Given that Senator Short could not indicate a precise figure, that he said that time will tell and that it is highly speculative, how is it that Senator Short provided in the budget an estimate of the percentage of people who will opt out by providing the figure and calculating and providing the estimated revenue loss of \$31 million over three years?

Senator SHORT—Precisely because one works on the best estimates that are available. But how does anyone know how people are going to choose to exercise an option that they have been given for the first time? So what you do is take the best estimate—

Senator Sherry—It could be \$100 million.

Senator SHORT—No, it could not be \$100 million. The fact is that when you make a decision like that you give people a choice and behaviour will change in the light of those changed circumstances. We will look and see that that is the best estimate we can make. If you can make a better one, Senator Sherry, then let me know.

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

Budget 1996-97

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (3.02 p.m.)—I move:

That the Senate take note of the answers given by the Leader of the Government in the Senate (Senator Hill), to questions without notice asked by Senator Faulkner this day, relating to the Budget and election promises.

The message of this budget is: do not be old; do not be good at school; do not be sick; do not be black; if you are unemployed, too bad; and if you are young and unemployed, forget it. We have a budget littered with deceit,

betrayal and broken promises. By destroying the ABC, Mr Howard has saved each taxpayer \$4 a year. By assaulting and injuring higher education in this country, and with it, of course, Australia's future in the world, he has saved each and every Australian taxpayer \$50 a year. By destroying Aboriginal culture and hope in this country, he has saved taxpayers \$9 a year.

I believe that these are the actions of a Prime Minister who has no ideas, who does not have a clue about the consequences of his actions and who has a very long hate list. This budget is a betrayal. Mr Howard has broken cast-iron pledge after cast-iron pledge. He has broken pledges on HECS, he has broken pledges to the young people of this country and he has broken pledges to families.

There is no doubt that this budget is nothing more or less than a political swindle. John Howard has swindled the poor and needy in Australia. He has swindled the frail and elderly and left them to the care of a minister, the Minister for Social Security (Senator Newman), who does not understand the fundamental issues involved in the administration of aged care and her own portfolio. It is this government that has left the frail and elderly to have to find up-front fees for nursing homes and pay for home and community care services.

Senator Newman—You know that is not true, as I told you earlier in question time today.

Senator FAULKNER—Services which you know nothing about, Senator Newman, as you have demonstrated in this question time.

This budget is a con, a con that represents higher child-care costs for Australian families and higher parental contributions, as the public schools in Australia lose out. It represents higher costs for young adults who are seeking employment but are living at home, higher costs for higher education, for health care and for the elderly in costs for pharmaceuticals, HACC and nursing home charges.

It is a betrayal of election commitments that were given by Mr Howard, and it is a betray-

al that means that in this country it is on for young and old. If you are young you get slugged, if you are old you are going to get slugged, and the pain is to be shared by the people who are most in pain.

We have had no explanation in question time today from any minister in this government who could explain the nature of the betrayal, who could explain what constitutes the difference between a core promise and a non-core promise. But Australians know what it is: a non-core promise is a commitment given by Mr Howard bare-facedly before the election that he has absolutely no intention ever of keeping. That is what a non-core promise is: a promise that is rotten to the core. Mr Howard has been exposed for deceiving, betraying and lying to the Australian people in the election campaign. I believe that all Australians were deceived by Mr Howard, and Mr Howard and his government stand condemned for the budget delivered here yesterday. (*Time expired*)

Senator HILL (South Australia—Minister for the Environment) (3.07 p.m.)—Mr Deputy President, I remind you of what the then Minister for Finance, Mr Beazley, said on 31 January 1996:

We believe that we have both a surplus now and expect that surplus to improve, as our figures indicate, over the next three or four years. We're anticipating moving into structural surplus.

This, Mr Deputy President, was the basis on which we did our figures. Were we entitled to rely on what the Labor finance minister of this country assured us? I would have thought we were, reinforced by ministers in the Senate, particularly, I recall, Senator Cook—'The budget will be in surplus.' So the figures were done on that basis. Yet we get into government and the day after we are told by Treasury, 'I'm sorry, it is actually \$8,000 million in deficit.'

Do you believe for one minute that Minister Beazley did not know the true situation? He was the finance minister of this country. He was asked in the election to open the books and he refused. The Prime Minister, Mr Keating, was asked in the election to open the books and he refused. We were given these

figures to work on and our promises, accurately costed, were based on those figures.

Despite having to face up to that unexpected \$8,000 million deficit and largely remedy it in the course of the next couple of budgets, we will get to surplus during the course of this parliament—an historic achievement. Despite that, we were also able in this budget to honour so many of those critically important promises that we made: promises to families; promises on health care; promises to the elderly, self-funded retirees; promises to small business on rollover of capital gains, for example; promises of more funding to the CSIRO; promises for more research in the universities; and promises for more APA scholarships in the universities. Do I hear that coming from the Labor Party? All promises that we have been able to meet as well as largely addressing the deficit of \$8,000 million which we inherited from you and which you swore did not exist.

I would have thought that that was a tremendous achievement. Interestingly, fair commentators have recognised what an achievement it is. All you need to do is glance through major commentaries and editorials today. What did Max Walsh say?

Senator Cook—Ha! Ha! Come on!

Senator HILL—I would not say Max has been on our side all that often. He said:

The bottom line is that last night saw a Budget presented that is good for business and good for Australia. It saw the first halfway decent Budget of the 1990s.

Ian Henderson, who used to work for the ALP, said:

The Howard Government has delivered a strong pitch for a sustained period of fiscal consolidation, restoring the Budget to underlying balance over the course of the economic cycle to overcome the nation's current account deficit.

You should be applauding that. I am sorry that Senator Faulkner has walked out. Listen to what Tom Burton, who is also pretty tough on us usually, says:

John Howard's new government has kept faith with middle Australia and market demands for major budget repairs.

Terry McCrann, who is sometimes a little the other side, says:

This is the Budget we had to have—and self-evidently never got and would never have got from the previous occupant of the Lodge.

But let's move to the editorials. The *Australian*:

The economic challenge is to restore the budget surplus and maintain a growing and competitive economy. The Coalition has got the economic fundamentals right in its first Budget for 13 years.

A glowing editorial, I would have thought, Mr Deputy President. The *Financial Review*:

Last night's Federal Budget, the first to be brought down by the new Treasurer, Mr Peter Costello, provides a solid platform for delivering a sustained reduction in the Budget deficit and, as such, is essentially pro-business.

The *Daily Telegraph*—I will not hold this up because I am not allowed to, Mr Deputy President—has the front page headline, 'A fair go'. Why don't you read that.

Senator Sherry—What about the *Hobart Mercury*?

Senator HILL—How better could you describe this budget than to call it a fair go? If I had more time I would give you other examples. (*Time expired*)

Senator SHERRY (Tasmania—Deputy Leader of the Opposition in the Senate) (3.13 p.m.)—We are debating the very serious issue of broken promises of Mr Howard and Mr Costello. I want to read again to the Senate the commitment that the Prime Minister, Mr Howard, gave before the election in the context of whatever the budget deficit would be after the election. When Mr Howard was asked what he would be doing if we was confronted with the choice between breaking election promises and running a budget deficit, he said, 'Oh, look, I've made it clear. I'm not going to break any promises.' This assurance was given by the Prime Minister before the election in the context of being asked what he would do if the budget deficit was bigger once he won the election, if he won that election.

Mr Howard and Mr Costello have clearly deceived the Australian people. In future, when anyone asks the Prime Minister or Mr Costello, 'What is your commitment? What is your promise?', they will have to make sure they ask, 'Is it a non-core commitment or is

it a core commitment?' Because since the election all we have had is a backtrack on promises and commitments by covering it up by saying, 'We've got core promises and non-core promises.'

When we challenged the opposition today to give us an example of a non-core promise, all they could talk about was core promises but they could not give one example of a non-core promise. I would like to give to the Senate today a number of examples of major non-core promises or broken promises or betrayal—of which there are 27—in the budget that was handed down last night.

I would like to go through a number of the promises, some of which were announced before the budget was handed down last night. What about the ABC? We all recall the commitment given to maintain ABC funding. We all recall Senator Alston's declaration on election night; we all recall him giving assurances after the Liberal Party was elected that ABC funding would be maintained and we all recall that dreadful performance on the *7.30 Report* three or four weeks ago when Senator Alston maintained that the promise that was given could be expected to last only until the budget; that is, it was a five-month, non-core promise. That was what the promise to maintain funding to the ABC was all about.

What about the arts? They said they would maintain arts spending and provide an additional \$60 million over three years. What happened to the Australia Council? Funding was cut by \$16 million over four years. I see Senator Boswell looking a little intrigued. He spent the last six months defending a core promise to ensure that the diesel fuel rebate was not cut back. Senator Boswell, you spent the last six months defending a clear commitment. You may have saved it, but how does it deliver one additional dollar to people in the bush? Have a look at the budget papers and that core promise you got—\$200 million over four years off the diesel fuel rebate.

We will be interested to see how you defend the change to the diesel fuel rebate when we get details in this Senate of that cutback and how hard you fight to protect people in the bush. It is about time the National Party stopped being the doormat of the

Liberal Party. You have rolled over time and time again. There is not one dollar in additional funding to the bush in this budget. Where is it? Where is the statement in Senator Short's speech referring to the rural sector? There is not one word about the rural sector, about country Australia, in the budget speech.

I will go on with some more of these so-called non-core promises. What about education? I don't really need to say a lot about that. That promise was dropped to the tune of \$2 billion, two weeks before the budget—another non-core promise that was abandoned despite solemn guarantees given by those opposite as they walked around campuses before the election, protesting that we were alleging they were going to break their commitment to higher education. What happened two weeks ago? Billions were cut out of higher education. (*Time expired*)

Senator KNOWLES (Western Australia) (3.18 p.m.)—I want to carry on where Senator Hill left off because it is a very important aspect that the opposition parties refuse point blank to accept and that is the newspaper article which says that this budget has given a fair go. It has given tax cuts of \$200 a child for middle income earners, tax incentives to encourage private health insurance, a 15 per cent surcharge on superannuation contributions for high income earners—

Senator Sherry—A new tax.

Senator KNOWLES—It is not a new tax. That is the problem that you dills over there don't understand: the difference between something like that and a tax. You have continued to increase taxes. What the opposition parties don't understand is that people have taken a very different view to this budget from your jaundiced, biased view. Let's look at the editorial from the *Courier-Mail*. It states:

After 20 quarters of growth, the underlying position should not have been \$10 billion in deficit. Howard is fixing what Mr Keating fudged.

The reality is that Senator Cook was a senior cabinet minister in those governments. He is as responsible as anybody for what he left this country. The debt he left this country in is absolutely despicable. The fact that those

opposite will not now accept this is even more of a disgrace. The *Herald-Sun*, for example, said:

Treasurer Peter Costello's budget is a balanced exercise in economic discipline. It is a critically necessary measure meant to avoid the very real prospect of the nation dipping into an even deeper recession than the one Paul Keating said we had to have.

Once again I remind the Labor Party that they were part and parcel of those decisions. They were the ones who sat behind those closed cabinet doors and made those decisions to make lower and middle income Australians worse off. You should be ashamed of yourselves; you should never be able to condemn a budget that has been so clearly geared to making sure that middle and lower income families have survived and been able to continue, and to look to a new future. The *Australian* today said:

The horror figures in this Budget are not Peter Costello's spending cuts.

They are the \$69 billion of deficits accumulated over the past five years of the Labor government.

That is a Labor government in which most of those opposite participated, mostly during the Prime Minister Keating years. For the first time—let me emphasise that—the budget papers provide an historical run of deficit figures, adjusted for the fiddles. The story they tell us is of 20 years of poor budgets, but none to match the Keating years. You talk about responsibility yet your frontbench hasn't got a clue. We have a shadow minister for health who doesn't even know how to spell the word. We have shadow ministers who cannot even understand the difference between taxes and other measures. You raised taxes endlessly during your time in office. The *West Australian* editorial states:

The Howard government's first budget makes a series of adjustments to Commonwealth fiscal management, many of them essential and overdue.

Are you trying desperately to tell me that all these editorials, all the comments from everybody else are wrong and that you, the Labor Party, the Australian Democrats and the Greens are the only ones who have a mortgage on honesty? You cannot possibly do it. Everyone is condemning what has happened

in the Labor years; everyone is condemning it.

Senator Sherry—Mr Howard claimed a mortgage on honesty to the Australian people and he lied. He lied to the Australian electorate. Mr Howard lied to them.

Senator KNOWLES—It goes on to say: Importantly, the budget is also a convincing indication of the government's sharp understanding of the scope of its economic task.

The fact of the matter is that this is the first real budget that will give lower and middle income earners in Australia a real opportunity to be able to grow and develop as they should be able to in this country. For over 13 years you neglected the underprivileged and those in desperate need in this society. Last night was the turning point.

Senator Panizza—Mr Deputy President, I raise a point of order. I distinctly heard Senator Sherry say that Mr Howard lied. I think you should ask him to withdraw that.

The DEPUTY PRESIDENT—Order! Sometimes the chair deliberately has a deaf ear because if the matter is raised it appears in *Hansard* and if it is not raised it does not appear in *Hansard*. Since it has been raised, I would ask Senator Sherry to withdraw.

Senator Sherry—That is a very wise observation, Mr Deputy President, and I will withdraw that.

Senator KERNOT (Queensland—Leader of the Australian Democrats) (3.23 p.m.)—I think it is true that the headlines for this budget are good. There are some good things in the budget. What the coalition speakers have not acknowledged is that a lot of the headlines reflect the clever political architecture of this budget.

Senator Panizza—Oh, come on.

Senator KERNOT—Yes, they do. You have chosen to not quote some of the text that I think is worth quoting. I have only got time to quote one article. You have talked a lot about the *Australian* editorial. The opening paragraph of an article by John Short in the *Australian* says:

The Federal Government embarked last night on a high-risk political strategy with a Budget that pays for its election commitments to families and small

business by hitting the aged, the sick, students and the unemployed.

That is what it says. You cannot pick and choose all the time. This is one article that I remember reading and thought fairly summarised the political architecture of this budget. It is cleverly crafted.

The point will be what Australians feel further down the track when they understand what they have got from the family tax package and what they have got from the health insurance rebates but also what they have to pay in increased charges across the board. For example, in the past if you wanted to use the family law court's counselling system you did not have to pay anything and now you have to pay \$40 a session. For some people that will be an impost.

As you look through the detail of this budget you can find good things and you can find lots of bad things and quite a lot of surprising mean things like deeming on small bank accounts of pensioners and social security beneficiaries. However, I do not want to go into the broken promises. We have heard what they are. I agree that the l-a-w tax cuts involved an appalling broken promise that has passed into history in that form.

I think it was time for a charter of budget honesty. I hope the coalition brings that forward as the first piece of budget legislation. I am mindful of today's *Bulletin* poll which asked this question: if you knew on election day what you now know about the coalition's plans, would you have voted for the coalition? Some 42 per cent said yes, 52 per cent said no and six per cent could not say. The point is that when people voted on 2 March, when they had to weigh up 55 policies released in 35 days—

Senator McGauran—The poll was before the budget. You got superannuation wrong, didn't you?

Senator KERNOT—Excuse me, Senator McGauran. The coalition did not confine the budget to yesterday. These polls reflect a whole range of budget announcements. The point I was making is that this shows that a charter of budget honesty is absolutely necessary to break the appalling ritual of unaffordable election campaign promises and

broken promises which break the faith of Australians, those who vote for any of the parties, after the election campaign. Let us wait and see how this budget spins out for ordinary Australians. I think it is far too early to pass judgment on anything other than its political architecture.

Senator NEAL (New South Wales) (3.27 p.m.)—I wish to move that the Senate take note of the answer given by the Minister for Social Security to a question asked by Senator Woodley relating to the home and community care program. It is a shame that Senator Newman has left the chamber because there are a number of things I would like to say.

Senator Patterson—Mr Deputy President, I raise a point or order.

The DEPUTY PRESIDENT—Order! Are you speaking on a different matter, Senator Neal?

Senator Patterson—She would not know.

Senator Cook—A very ungenerous comment!

Senator NEAL—I must say that I am used to some of the ungenerous comments, but that was a particularly outstanding one. I am on a different matter.

The DEPUTY PRESIDENT—Order! I will have to ask whether anybody else wishes to speak on the original matter. I call Senator Abetz.

Senator ABETZ (Tasmania) (3.28 p.m.)—Mr Deputy President, let me congratulate you on your election, something which those on the other side still have not come to grips with and something that they have not be able to do. The real issue in this debate is the question of who ought be believed about the budget figures and the state of the Australian economy.

I need quote nobody other than the Secretary to the Australian Labor Party who was supported by Senator Mackay when a review of the Australian Labor Party was undertaken. He stated:

Our records stank and people thought we were telling lies when we made new policy announcements. We could not run on policies because they the voters thought we were liars on policy. We

could not run on our record because they thought our record stunk.

They are the words of those in the Australian Labor Party. Those opposite do not have to rely on me to bag them. People from within their own party have come to that conclusion. Whilst we have not been able to maintain some of the commitments that we would have liked to have maintained, you have to ask the question: why is that so? Very simply, the reason is that the former Minister for Finance lied to the Australian people about the budget deficit.

Senator Sherry—Mr Deputy President, I raise a point of order.

The DEPUTY PRESIDENT—Order! There is a point of order.

Senator ABETZ—I withdraw that comment. He misled the Australian people.

The DEPUTY PRESIDENT—Order! Senator Sherry wishes to raise a point of order.

Senator Sherry—On a point of order, Mr Deputy President: I could not quite pick up the comment because of the noise in the chamber. Did Senator Abetz say that they, in fact, have not met some of their commitments? I could not quite hear it from here.

The DEPUTY PRESIDENT—That is not a point of order.

Senator ABETZ—Mr Deputy President, the reality is that the coalition went to the people of Australia with a raft of policies and with dreams and aspirations for this country which could not be fulfilled. The only reason those aspirations could not be fulfilled was that those opposite misled the Australian people. Their leader said to the Australian people that there was an underlying surplus in the budget. There was something 'lying' about the budget, and that was the Minister for Finance, because we all know that we had to make up a \$10 billion shortfall.

They are like the arsonists at the scene of a fire complaining about the firefighters causing water damage. That is the sort of attitude that these people have. Senator Faulkner comes into this chamber pretending all this hysteria about the budget, but the people of Australia know that Senator

Faulkner should not be known by the name 'Senator Faulkner' but by the name 'Senator Forked Tongue' because that is what he is: he says one thing but did something completely different when he was in government.

Senator Cook—Mr Deputy President, these prissy people would object if that language was used from our side. Since they are practising a double standard, it is quite appropriate for me to object. It is, of course, unparliamentary and I think you should ask Senator Abetz, who is a frequent objector in this way in this chamber, to do as he has asked others to do and remove that language from the *Hansard*.

The DEPUTY PRESIDENT—Order! The term is unparliamentary and I would ask you to withdraw.

Senator ABETZ—I withdraw. Mr Deputy President, if the Australian people want any indication as to who ought be believed, they can make this observation about Senator Sherry. He just told us that Senator Short, in his budget speech to the Senate last night, never mentioned the rural community. I suppose it depends on your definition, but Senator Short talked about regional Australia on page 5. On page 12 he talked about the farm sector. What more could you want, Senator Sherry? You were not even listening to the speech, yet you have the audacity to come in here and complain. Twice you are condemned out of your own mouth. Either you cannot read or you cannot listen.

Senator Sherry—Mr Deputy President, I think Senator Abetz should address you. I fear what will happen if he addresses you in his current state of belligerence, but he should address the chair.

Senator ABETZ—Mr Deputy President, I take that point of order and I will address my comments through you. Mr Deputy President, any casual observer of these events today would ask, 'Is Senator Sherry right in his assertion about Senator Short's speech?' The reality is here, black on white, on at least two occasions on pages 5 and 12 where the rural sector is mentioned, yet Senator Sherry made the bold assertion that it was never mentioned. Senator Sherry stands condemned by the record, black on white, and it exposes the

sorts of fraudulent policies that are being peddled by those on the other side.

Australia has a very bright future to look forward to because Senator Short and Peter Costello have drafted and crafted such an excellent budget. That is why it has the overwhelming support of the Australian people, economic commentators and those who have a genuine and real interest in the welfare of this great country.

Question resolved in the affirmative.

NATIONAL COMMISSION OF AUDIT

Senator SHORT (Victoria—Assistant Treasurer) (3.35 p.m.)—Mr Deputy President, I table documents pursuant to order No. 124 of the Senate of 27 June 1996 and I seek leave to make a brief statement in relation to this order.

Leave granted.

Senator SHORT—Senator Faulkner requested that there be laid on the table by no later than 5 p.m. on 27 June 1996 all correspondence between ministers and/or their departments and members of the National Commission of Audit and/or its secretariat, and also copies of the submissions to the National Commission of Audit which are listed in the commission's report. I indicated in the Senate on 27 June that the government would cooperate to the maximum extent possible with this order, consistent with our executive obligations. Such an approach is consistent with the government's strong commitment to open and accountable government. It is in this spirit that I table a large number of documents today. The Department of Finance has identified these documents as being all those covered by Senator Faulkner's motion.

As I indicated on 27 June, the Department of Finance has written to every individual and organisation that made submissions to the commission, requesting their consent to make the submissions public. A number of private organisations indicated to the Department of Finance that their submissions to the National Commission of Audit were in confidence and that they did not wish to have them publicly released.

The government will not be tabling three submissions where individuals or organisations specifically requested that their submissions remain confidential, nor will it be tabling the four submissions from state or territory governments. Further, neither will the government be tabling one internal working paper of the commission, some correspondence to the secretariat, a small part of two submissions dealing with issues considered by cabinet and some correspondence dealing with issues of national security.

Of the 51 submissions to the commission, 44 have been tabled. Of the 64 items of correspondence between the commission and departments or ministers, 52 have been produced. Unfortunately, as I explained to the Senate last session, the government has been unable to meet the time constraints placed upon it for the production of documents. However, I believe that the volume of documentation needing examination and the opportunity this gave to us clarify potential concerns of private organisations fully justify this delay.

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (3.38 p.m.)—by leave—I place on record the strongest condemnation of this government's outrageous disregard for the order of the Senate of 27 June this year. That order required the tabling of these documents no later than 5 p.m. on that same day—and that was at 5 p.m. on 27 June. That is over seven weeks ago. I remind Senator Short—

Senator Neal—He could have actually been on time!

Senator FAULKNER—You would hope he would get something right in his ministerial career, wouldn't you. I remind the Senate of the assurances that this minister gave the chamber when he slunk in here about an hour after the deadline for tabling had passed and offered a series of absolutely abject and pathetic excuses as to why the government and he, this incompetent minister, had been unable to comply with this order of the Senate. He did assure us at the time, I might say, that the government would cooperate to the maximum extent possible and he said—and let me use his own words which

obviously have come back to haunt him—‘We will do the best of our speedy ability.’

Senator Mackay—What does that mean?

Senator FAULKNER—That is a good question, Senator Mackay. Translated, I think it meant that he might try to get on with the job. But there is absolutely no good reason why the documents that were covered by the first part of this order have not been tabled. There is no good reason at all that they could not have been tabled—if not by the deadline originally agreed by the Senate, then certainly within the space of a very short time afterwards.

I do not accept that the process of obtaining, from the authors, clearances for the release of their submissions to the audit commission could possibly have taken the seven weeks that have been required by this incompetent minister—he who has been exposed so manifestly in question time after question time and, I am pleased to say, was exposed again in question time today. It could not possibly have taken even a minister as incompetent as Senator Short seven weeks to comply with this order.

I think, Mr Deputy President, you and senators would know that it is open for a minister to take a course of action to table documents out of session through the Clerk of the Senate. That option was available to the minister. It was an option he did not take up; he did not exercise that particular possibility.

I believe that the government in this case has shown a deliberate and flagrant contempt of the Senate. There is no other conclusion that any reasonable person can come to. That is my conclusion—and I am sure a majority of senators in this chamber would come to the same conclusion—as to the reason for the government delaying its response to this return to order until now.

I think probably there was political motivation for this: the government hoped that interest in this particular issue would have waned over the period of the winter recess of the parliament; that is, with the passage of time and the intensity of interest in the budget, interest in this particular issue might have waned. Well, we will see about that. We will

have a very close look at these documents, and we will have a very close look at that miserable statement, that miserable list of excuses Senator Short has just given to the Senate as to why this particular audit—

Senator Sherry—Where is he?

Senator FAULKNER—I think he has gone to have a pretty strong cup of coffee after question time.

Senator Sherry—Another briefing!

Senator FAULKNER—I do not think briefings seem to make very much difference, do they. However, we will have a very close look at what Senator Short has just said to the Senate. We will have a very close look at the documents. I want to say this: we will both look at the content of the documents and determine the extent to which they meet the requirements of the order of the Senate. We will look at whether the terms of this return to order have been met. I can promise Senator Short that senators will give this a very close examination. I am sure that not only opposition senators but a number of other non-government senators in this chamber will be very interested in this matter.

It is also worth pointing out that, for a very long period of time when the Labor Party was in government, we got endless lectures from the opposition about the need for the then Labor government to comply to the letter with returns to order. There seems to have been a very different approach taken by the coalition once they have become a government.

Senator Gibson—No, it is not.

Senator FAULKNER—It is so, Senator, and you know it is so. No more do we hear lectures about the role of the Senate, the primacy of the Senate and the importance of the parliament. Senator Gibson and Senator Short have had this incredible conversation on the corridors to the executive wing of this building, and their hypocrisy has been exposed. It has been exposed by the contempt with which you have dealt with this particular order.

I want to say absolutely clearly so that neither the government nor any senator in this chamber is under any illusions about the approach the opposition will be taking on this

important issue. We will look at these documents; we will look at Senator Short's miserable, pathetic and wimpy excuses; and we reserve the right to take whatever action that we believe is necessary and that we believe is appropriate after that thorough examination. I can give the government a guarantee that we will act appropriately as a result of that examination.

MATTERS OF PUBLIC IMPORTANCE

Budget 1996-97

The DEPUTY PRESIDENT—The President has received a letter from Senator Sherry proposing that a definite matter of public importance be submitted to the Senate for discussion, namely:

The Government's betrayal of the Australian people as indicated by its massive and wilful breaking of election promises in this year's Budget. I call upon those senators who approve of the proposed discussion to rise in their places.

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

The DEPUTY PRESIDENT—Before I call Senator Sherry, I should mention that informal arrangements have been made to allocate specific times to each of the speakers in today's debate. With the concurrence of the Senate, I shall ask the clerks to set the clocks accordingly.

Senator SHERRY (Tasmania—Deputy Leader of the Opposition in the Senate) (3.46 p.m.)—We are debating today, and we have been debating consistently since question time and the handing down of the budget last night, the enormous betrayal by this newly elected government of the Australian people as indicated by its massive and wilful breaking of election promises in this year's budget. I would like to draw the attention of the Senate to the guarantee that the Prime Minister, Mr Howard, gave before the last election. He gave a number of these guarantees during the election campaign, and a number of them have been broken. But in respect of election promises and the budget he made it very clear that, if in office he was confronted with a choice between breaking election promises and running a budget

deficit, he would not break any promises. Mr Howard said:

Oh look, I've made it clear—I'm not going to break any promises.

I just reiterate that for the Senate and for those listening on the broadcast: 'Oh look, I've made it clear—I'm not going to break any promises.' That was Mr Howard's iron-clad assertion before the election that no election promises would be broken.

What happened in last night's budget—and, I might say, in the lead-up to the budget—was that many of the commitments given by the government were broken when they were either leaked or announced ahead of the budget papers last night. This is what Australians have to ask and what anyone who has any dealings with Mr Howard and the Treasurer (Mr Costello) in future has to ask when they are discussing an issue and reaching an agreement with Mr Howard and Mr Costello: 'You've made a commitment; you've made a promise; but is it a core promise or is it a non-core promise?' Since the election we have had the emergence of two categories of promises: the promises you keep, the core promises; and the promises that you ditch, the non-core promises. There are core promises and non-core promises from a non-core Prime Minister, I might say, a non-core Treasurer and a non-core Liberal Party.

As for the National Party, they did not even rate in the core promises. They spent all their time fighting the commitment on the diesel fuel rebate and were not able to deliver any dollars to the bush—not one single dollar. It is about time the National Party stopped being the doormat. I see Senator McGauran here. I say to Senator McGauran, through you, Mr Deputy President: I hope you are listening to people out in the bush in regional Australia, because a lot of people in the rural and regional sector are concerned at the way the National Party has rolled over at the breaking of promises by the Liberal Party and are concerned at the way the Liberal Party has captured the National Party and treated them as a doormat.

Senator McGauran—Won't work, Nick; won't work.

Senator SHERRY—It has worked, Senator McGauran. I would like to refer again to a number of the specific promises that we raised in question time today and also some that, unfortunately, we did not have the time to ask Senator Short or Senator Hill about. Even if we had asked them, frankly, on today's performance we would not have received an answer, because they obfuscated and dodged the issues, particularly Senator Short—although Senator Newman could not even address the answer to a question because she did not even know what HACC funding was. That is how poorly she is across her portfolio area.

Today in question time we asked quite specifically about a range of issues that went to ironclad commitments. I remember the Prime Minister, Mr Howard, saying right through the election campaign period that he wanted to restore honesty and integrity to Australian politics. He gave ironclad commitments. I remember the commitment he gave on industrial relations policy. He gave an absolute guarantee that not one Australian worker would be worse off—that is a debate we will have at another time—but the evidence is to the contrary. This Prime Minister, together with Mr Costello, has deceived the Australian people about the formulation of this budget.

Some members of the government took great joy in quoting newspaper articles—I do not think they had read the budget, but they seemed to take great joy in quoting newspaper headlines and editorials. I think they had better have a longer look at the detail in the budget, because there are a lot of nasties there. A lot of those nasties break very firm election commitments.

A few of them I referred to in a question to Senator Short today. Why are hospital funding grants cut by \$314 million? The Liberal Party gave a commitment that that would not be cut. That is a betrayal. It is a betrayal of the sick people in our community, particularly those who do not have private health insurance. It is a betrayal particularly of those in rural and regional areas, as Senator McGauran will find out as he continues to get the complaints about waiting lists, et cetera.

What about the poor, the sick and the elderly who have to pay an extra \$500 million on pharmaceuticals? Where was that in the Liberal Party's election manifesto? What about the abolition of the Commonwealth dental health program? It was fascinating to see Senator Hill say on *Lateline* last night, 'We have handed the dental health program back to the states.' Where is the funding?

Senator Gibson is from my home state of Tasmania. The state Liberal Premier of Tasmania has already bucketed Senator Gibson and his colleagues for not standing up for Tasmania. I am certainly very confident that the Premier of Tasmania, Mr Rundle, will be telling the parliamentary secretary, Senator Gibson, that they do not have the money to run the Commonwealth dental health program. That has gone.

What about the \$300 million reform to residential aged care? Where is that in the Liberal Party election manifesto? I warn members of the government who are here that that is an issue that is going to affect hundreds of thousands of Australians in a very direct way. They will have to sell their properties or take new mortgage arrangements to meet this new residential aged care slug. Tax slug, that is what it is—a new tax slug.

These sorts of issues are a betrayal of what was clearly enunciated by Mr Howard and Mr Costello prior to the election. I challenge those members in the government, as I challenged Senator Hill last night on *Lateline*: when will they own up to breaking one promise? We had the pathetic attempts, the arrogant attempts, by Mr Costello and Senator Alston to justify the cuts to the ABC. I think everyone was appalled at Senator Alston's performance. Four or five weeks ago on the *7.30 Report* he was quoted as saying on election night that ABC funding would be maintained.

Senator Bob Collins—He told the parliament.

Senator SHERRY—He told the parliament. That is right, he has told us that in question time. Then, four or five weeks ago, he explained a new definition of a core promise. A new definition of a core promise is a promise that lasts for six months. This sort of behav-

our—backtracking, betrayal—is coming from a Prime Minister who said he wanted to restore honesty and integrity to Australian politics. He stated that over and over again before the election.

There are some other issues. We have identified at least 27 major broken promises in this budget, or promises not in this budget—issues, policies, promises that should have been delivered on. I started to mention a few of them when we were taking note of answers to questions. Let us just take the child-care area as an example. The promise was made to maintain the non-means testing of the child-care cash rebate. The budget reduces the level of rebates for families with incomes above the family tax initiative threshold from 30 per cent to 20 per cent. That is a clear breaking of an election promise.

A clear election promise was to maintain the system of child-care assistance. But the budget caps access to child-care assistance at 50 hours per week per child. It freezes child-care assistance and child-care cash rebate fee ceilings for two years. It abolishes additional income allowed for additional dependent children.

We had the pre-emptive announcement, or the pre pre-emptive announcement, by Senator Vanstone on education when she was wining and dining with the vice-chancellors. Then we got the pre-emptive announcement last week. It is clear that Senator Vanstone was all too unclear when she engaged in a heavy bout of socialising at that dinner with the vice-chancellors. But she was deadly serious about the proposed cuts to higher education. Where was this outlined in the Liberal party policy document?

Another area is foreign aid. The promise was made to make cuts to business subsidies in the aid program. The budget contains further cuts in the aid program over and above the DIFF abolition, saving \$70 million, \$78 million, \$78 million and \$80 million over a four-year period.

Another promise was to maintain the real value of pension benefits and entitlements. We have had the abolition of the Commonwealth dental program. I mentioned that earlier. Some people in the Liberal Party,

particularly Mr Costello, who is all too arrogant and all too fond of scoffing, might think the abolition of the dental program is a minor matter. But it is very important, particularly to elderly Australians. To elderly Australians, having good teeth is very important. The Liberal Party apparently thinks it can be disposed of like some throwaway false teeth. That is another false promise.

Senator O'Chee—I thought having a forked tongue was very important in the Labor Party.

Senator SHERRY—You just stick to standing up for the bush, Senator O'Chee. Poor Senator O'Chee has been so knocked around in the budget process. The National Party was so trampled. The doormat of the Liberal Party, poor Senator O'Chee, does not put up such a vigorous fight in the party room. He is a bit like Senator Abetz. Senator Abetz says he is going to cross the floor. A couple of weeks ago Senator Abetz threatened to cross the floor.

Senator O'Chee—Hobnob at all the functions, that's all you did. You never did one thing. You are a farce.

Senator SHERRY—Poor Senator O'Chee is a bit like Senator Abetz. He is full of noise. He loves to play up to the interest groups and the farmers like Senator Abetz does in Tasmania. He loves to be theatrical, but at the end of the day he will not cross the floor and he will not do anything to benefit the bush.

Let us have a look at the government's promise to maintain expenditure on labour market programs in real terms. There are budget cuts of \$577 million, \$961 million, \$137 million and \$183 million over a four-year period. One of the interesting aspects of this is, if you read it in the context of the budget speech delivered by Treasurer Costello and the budget statements, it is clear that unemployment is going to remain above eight per cent for at least the next two years. The government expects that. Yet here it is slashing and burning, and breaking election promises.

I turn to research and development, regional development and road funding—which, I must say, was a bit of a surprise, even to me, in the

litany of election broken promises. Senator McGauran and Senator O'Chee, the cutting back of road funding is not going to be very popular in rural and regional Australia.

Senator McGauran—Black spots!

Senator SHERRY—The only black spot we have is this budget. There is \$622 million out of road funding. Your constituency will have to pay higher petrol taxes because they live out in the bush. They are going to be furious about this.

We can go on and on. I turn to social security and taxes. There were to be no new taxes. What is this 15 per cent tax on super-annuation? It is called a surcharge. It only raises \$500 million and it is not a new tax! Where was this in your election commitments? You will react. Once your party membership start ringing you, Senator McGauran, about this 15 per cent new super tax, you will be a bit worried about it.

The litany of broken promises goes on and on. Australians have to ask Mr Howard and Mr Costello: when you give a promise, do you mean a core promise or a non-core promise? Until you know that, you will not know whether the Liberal Party is going to honour its word. (*Time expired*)

Senator GIBSON (Tasmania—Parliamentary Secretary to the Treasurer) (4.02 p.m.)—The 1996-97 budget, the first coalition budget in 14 years, is a budget of hope. It is a budget which rejects failure. It is a budget which is honest and it is a budget which has not sought to hide from reality. It accepts the responsibility of cleaning up the mess of 13 years of Labor's dismal economic failure. As Max Walsh wrote in this morning's *Sydney Morning Herald*, the bottom line is that last night saw a budget presented that is good for business and good for Australia. It saw the first half-decent budget of the 1990s.

When the coalition took office in March, the economy had just entered its fifth year of economic growth. The economy had been growing slowly after the recession Labor said we had to have. That recession had devastated the lives of millions of Australians. In fact, it was in Labor's recession that the official

statistic of unemployed got to one million people.

Even though the economy was just growing in March, a couple of other statistics were absolutely ripping along. Government revenue had grown by 30 per cent over four years. This was the result of Labor's tax feast in the 1993 budget. But even with this economic growth and this magnitude of revenue growth, Labor still could not balance the books. So for the past four years Australians have seen their public assets sold off to pay for the daily expenses of government.

Qantas, the Commonwealth Bank, the Commonwealth Serum Laboratories and many more—nearly \$9 billion worth of assets—were sold or put up for sale. But even that was not enough to bring in a balanced budget so Labor stopped investing in the public infrastructure. Capital outlays by the Commonwealth government declined by 135 per cent between 1992-93 and the last financial year.

Still the budget was locked into deficit. How locked? Just look at the underlying deficit outcomes for the past four years—\$14.5 thousand million, \$13.6 thousand million, \$11.6 thousand million and \$10.3 thousand million. With Labor, the Commonwealth budget and Australian taxpayers were certainly going very quickly into debt. Labor's record on debt is absolutely outstanding if that is what you regard high debt.

In June 1991 the Commonwealth owed \$34,000 million. The next year it had grown to \$45,000 million. Just two months ago it had risen to \$106,000 million. Most significantly, the increased debt has to be serviced. Interest on public debt has to be paid. In 1991-92, interest paid on behalf of the Commonwealth was \$3.9 billion. Last year, it had increased to \$8.5 thousand million and this year, as a result of their debt of \$106 billion, the interest payment will total \$9.3 thousand million. This means the Commonwealth will be spending this year more on debt in interest than it does on public order and safety and about the same as it does on defence and education.

Some people say that debt does not matter. Can anyone imagine how much better off this

nation would be if we could increase education, health or labour market expenditure by \$9 billion? Of course the reality is that we will never get our debt down to zero. It is too late for that, but to find a spare \$100,000 million is not easy. It is not realistic.

What we can do and what this government will do is stabilise the debt by running surpluses in the budget. Combined with the proceeds from the partial privatisation of Telstra, this will allow the Commonwealth to gradually reduce the debt burden and lower the amount of money that has to be set aside to pay interest.

When all honourable senators consider this budget, they must think carefully about the consequences of increasing the budget deficit. Every cutback that is rejected or revenue measure refused will mean a bigger deficit, greater debt, more interest payments, greater instability in the economy, uncertainty and, ultimately, more volatile interest rates for the community. This is not a threat; this is the reality of what happens.

Of course, all senators must weigh up the value of expenditures and the merit of revenue measures, but they must also decide whether it is better to retain the failure of the past or to take a chance with hope for the future. As to those who say that debt does not matter, I ask this question: if the level of debt does not matter, why do all Australians and every government around the world think that it does?

Last year the government's debt was equal to 80 per cent of the government's budget and around 25 per cent of our GDP. Would it matter if that were doubled to 50 per cent of GDP? Of course it would. Can you imagine a government debt of \$250,000 million, an interim bill per annum of, say, \$25 billion? Would it matter? Of course it would matter. Our economy would be wrecked and useless. Republic or not, selling bananas would be our country's only activity.

Today the opposition wants to talk about broken promises in the budget as though pinning some form of crown of thorns upon the head of the government. Let me say this: if there was one crucial promise to the Australian people that was made by a Common-

wealth government in the past nine months, it was the guarantee given by the now Leader of the Opposition, Mr Beazley, that the Commonwealth budget was in surplus. It was not, and he and his government failed to tell the people.

This government is proud of the 1996 budget. This is a budget that delivers and gives hope for Australian families. It is a budget of promises fulfilled for middle and low income Australians. The family tax package, the health care initiatives, the tax changes for small businesses, the restoration of equality for self-funded retirees, the development and extension of apprenticeships and training for the young, the preservation of Medicare, bulk-billing, community rating, twice yearly indexation of pensions and the myriad of other initiatives launched in this budget are so overwhelmingly positive for ordinary Australians that any attempt by the opposition or others to focus attention on what is not in the budget will be swiftly and deservedly ignored by the Australian public.

The government is flattered by the opposition's matter of public importance today. Who would have thought that on the first day after the first coalition budget in 14 years the Labor Party would want to debate what was not in the budget. And with such an important debate who would have thought their leader would fail to appear to lead the charge.

The government's budget is the first honest and open attempt by an Australian government to set our economic condition to one of health since the late 1980s, when former Senator Peter Walsh drilled the Labor cabinets. I know that Peter Walsh would think the government has not gone far enough in this budget, and so do others. As Alan Wood, writing in this morning's *Australian*, states:

If he—
the Treasurer—

is to be criticised it is not for being too tough, or breaking promises, but for not being tough enough.

He concluded the passage with the words:

Instead of playing sleazy games in the Senate Labor should apologise for its terrible failure as a financial manager and help Costello clean up the mess.

To Alan Wood's call I can only add this: it is the hope of the government that we can work with all senators to create a fiscal foundation for the future growth and prosperity of every person in this nation. If that hope is proved to be flawed, it will not be because of the position adopted by the government.

The first Costello budget will give this country and its people, now and into the future, pride and hope. There comes a time when every nation must move on from failure and disappointment. Now is that time. Now offers that chance, and no amount of hypocritical finger waving must be allowed to prevent our nation moving on.

In this matter of public importance the Labor opposition and anyone who supports them demonstrate that they are out of touch with the aspirations of average Australians. The first Costello budget is fair, is responsible and is believable. It is a good budget that is good for all Australians.

Senator STOTT DESPOJA (South Australia) (4.11 p.m.)—I rise today on behalf of the Australian Democrats to support the matter of public importance before us today. Last night this government, when it handed down its first budget, broke a plethora of election promises but there is one area, which Senator Sherry referred to, in which there is a litany of broken promises: higher education. A range of areas were targeted last night. Young people, students and the unemployed will bear the brunt of this budget, as the coalition broke its election commitments to Triple J, to the ABC, to labour market program funding and, of course, to higher education.

I must note that there has been some selective use of reports today from the papers. I refer to a news report that I find more interesting than those quoted by coalition members. It is from Craig Johnstone, who said in the *Courier-Mail*:

. . . Australians can expect the Coalition to treat its election promises in the Budget the way that guests treat the crockery at a Greek wedding . . .

What a premonition, and isn't it true. So offensive, in fact, were the measures for higher education contained in the coalition's budget that they were exorcised from the

actual budget that came down last night. So concerned was the government that it—

Senator Herron—You mean 'exorcised'?

Senator STOTT DESPOJA—No, I mean 'exorcised'. That is how bad they were—no kidding. They were taken away because the government was scared that in some way the negative impact of those broken election promises would overshadow what small good parts were contained in the budget last night. But I can tell you that it did not diminish community protest or outrage.

Senator Gibson, there has been a swift reaction. There has been a swift reaction on behalf of the community, community groups, lobby groups and those people who are victimised, poorer and disadvantaged in our society because of this budget. And they have got good reason to complain. Today we should review some of the promises that were made by the coalition government during the election campaign.

For a start, the coalition promised to at least maintain operating grants to universities, and what have we got? Over the next four years operating grants to universities will be cut by over \$623 million. What a broken promise. That absolutely flies in the face of its election commitments. In fact, the coalition states in its 'A fair go for students' package that the HECS repayment threshold will not drop below average weekly earnings. What is a drop from around \$28,000 per annum down to \$20,800 per annum? It is a sizeable drop.

I like the comments Senator Vanstone made in the chamber today that this somehow will not disadvantage lower income families when in actual fact a one-income family of two who are repaying their HECS debt will be doing so at 88 per cent of the poverty line. So you are hitting hardest those people in our community who are from lower socioeconomic groups, despite your purported commitment to access and equity in higher education. I have yet to see any evidence in this budget that supports those people who have been traditionally disadvantaged in the higher education sector.

What about the three-tier system for HECS? What about 35 per cent increases on HECS

debt? Senator Gibson, you said that debt does matter. We think it matters; we oppose the accumulated debt that young people and students are getting in our society. We are telling you that it is a psychological and financial disincentive to enter and to pursue higher education, but no-one seems to have factored that in.

Senator Vanstone talked about lower socio-economic groups not increasing their participation rate in higher education. That is true. Over the last decade they are the only target equity group that has not increased their participation rate. So what do you do? You put more fees and charges in their way.

That reminds me of another promise—that you would not introduce up-front, full cost fees for undergraduate places. What have you done? You have allowed up to 25 per cent of university courses to be charged full cost, up-front fees. We are assuming that is what the cost will be, because you have not actually put a cap on that. You have not put a maximum amount, you have put a minimum amount that people have to pay; so who knows what prices young people and students are going to be subject to.

As for Austudy, again the promise was that it would be maintained at real levels. What happened? The government has introduced tighter eligibility criteria, the government has removed it for certain homeless students and the government has removed it for certain single students who are sharing accommodation. I have just discovered—and I wish the minister were here because I would like an answer to this—that in order to assess a student's eligibility for Austudy they will be assessed at the day they enrol for a course. So, if you are 24 years and nine months old and you are applying for a degree in, say, medicine and you are not eligible because the independent rate age has been increased to 25, even when you are studying at the age of 30 you are still ineligible because you are assessed from the time that you enrol.

So what is this? Is this budget 'Honey, I slugged the kids'? It is about young people and students accumulating debt. It is about young people not being given a real start in our society, contrary to the claims—and I

found them quite ironic—in Minister Vanstone's paraphernalia last night. So Austudy is another broken promise. Fancy increasing the independent rate age from 22 to 25. It contradicts your voting record over the past three years. It contradicts everything Senator Robert Hill said when he was shadow minister for this portfolio.

The other promise you made—and I can quote from your Liberal Party document—was 'The Liberal Party will not return our universities to the elitist system that previously existed. No Australian should be prevented from attending university because of their financial circumstances.' But you have allowed universities to charge up-front, full cost fees. If that does not return us to a situation where it is an elite education system for the rich, I do not know what will.

Senator McGauran—What about scholarships?

Senator STOTT DESPOJA—Yes, Senator McGauran, let us talk about scholarships. Four thousand scholarships is what Senator Vanstone said in the chamber today. Perhaps we should refine that comment: it is 1,000 scholarships over four years. So let us not get too excited; it is less than one per cent of places. Has the minister provided any information as to who will be eligible and what it will be based on? Will it depend on their socioeconomic income, whether or not they are Aboriginal or Islander people, whether they have disabilities, their geographic region? We have none of that information. Thank you for assisting me in that way, Senator McGauran.

I also find it ironic—as do the many thousands of students, general and academic staff, vice-chancellors, university administrators and members of the community—that Senator Vanstone and many of her colleagues are making these decisions. They are condemning our students and future students to debt. But what was the situation when they went through higher education? Did they have HECS debts? No.

Senator Herron—We paid our way. We worked.

Senator Cook—You didn't pay the cost of delivering university courses.

Senator STOTT DESPOJA—I cannot imagine that Senator Vanstone went home on 28 June after we finished here and found her HECS debt waiting in the mail. Did any government members for that matter? Has anyone else in the chamber now got a HECS debt? Does anyone in this chamber, the people who have voted to impose HECS debts and charges on students? None of you has a HECS debt.

The ACTING DEPUTY PRESIDENT (Senator McKiernan)—Order! Senator Stott Despoja, you will address your remarks through the chair. If you are directing a question to me, I would prefer you did it in a different form from this. Would you confine your remarks to the matter that is before the chair.

Senator STOTT DESPOJA—I apologise, Mr Acting Deputy President. Through you, I would like to know whether other senators in this chamber have HECS debts and can relate to the situation that many students will find themselves in over the coming years as they face prohibitively high course costs and charges.

Senator Herron—We do.

Senator STOTT DESPOJA—You have a HECS debt, Senator Herron?

Senator Herron—We are paying our children's HECS debts.

Senator STOTT DESPOJA—This is a situation I am referring to, where parents are responsible—

The ACTING DEPUTY PRESIDENT—Senator Stott Despoja, would you prefer to perhaps organise your debate and discussion with the senators in a different manner than the standing orders provide for!

Senator STOTT DESPOJA—No; sorry, Mr Acting Deputy President.

The ACTING DEPUTY PRESIDENT—Then will you direct your remarks through the chair and it will in turn help me to keep order in the place.

Senator STOTT DESPOJA—Thank you, Mr Acting Deputy President. I should add that

we do not want to return to a situation where parents are solely responsible for their children's and students' education. We should not be defining young people as independent at the age of 25 when most laws and regulations accept that young people are economically independent and should be considered economically independent from the age of 18.

So the measures that were brought down in last night's budget are regressive; they take us 'back to the future'. They do not recognise that we should be a clever country—celebrating the skills and the talents of our students, our young people and our graduates. Instead, we have hit them hard with debts, we are going to charge them up-front fees, we have cut off their youth broadcasting network—or at least restricted its expansion—we have hit hard at the ABC and we have cut fundamentally and drastically labour market programs which offered young people the one hope they had, especially those who are disadvantaged or unemployed in our society. I support today's MPI.

Senator COOK (Western Australia) (4.21 p.m.)—The Liberals are back in government and dishonesty is back in budgets. We have seen in the headline today of the *Sydney Morning Herald* a broken promise on taxation. One of the core promises that this government made to the electorate before the election was that there would be no new taxes, no increase in existing taxes and no changes in other taxes. According to the *Sydney Morning Herald*—they have done the sums and there is no reason to dispute them—there is a \$6 billion tax slug which is new and which constitutes a broken promise by this government. This government therefore lied to the electorate.

It is not surprising that today's *Bulletin* magazine shows that most electors would not have voted for them if they knew the outcome of this budget. But this is in the fine tradition of the coalition because the now Prime Minister (Mr Howard) when Treasurer in the election of 1980 became infamous and got the tag 'Honest John' as an ironic appellation because he promised a fistful of dollars to the Australian electorate and double-crossed it on every promise he came to after that in deliver-

ing the tax cuts that he then undertook to deliver.

So there should be no surprise now that the same pattern of deceit and dishonesty is in train here—cuts to the elderly, costs to higher education, greater health care costs, costs to students, costs to the unemployed, costs even to drive on Australian roads in prospect, and of course cuts to the ABC. That is what this budget amounts to—a rash of broken promises by the government.

There is a major statistic missing from this budget. It is not in the budget speech; it is not in the budget papers. The Treasurer, Mr Costello, and Mr Howard have not mentioned it. What is the missing statistic? The missing statistic is this: what will be the reduction in the level of unemployment in Australia because of this budget? There is no statistic to say what that figure will be. And the reason? Because the government does not believe in its heart of hearts that there will be in fact a reduction in unemployment in this country. In the budget speech there is an assertion that unemployment may in fact go up, but there is no figure, there is no forecast and there is no estimate.

And if you cannot judge a budget by what it does to the unemployed and offer hope to those who are now without work, how do you judge a budget in terms of its social standing and its moral efficacy? This budget does not give that figure. This budget, which is brought down by a government which promised the electorate before the election that it would restore hope and employment, and particularly for the young, has no idea of what the outcome of unemployment will be after this budgetary year and because of these settings—none whatsoever.

This government castigated us in government when we set a goal for ourselves of five per cent national unemployment by the year 2000. Have they set a goal for themselves on unemployment? No, they have not. Have they indicated what they think the outcome will be down the track? No, they have not. And have they set up a budget which will in fact grow the Australian economy and create jobs in industry? No, they have not.

The sad and sorry flaw in this budget is that it attacks the ability of Australian industry to take advantage of international growth and grow too. What this budget is predicated on is a contractionary domestic economy. That is not what the Treasurer said on budget night, but it is what the budget papers say when you go to the fine print of what the forecasts will be. Indeed, in the budget papers the forecast is given, and I read from Budget Paper No. 1, page 2-21:

... possible confidence effects, while significant, do not fully offset the direct short-term effects of the measures, resulting in—

and here is the point to note—

a small net contractionary impact on activity in 1996-97.

What does that mean? In plain English, it means business conditions will be worse next year. That is what it means. And business confidence, of course, is low now—it is at very low levels. Business confidence will be shattered by the budget cuts that have reduced consumer purchasing power as consumers have to foot higher bills for pharmaceuticals, taxes and charges levied on them by the states because of the actions taken by this federal government over state revenues as well. So the impact is, in a very low level of consumer confidence and business outlook for the future, to contract the Australian economy.

But how does this government say it will save the Australian economy? It points to high demand in the international economy—that is, 'The rest of the world is doing all right; we will do worse but, if we trade with the rest of the world, we will lift our economy up by its bootstraps'—as this government infers in its budget documentation. How does it propose to do that? It slashed \$500 million out of export promotion programs and it slashed \$346 million out of manufacturing industry, so the two areas where you would expect to see some help to take advantage of buoyant international economic conditions for the Australian domestic economy—export and manufacturing—are gone.

And remember, one of the proudest records of growth in Australian exports is the growth of manufactured goods in this economy, averaging between 16 and 17 per cent a year

over the last nine years, with the highest growth being from elaborately transformed manufactures, the goods that require the most sophisticated and skilled workers to manufacture. The supports that made that possible are now gone, and the supports that helped small business access international markets are now gone.

We hope to connect with the international economy. I will tell you what we will do, Mr Acting Deputy President: we will connect all right—we will connect in the traditional areas of mining and agriculture, and maybe we will sell a few places to tourists. Once again Australia will revert to being a mine and a farm and a tourist destination, but we will not be a highly skilled manufacturing economy creating smart jobs for intelligent, well-trained Australians, offering high pay and remuneration for the future. And we will not make the bridge into the international economy, either. You can sell so much iron ore and coal, and you can sell so much wheat and wool, but you cannot buy back the elaborately transformed and sophisticated manufactured goods that you need by just doing that; you have to export manufactured goods as well. This budget is deceitful because it undermines our ability to do that and, in domestic economic terms, it is a contractionary budget.

There are a number of areas where industry has been undermined. This budget is sold as a budget for small business. It is not; it is a budget that undermines small business. If you are a small business with a bright idea, then the R&D tax deductions which enable you to commercialise that bright idea have now been significantly reduced. If you are not in profit and therefore need access to a syndicate, forget it: you have not got that access any more, because it has been stamped out. Farewell to our smart ideas and intelligent science. That will now go overseas and be commercialised by foreigners and sold back to Australians at higher prices. That is what this budget does.

If you are a worker without the necessary skills to adapt to a modern economy, forget the opportunities of training, retraining and re-skilling, because what this budget does is put the axe through labour market programs and

remove your opportunity to get out of the dole queue, to get some skills for yourself and to take a place in a high skilled economy. We are on the low skilled road now: we are de-skilling Australians and reducing the opportunities for Australian industry to have access to highly skilled labour that they will need if they are going to compete in the international marketplace. Forget those things because what this budget does is undermine those expectations for Australians.

Forget as well those industry sectors in the economy that have performed very well, those industry sectors that have made the harsh transition from being highly protected—sectors like the textile, clothing and footwear sector; the book publishing sector; the heavy engineering sector in the economy that requires access to modern machine tools; the shipbuilding sector in Australia; the information technology and telecommunications sector in Australia—because government supports that levelled the playing field a bit and helped those sectors grow and compete internationally are all removed.

If you are a shipbuilder in Australia, if you are a fast ferry manufacturer in this country, you are a world-class manufacturer; but do not think that you are going to get any help from the government as competitors with you will get from their governments, because you will not. That support goes—and that is where the jobs are too, and those jobs go with those industries.

My lower house colleague Simon Crean has put out today a list of several deceptions and betrayals of industry by this government. They range from the export market development grants right through to the R&D deduction changes, the undermining of Austrade and AusIndustry and a range of other things like computer bounty. They are deceptions, and this government is condemned.

Senator CRANE (Western Australia) (4.31 p.m.)—Once again, it is rather interesting to listen to Senator Cook on the other side because he has learnt absolutely nothing from his period of time in government. He has just dished us up a litany of more of the same when it is obvious to anybody who reads the majority of independent editorials in the

papers today that there is a general welcoming of this budget, its direction and what it is seeking to do.

There is a fundamental aim behind this budget—and I am sorry that the speaker for the Democrats is not in here at this stage because she spent a lot of time talking about debt. What this budget attempts to and will do is address Australia's debt problem. It is about addressing the debt problem of this nation, a national debt problem that under Labor's stewardship of 13 years went from something like \$23 billion to almost \$200 billion. That is a legacy which all Australians will carry into the future.

Senator Cook—That's rubbish!

Senator CRANE—It is not rubbish at all. That debt has to be paid back. In his first budget, the first thing that the new Treasurer, Mr Costello, does is seek to address that problem.

Senator Cook—It's business borrowings in the main. Don't you know that?

Senator CRANE—If you do not want to believe me, let us look at the editorial of a newspaper that has not always been kind to my side of politics, the *West Australian*. It says:

The Howard government's first budget makes a series of adjustments to Commonwealth fiscal management, many of them essential and overdue. That is from the *West Australian*—from our state, the state that you come from, Senator Cook, and the state that the Acting Deputy President at this time, Senator McKiernan, comes from. That is what it says about the budget.

I also find it rather interesting, Senator Cook, that you should talk about broken promises. Were you not part of the ministry or the cabinet at the time when a certain Prime Minister said, 'No child will be living in poverty by 1990'? Were you not part of that?

Senator Herron—Or l-a-w law tax cuts.

Senator CRANE—Or l-a-w law tax cuts. You throw all of this stuff around willy-nilly without any responsibility whatsoever for the damage that you have played a part in delivering to the economy of this country. You

need to remember that; we all need to remember it.

Unless we are prepared in this parliament—and I throw this out as a challenge also to the minor parties in this place—and unless you are prepared to be a constructive part of addressing that debt problem, you are going to find that the living standards in this country will slide. It is a bigger picture than just addressing one or two issues and saying, 'This one is a winner' or 'This one is a loser'; we will all be losers unless we address the aspect of national debt. For the industries that have been raised here today, whether they involve manufacturing, some form of value adding, agriculture or mining, the single biggest problem today in their ability to compete internationally—and we all have to do it if we are going to maintain our living standards—is debt.

I have been saying that for the six years that I have been in here. You can attest to that by having a look at some of the speeches in *Hansard*. You have that responsibility on your head, Senator Cook. I congratulate Mr Costello for taking steps to move to that aspect of our problem while keeping the core promises of the election campaign intact.

I want to emphasise one or two other aspects about the situation of where one could expect to be in coming to government regarding what was said prior to the election. I refer to the previous Prime Minister, Mr Keating, on the subject of being in surplus. On 10 May 1995, he said:

Next year we will have a budget surplus, which will be arrived at free of any asset sales or redemptions in debt. We will go on then to produce huge surpluses in the future so it is a massive change.

What did we find when we got into government? Not the anticipated \$8 billion black hole, the living off the Bankcard; we found that, in fact, that deficit was \$10.3 billion. People in this place who believe that we would have been responsible in government to ignore that situation and not set out to address it in the fairest possible way are just fooling themselves. More importantly, they are fooling the Australian public and they are going to do enormous future damage. The

mortgage that has been placed on our children and our grandchildren would have been extended to our great-grandchildren. On this side of this chamber and on our side of the other chamber we are not prepared to allow that to continue. That is why we have taken the measures that we have.

The prophecy of my words will be judged in three years time when I firmly believe that you will find both the economic conditions in this country and our capacity to manage and run ourselves greatly improved.

On top of that, we will have the charter of budget honesty. The Australian public would have known the state of the books if that charter had been in place before the last election. If the public had known the state of the books, the rout of the Australian Labor Party in that election would have been far greater.

The government has delivered a budget to help families; protect those less able to look after themselves; reward individual effort, and I want to underline that; encourage small business; and guarantee a fair go for all. Those people have responded positively to the budget.

The budget is a greater effort at fiscal consolidation, a matter about which I have spoken. It reduces the budget deficit by \$7.2 billion over the next two years, primarily through fair and equitable reductions in outlays.

The budget is an investment in the future by raising public savings and thereby national savings, which is absolutely crucial in addressing our current debt and our ability to get off the bankcard on which the Labor Party lived to the tune of running up an additional \$80 billion of debt in the last six budgets. That was the Labor Party's record and that is what it has to understand. Until such time as the Labor Party addresses that, it will stay right where it is.

Senator McGAURAN (Victoria) (4.39 p.m.)—What a difference a week makes in politics. The handing down of the budget really was a watershed for this government. On any analysis, we have got over that very difficult period in the lead-up to the budget

when there were many false reports and leaks. All the haunting that went on before the budget did not come about. The budget really has been welcomed by the Australian public and by all commentators who acknowledged that a strategy is now in place to bring the budget into balance.

If this is the week that was for the government, on any analysis the Australian Labor Party has had a disastrous week which began with those disgraceful scenes of violence the other day in the parliamentary foyer. For all the harm and shame that brought, it revealed the irresponsibility and the neglect of some union leaders—and no less than Bill Kelty. I remind the Senate that Bill Kelty has not retracted his comments that he believed it was one of the most successful demonstrations ever held in Canberra. That comment has damaged the opposition because Bill Kelty is clearly recognised as a Labor man. He must be an embarrassment today for the Labor Party.

Secondly, we had the absolute shock resignation of Senator Colston, which shifted the power axis in this Senate. Because we now have another option to get our budget through, we believe that there will be a less obstructionist attitude; whereas before it was a certainty that we would have our budget obstructed and frustrated.

On top of that very poor week for the Labor Party, they have now come into this chamber with this matter of public importance to cap it off. And to think there are still two days to go! Listening to Senator Sherry and the other opposition speakers, one would conclude that Labor is still in the self-denial mode of the 1996 election. I do not know how much longer it will go on. They really believe they are the keepers of the flame for the poor, the sick, the elderly, the young and the like.

But the truth is that they are the cause of these people's woes. They gave the poor a greater gap between the rich and the poor. In the last budget in government they lifted the Medicare levy of the sick. They broke the promise to the old to remove pensioners from the tax system. And they gave the young 28 per cent to 30 per cent unemployment. More-

over, during their 13 years in government, they took every Australian on a roller-coaster ride of high interest rates and debt. It came to a crushing end in 1996 with the equivalent worst current account deficit in the OECD—worse than Mexico's. I remember the ambassador for Mexico complaining that we even dared compare their current account with Australia's.

The Labor Party left us with a foreign debt greater than \$180 billion; six consecutive deficits; an \$8 billion hole which has now jumped to \$10 billion; an interest rate second only in real terms to that of Italy's; and a disgraceful unemployment rate fixed at greater than eight per cent.

It is a privilege to be in government. But when the Labor Party had that privilege nothing greater symbolised their attitude towards breaking promises than the key 1993 budget. That has even been conceded by the former Prime Minister and by the best analysis by Gary Gray, a man who has all the research before him. He conceded that the 1993 budget was so full of broken promises that it ruptured for good the Australian voter's support for the Labor Party.

The first and most infamous broken promise was the 1-a-w law tax cuts which never eventuated regardless of the then Prime Minister saying that the tax cuts were enshrined in law. Of course, that comment was a fraud. The second most infamous broken promise in that 1993 budget was the hiking up of sales tax to the tune of nearly \$4 billion—a broken promise Senator Cook had responsibility for carrying through the Senate.

The third most infamous broken promise in the 1993 budget was the lifting of the company tax rate from 33 per cent to 36 per cent, regardless again of the former Prime Minister's commitment, 'What I am promising is not to put up taxes.' Those opposite never recovered from that deceit and the magnitude of the 1996 election gives evidence to that.

Now we have the child of trampoline economics, Senator Sherry, preaching to the Senate about election promises. Senator Sherry's generation of politicians are going to have to wear for many years to come the

deceit of their past colleagues. At every branch and community meeting and every industry meeting that the likes of Senator Sherry attend they will have this quoted back to them, 'How can we trust you when you were so dishonest when you had an opportunity in government—you broke so many promises in government.' You will have this repeated to you out in the community at just about every meeting you go to.

It really will be a very long crawl back to credibility for the opposition. This week's events—the worst I have known for the Labor Party since I have been in parliament—really are a setback to the crawl back to credibility. Not only did the previous government have no regard for keeping their promises, but they had an absolutely reckless attitude towards taxpayers' money. I will just read statistics from the last four Keating Prime Minister budgets. (*Time expired*)

The PRESIDENT—Order! Senator McGauran, your time has expired. That brings to an end the matter of public importance.

NATIONAL FIREARMS PROGRAM IMPLEMENTATION BILL 1996

First Reading

Bill received from the House of Representatives.

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

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

Bill read a first time.

Second Reading

Senator HERRON (Queensland—Minister for Aboriginal and Torres Strait Islander Affairs) (4.47 p.m.)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

As all here are aware, the tragedy in Port Arthur in April prompted historic decisions in relation to firearms in this country. On 10 May and 17 July the Australasian Police Ministers' Council agreed on nationwide gun control measures.

All governments in this country are agreed that possession of firearms is not a right but a conditional privilege. The new measures will include effective nationwide registration of all firearms, the need for applicants for firearms licences to establish a genuine reason for owning, possessing or using a firearm and uniform basic licence requirements. Personal protection will not be regarded as a genuine reason for owning, possessing or using a firearm.

A significant element of the measures is the amnesty and compensation scheme for owners of self-loading rifles, self-loading shotguns and pump-action shotguns. Such guns are to be the subject of nationwide restrictions. There will be limited access to certain categories of self-loading rifles and shotguns and pump-action shotguns for primary producers and exemptions for military, police and occupational shooters licensed for a specific purpose such as extermination of feral animals. The scheme will require gun owners to hand in firearms falling within the restricted categories during the nationwide amnesty period in return for fair and proper compensation.

The Commonwealth agreed to meet fully the direct cost of the compensation-for-surrender scheme, funds for which have been raised by a one-off increase in the Medicare levy for the income year 1996-97. This increase is already in effect and it remains only to permit the monies raised to be paid to the states and territories to assist them in achieving the full implementation of the new nationwide gun control measures overwhelmingly supported by the majority of the Australian people. A very large total cost is involved. It is estimated that the increase in the Medicare levy will raise around \$500 million. This government has agreed to provide assistance to the states on such a scale to demonstrate national leadership in dealing with the problem of gun control.

This bill allows the Attorney-General to authorise payments by way of financial assistance to the states and territories for the purpose of providing compensation to firearms owners and dealers. It also allows the Attorney-General to authorise payments to the states and territories and by the Commonwealth for purposes directly connected to the compensation scheme and for implementation of the new nationwide licensing and registration schemes. The bill appropriates monies from the Consolidated Revenue Fund for these purposes.

Payments for reimbursement of compensation paid for surrendered firearms are limited to those surrendered during the national amnesty period of 10 May this year to 30 September next year, or such shorter period as the Attorney-General determines if any jurisdiction decides on a shorter amnesty. Gun dealers will also be able to claim for loss of business associated with surrender of stock

and the Commonwealth will reimburse the states and territories for compensation paid in relation to such claims if the claim is lodged during the national amnesty period.

Swift action is essential if we are to have really effective nationwide firearms laws. The Commonwealth has already demonstrated its commitment by acting quickly to amend the Customs (Prohibited Imports) Regulations to complement the resolutions of the Australasian Police Ministers' Council and by increasing the Medicare levy. Now it is time to take the next step to support the states and territories in their endeavours to achieve effective controls.

Simple and short though it is, this bill is of major importance in the implementation of the national firearms program. It provides support to the states and territories, will enable the compensation-for-surrender scheme to go ahead and, I hope, encourage owners of banned firearms to come forward and surrender them.

It is, therefore, extremely important that the bill be passed through the Parliament as quickly as possible. The government acknowledged this by introducing it in the House of Representatives on the first day of sittings. We have had multi-partisan support right from the beginning for the new nationwide firearms laws. That has been invaluable in achieving community consensus. In the House of Representatives, the opposition gave its continued support to the measures being taken and the bill was passed the day after it was introduced. I ask all of you here in this place also to continue to support the proposed nationwide measures being taken and pass this bill quickly. In this way we will help to encourage the speedy surrender of these firearms and ensure greater protection from violence for the whole Australian community. Let us all act together to make this country a safer place.

I commend the bill to the Senate.

Ordered that further consideration of the second reading of this bill be adjourned until the first day of sitting in the Autumn sittings, in accordance with the order agreed to on 29 November 1994.

DEFENCE LEGISLATION AMENDMENT BILL (No. 1) 1996

First Reading

Bill received from the House of Representatives.

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

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

Bill read a first time.

Second Reading

Senator HERRON (Queensland—Minister for Aboriginal and Torres Strait Islander Affairs) (4.48 p.m.)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

This bill amends the Defence Force (Home Loans Assistance) Act 1990 to implement the government's election commitment to expand substantially the benefits available under the Defence Homeowner Scheme. The bill also makes corrections to the Defence Force Discipline Act 1982.

The government recognises that the dedicated service of Defence men and women is a critical element in maintaining Australia's national security. The conditions of service for those men and women must be tailored not only to providing appropriate remuneration for their efforts but also to recognising the unique characteristics of Defence Service.

The Defence Homeowner Scheme is established by the Defence Force (Home Loans Assistance) Act. It is designed to meet the requirements of both the Defence Force and individual members. It offers an interest rate subsidy on home loans which is related to length of service, with the benefit being enhanced for members who provide operational service.

The characteristics of Defence Force service—such as regular postings to different locations—make home ownership a particular challenge for our Service personnel. The Homeowner Scheme assists them to meet that challenge.

The coalition parties' Defence election policy pledged enhancement of the benefits in the Homeowner Scheme and its extension to eligible members of the Reserves. This bill delivers those policy pledges.

The amendments to the Defence Force (Home Loans Assistance) Act double the maximum amount of subsidised loans to \$80,000 (or \$160,000 where spouses have a joint entitlement). This increase will be available for existing as well as new borrowers under the Homeowner Scheme.

In the case of members rendering continuous full-time service, the basic eligibility period for new borrowers is reduced from 6 to 5 years.

2.

The Homeowner Scheme will also be extended to Reservists who have completed a basic eligibility period of 8 years of statutory training obligation.

The remaining amendments made by the bill relate to references in the Defence Force Discipline Act.

The Defence Force Discipline Act provides a code for the investigation and prosecution of service offences committed by members of the Defence Force. The act itself specifies some offences directly related to Defence Force service and deals with other more general offences (such as aggravated assault and burglary) by adopting the criminal law applying in the Jervis Bay Territory. The law applying in the Jervis Bay Territory is essentially the law of the Australian Capital Territory, which has included the New South Wales Crimes Act, as amended by laws of the Australian Capital Territory.

In 1992, Australian Capital Territory legislation changed the status of the Crimes Act in force in the Australian Capital Territory (and which is therefore applied to the Jervis Bay Territory) from an act of New South Wales to an act of the Australian Capital Territory.

The current references in the Defence Force Discipline Act to the Crimes Act of New South Wales in its application to the Jervis Bay Territory therefore need to be replaced by references to the Crimes Act of the Australian Capital Territory in its application to the Jervis Bay Territory. Failure to make the change could put at risk prosecutions based on Defence Force Discipline Act provisions adopting Crimes Act offences.

The amendments to the Defence Force Discipline Act will correct these references from the date of commencement of the relevant Australian Capital Territory legislation.

I commend the bill to the Senate.

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

GOVERNOR-GENERAL'S SPEECH

Address-in-Reply

Debate resumed from 8 May, on motion by **Senator Teague**:

That the following Address-in-Reply be agreed to:

To his excellency the Governor-General

MAY IT PLEASE YOUR EXCELLENCY—

We, the Senate of the Commonwealth of Australia in parliament assembled, desire to express our loyalty to our Most Gracious Sovereign and to thank Your Excellency for the speech which you have been pleased to address to parliament.

upon which **Senator Faulkner** had moved by way of amendment:

That the following words be added to the Address-in-Reply:

", and the Senate is of the opinion that no part of Telstra should be sold."

The PRESIDENT—Before I call Senator Murray, I remind honourable senators that this is his first speech and I ask that the usual courtesies be extended to him.

Senator MURRAY (Western Australia) (4.50 p.m.)—Thank you, Madam President, members of the Senate and, in particular, my colleagues from Western Australia. It is entirely appropriate for a politician from Australia's first and best women's party to introduce himself to the Senate with a tribute to women—three of them to be precise—to whom I owe so very much. I salute and thank first my mother, second my wife and, most recent in my life, my leader, all of whom have got me this far. I also salute and thank my political mentor Jack Evans and, most importantly, I thank the 94,000 Western Australians who gave me their primary vote.

I am the third Western Australian to be a Democrat senator and the first to be elected at a half-Senate election. I am not Australian born but I have wanted to live in this wonderful country all my adult life. I first applied as an immigrant in 1972. It was only in 1989 that I finally made it. I am profoundly grateful to the Australian people for welcoming me and my family as they have.

I am not going to spell out what attracted me as a migrant. I doubt the attractions of Australia for me were much different from those of the millions who have preceded me. But I will spell out some of what drove me to the Democrats and into Australian political life. I have had a very wide experience of life which has included travelling extensively and living and working in four countries on three continents. So I feel qualified to compare Australia with other countries. Every country is unique and worthwhile in its own way. But Australia, more than most, has such a rich and varied environment. It has such sweep and space, such grandeur and mystery. It has space for the soul and laughter, for achievement and contentment. It has such great prospects, such an attractive way of life and such a strong culture and style.

I came to politics because I had most of all a sense that what we had in Australia was so worth preserving. With this in mind, for me it was inevitable that I would feel obliged to adopt a protective, conserving and caring political party, rooted in the heart and not the pocket, one with an alternative story line.

It is what has made me a strong environmentalist. It is what has made me so opposed to the current economic dogma. It is what has made me so opposed to the carpetbagger approach of selling off our assets to foreigners. Economic colonialism is such an unattractive theology.

I have known war, strikes, riots and economic sanctions. I have known the menace of state security in the old regimes of Africa. I know the difference between tyranny and democracy. I am proud to be in this liberated and advanced democracy. But I am also aware of the road stretching before us. You will hear me plead for more openness, accountability, transparency and progressive participative democracy in Australia.

As a WA senator I must touch on my state. Unfortunately, despite its many virtues and strengths, in my view it is still a state tainted by maladministration and it is still consistently failing to sufficiently and satisfactorily address community needs and expectations. It is still a state where the 1992 royal commission recommendations and the 1995/1996 Commission on Government recommendations have not been enacted. Until they are, WA Inc. lives on.

Many of the people who occupy positions of power and influence in WA's government see it as little more than an extension of the business sector. Any part of government that is not making money, saving money or furthering the immediate goals of the business sector, has come to be seen by these people as less relevant.

The institution of government has internalised the value system of economic rationalism to the point where it has lost its civic vision of what its broad community role and responsibility should be. Government has come to believe that at best its role is to use its powers and resources to facilitate commercial and private enterprise. Beyond that it seems to see

itself as merely an inconvenient and irrelevant aspect of community life which should make itself as small as possible or do away with itself altogether.

Government is not an alien imposition on the community. Government is not a virus from Mars or a cruel joke of the gods. Societies have fought long and hard to establish democratic government. The ancient Greeks knew that government done properly is the people, is the community.

Government is an integral and inherent part of any healthy community. Government is for society—to give effect to society's cares and responsibilities in the broadest sense. Human society cannot and must not be reduced to mere business values and transactions, and neither can government be reduced to mere financial, commercial or economic knob twiddling.

I want to make some brief remarks on constitutional matters arising out of extensive work I did for WA's Commission on Government. I am one of those who sets great store by our social contract—our constitution. The Australian constitution gained its legitimacy by being designed by Australians and by being convincingly approved by the people by referendum. In contrast, the Western Australian constitution is an act of the United Kingdom, reinforced by subsequent legislation in WA. It has never been accorded popular and democratic approval through a convincing referendum process.

In WA we have an incomplete and fragmented set of precedents and documents that provide something of a constitutional framework. Certainly, there is no single, holistic and cohesive constitutional document. It does not exist, although the state is trying to write up a summary document.

As a result of the democratic process, the sovereignty of the Australian people has been established as the fundamental underpinning of the Australian constitution. The sovereignty of the people might be implicit in the WA state constitution, but it is certainly not its fundamental basis. In its origin the WA state constitution was not founded on the consent of the Western Australian people. WA Aboriginals might well regard the WA constitu-

tion as alien and offensive. It is still non-inclusive. Under this existing constitution WA Aboriginals suffered appallingly and the most basic of human rights were violated.

The current system of government in WA has its roots in imperialism and colonialism, in constitutional monarchy and executive dominance. The WA state constitution reflects this historical milieu. The original Australians, the Aboriginal people, had no place nor say in its making, neither did Australian women, by and large. Many Western Australians advocate change and major improvements to our systems of government. They deserve to get it.

I and the Australian Democrats believe that Australia should be a sovereign, democratic and independent republic with an Australian head of state. It follows that I do not agree with the current nature and method of selection of a state governor who owes allegiance to a foreign power.

I believe that any state constitution has to recognise the just claims for inclusion and rights of the Aboriginal peoples. I believe that the legislative, executive and judicial powers must be separated. The ending of executive dominance of all the branches of government is required. I believe that the quota-preferential system of proportional representation should be enshrined in our state constitution.

I want to touch briefly on secrecy in WA, but these remarks are also apposite to government elsewhere. Again, this has had much focus by the Commission on Government in WA. My view is that dark deeds are always done in secret. Corruption and malfeasance only occur in secret. It is logical that the less secrecy the better.

There are over 100 acts in WA with secrecy clauses—a situation the Commission on Government has condemned. I want a style of government where the ethos of secrecy is in retreat, not maintained and reinforced. Secrecy in public affairs is not desirable of itself. Secrecy does not have equal weight with openness.

The reconciliation of secrecy with openness can be achieved by three means. Firstly, ensuring that grey and discretionary areas for

decisions on secrecy in laws, government and public office are almost eliminated. Secondly, by enshrining in legislation that where there is doubt the bias is always to fall on the side of public interest, accountability, exposure and access. Thirdly, repealing all secrecy provisions in the 100-plus WA acts identified as having them, and only if necessary reconstituting them as exemptions in the Freedom of Information Act.

I want to touch on values now. People like me become activists not because we believe we can save the world but because we believe each individual can and must make a difference and that, if some essential truths, values and issues are under threat, we must join the fight to save or preserve them.

With politics as a new career, I have asked myself the question as to whether or not I have entered a profession, or even an honourable one. My *Chambers Dictionary* defines a profession as requiring some degree of learning and as a calling. It also defines it as a pretence! For the first time in my life I know what it is like to be a lawyer, always having your occupation pilloried. I am now a member of a profession which is characterised at its worst as opportunist, cynical, manipulative, self-serving, dishonest and not to be trusted. I do not like that much. I doubt that any of us do. It may not be true, but that perception is out there and I think it is important to conduct politics in a way that lessens and not increases that perception.

I believe that the greatest task for your government is to start to restore the faith of the people in government. In my view, that is an impossible and insurmountable task if we go on as we have been. I will be making my own effort to maintain the high ideals of politics. I have already met senators who give you great faith in their humanity and decency, regardless of their political persuasion. No doubt I will also meet the other kind.

People who do know better do abuse our trust. However, priests who defile children, lawyers who launder cash and politicians who lie have not yet, thankfully, destroyed our faith in our ideals. Ideals transcend humanity's failings. Fallible priests are still part of the doctrine of aspiration. Their calling does

still promote love, faith, hope and charity. Those lawyers greedily approbating and reprobating over their victims are nevertheless part of a profession of high ideals. Their calling still does promote equity and fairness, justice and truth. Lying politicians feeding off ego and power are still part of our social and institutional drive for perfection. The role of politicians still is to resolve the tensions of society, to make the present better and the future safe and fulfilling.

The governments that have governed my state and the country over the past 20 years have followed broadly similar policies. Yet the people tell me our society has deteriorated—fractured communities, aggressive citizens, unsafe streets, fewer and more insecure jobs and greater stress. Rural and regional Australia sometimes scream with the pain of it all. It must surely be time for governments to say, 'Hang on. Have we got this right? Has the economic and political speak been right? Is there a better way?' I know that no-one comes to this place wanting to make things worse—of course not. But have the right choices been made, even in good faith?

A fundamental premise is that the government is there to look after the little guy. It is sometimes a little difficult to remember the little guy when it is always the big, the articulate and the moneyed breathing in your face. It is not good enough to talk small business but act and crony with big; to talk individual choice but to exploit the individual; to talk community and family but to leave each of us to our own devices. These little guys feel there is a massive attempt to transfer expenditure on services from the government to the individual, from the community to the person—toll roads, health, education, phones and television—and becoming a society which says, 'You've got to make it on your own; there's no-one out there for you.'

In my nearly 30 years in the business world I have grappled with money, management, machines and massive change. I hated the firings, even when they were essential. When I see figures like 15,000 public servants retrenched, I do not just see millions of dollars; I see aching hearts, suicide, drinking problems, the break-up of families and the

collapse of self-esteem. Is there no better way? William Butler Yeats, in *The Second Coming*, said:

Things fall apart, the centre cannot hold.

I ask you: have the rules so changed that there is really no turning back? In these two houses of parliament we have members who belong to many different organisations. Some belong to the H.R. Nicholls Society. I want to quote from a submission at a public hearing on the new IR bill at which their representative said the following:

It is ironic that these arbitral decisions are often justified in the name of social justice or fairness or equality, or some other weasel words.

He went on to say that fairness 'is not a word that I think should be used in political discourse because it is empty of meaning'.

I freely accept that you cannot ascribe these sentiments to all the members of this society. My purpose in quoting them is not just to register my profound shock that some of our most fundamental principles, ideals and ethics could be so publicly attacked by an organisation with some standing, but to indicate my concern that the public onslaught on our values has reached a very fundamental and deeply distressing level. It will be a sorry day for us when members on opposite sides of the political fence cannot even begin with a basic moral vocabulary that includes a common understanding of the word 'fairness'.

We have to have values. Economics and markets are largely value-free. We have to draw a value line. The values that we need in government should firstly be civic and secondly managerial. We need the certainty and positivism that comes from commonly accepted values. People are more important than markets. I quote from Shakespeare's *Coriolanus*:

What is the city but the people?

In an article in the *National Business Bulletin* the notable West Australian Janet Holmes a Court has said that she was able to rescue her Heytesbury group because she focused on people. She said:

. . . it takes about three years to convince someone to get rid of the baggage that capital is more important than people . . . You don't ever see a line in a balance sheet for 'people' and our bankers

could never understand that there was a magic element which was unbudgetable in traditional accounting terms. If I had gone down the path recommended to me by our bankers, we would not have survived . . . it is the unbudgetability of the human factor. It is people who achieve things, not capital.

When I hear the economists appointed by our mega media moguls extolling the latest sackings body count, I am reminded of journalists far from the battle. I think they should descend to the battlefield and smell the suicide, despair, loss of self-esteem and loss of hope before being quite so ready to laud and sanitise sackings.

Quotations, like statistics, can be twisted to suit the occasion. But the controversial philosopher Friedrich Nietzsche said:

If we wish a change to be as radical as possible, we have to apply the remedy in small doses, but unremittingly, for long periods. Can a great action be accomplished all at once?

This can easily be regarded as the maxim of the long line of economic fundamentalist rationalists which Australia has been subject to—like communists who said that paradise was always after the next sacrifice.

I say that it is time to accept that we are not better off for many of those sacrifices. I say that it is time to have courage—to have the courage to be cautious; to have the courage to question the wisdom of those who have been leading us down a painful, largely value-free and absolutely economic road; to have the courage to call for governments which offer more than a future of dirtier air and water, fewer trees and animals, fewer jobs but more millionaires, fewer opportunities and the slow but insistent draining away of hope. The whole of human history, of human endeavour, is founded on hope—a hope for a better future, for prosperity, contentment, inclusion, a golden age; a hope for knowledge and entitlement. Hope is what government should be about.

I make these remarks not because I believe that they will be heard but because this must be said. I feel that we are going through an era of tearing down, not building; of destroying, not creating. Change is being peddled without progress. We are moving from a political autumn to a political winter. That

may be fair enough, but what hope do you offer for a political spring?

For me, politics must be about hope. I believe that there is not one person here who does not understand the meaning of fairness, of justice and of hope. In this place, more than in just about any other, all of us daily get the chance to show our respect for these concepts. We get the chance to show our humanity. What I will try to keep before me throughout my time here is this belief: that, as divided as we may be, we all share in the goal of a better today and in the idea of a bright and magnificent future.

Honourable senators—Hear hear!

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

ASSENT TO LAWS

Messages from His Excellency the Governor-General were reported informing the Senate that His Excellency had, in the name of Her Majesty, assented to the following laws:

- Medicare Levy Amendment Bill 1996
- Income Tax Assessment Bill 1996
- Primary Industries and Energy Legislation Amendment Bill (No. 1) 1996
- Health Legislation (Powers of Investigation) Amendment Bill 1996
- Australian Sports Drug Agency Amendment Bill 1996
- Customs and Excise Legislation Amendment Bill (No. 1) 1996
- Sydney 2000 Games (Indicia and Images) Protection Bill 1996
- Export Market Development Grants Amendment Bill (No. 1) 1996
- Housing Assistance Bill 1996
- Migration Legislation Amendment Bill (No. 1) 1996
- Telecommunications (Carrier Licence Fees) Amendment Bill 1996
- Australian Federal Police Amendment Bill 1996
- Crimes Amendment (Controlled Operations) Bill 1996
- Parliamentary Contributory Superannuation Amendment Bill 1996
- Customs Amendment Bill 1996
- Taxation Laws Amendment Bill (No. 1) 1996
- Customs Tariff Amendment Bill (No. 1) 1996

DOCUMENTS

Department of the Senate

The PRESIDENT—I present documents relating to the Department of the Senate as listed at item 18 on today's order of business:

- Business of the Senate: 1 January—30 June 1996
- Work of Committees: 1 January—30 June 1996
- Questions on Notice Summary: 19 March—30 June 1996

COMMITTEES

Reports

The ACTING DEPUTY PRESIDENT (Senator Patterson)—Pursuant to the resolution of the Senate of 23 August 1990, I present the reports of committees as listed at attachment A of today's Order of Business, together with the various transcripts of evidence, submissions and minutes of proceedings which were presented to me, the Temporary Chairman of Committees, after the Senate rose on 27 June 1996. In accordance with the terms of the resolution, the publication of the documents was authorised.

Ordered that the reports be printed.

The report read as follows—

COMMITTEE REPORTS PRESENTED TO THE PRESIDENT, DEPUTY PRESIDENT AND TEMPORARY CHAIRS OF COMMITTEES SINCE THE LAST SITTING OF THE SENATE

Privileges—Standing Committee—62nd report—Committee of Privileges 1966-1996: History, practice and procedure.

Foreign Affairs, Defence and Trade References Committee—Report—Australia's Air Links with Latin America

Foreign Affairs, Defence and Trade Legislation Committee—Report—Scrutiny of Annual Reports No. 1 of 1996

Employment, Education and Training References Committee—Report—Childhood matters: Report on the inquiry into early childhood education

Native Title and the Aboriginal and Torres Strait Islander Land Fund—Joint Committee—4th Report—National Native Title Tribunal Annual Report 1994-95

Native Title and the Aboriginal and Torres Strait Islander Land Fund—Joint Committee—5th Report—Aboriginal and Torres Strait Islander Commission Act Annual Reports 1994-95 prepared pursuant to Part 4A of the Aboriginal and Torres Strait Islander Commission Act 1989

Senator CHRIS EVANS (Western Australia) (5.13 p.m.)—by leave—On behalf of Senator Ray and the Privileges Committee, I move:

That the Senate take note of the report.

This report of the committee describes its history, practice and procedure from its establishment in 1966 to the commencement of the present parliament. The body of the report encompasses a brief history of privilege generally from 1901 and gives a thematic outline and evaluation of the committee's activities.

The report is supplemented by a series of appendices, which consist of the Parliamentary Privileges Act 1987 and its explanatory memorandum; the Senate privilege resolutions of 25 February 1988, with explanatory statements; a list of chairs, deputy chairs and members of the committee; an analysis of the committee's work since its establishment, together with a summary of committee reports and Senate action on each, and an index to the reports. To give maximum access to information contained in the report, the committee has arranged for it to be placed on the Internet.

On behalf of the committee, I wish to pay special tribute to former Senator Baden Teague, who served as both chair and deputy chair of the committee and was a member of the committee from the passage of the Parliamentary Privileges Act 1987 until his retirement on 30 June 1996; and also to former Senator John Coates, who spent a year on the committee from 1984 to 1985 and rejoined the committee in 1987. Senator Coates remained with the committee until his retirement yesterday. The committee believes that this present report is a timely recognition of their contribution to its work.

In commending the report to the Senate, I wish particularly to acknowledge the committee's research officer, Barbara Allan, without whose diligence and research expertise the report would not be the comprehensive and historical document which has been tabled. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

DOCUMENTS

Auditor-General's Reports

Reports Nos 1 and 2 of 1996-97

The ACTING DEPUTY PRESIDENT (Senator Patterson)—Pursuant to the resolution of the Senate of 13 February 1991, I present the following Auditor-General's reports which were presented to the President after the Senate adjourned on 27 June 1996:

Report No. 1 of 1996-97—Performance Audit—Passenger Movement Charge—Australian Customs Service

Report No. 2 of 1996-97—Performance Audit—The Administration of the Australian National Training Authority (ANTA)

In accordance with the terms of the resolution, the publication of the documents was authorised.

International Convention for the Regulation of Whaling

The ACTING DEPUTY PRESIDENT—Pursuant to the resolution of the Senate of 13 February 1991, I present a treaty amending the International Convention for the Regulation of Whaling 1946, which was presented to the President after the Senate adjourned on 27 June 1996. In accordance with the terms of the resolution, the publication of the document was authorised.

Responses to Senate Resolutions

The ACTING DEPUTY PRESIDENT—I present the following responses to three resolutions of the Senate:

Correspondence and response by the Brazilian Ambassador to a resolution of the Senate of 19 June 1996 concerning land rights in Brazil.

Response by the Minister for Health and Family Services to a resolution of the Senate of 23 May 1996 concerning Schizophrenia Awareness Week and issues surrounding schizophrenia.

Response by the Premier of Victoria to a resolution of the Senate of 28 June 1996 concerning strip searches conducted at Fairlea Women's Prison.

Aboriginal Land Rights (Northern Territory) Act 1976

The ACTING DEPUTY PRESIDENT—I present a resolution from the Northern Territory Legislative Assembly concerning the

Aboriginal Land Rights (Northern Territory) Act 1976.

Auditor-General's Reports

Report No. 3 of 1996-97

The ACTING DEPUTY PRESIDENT—In accordance with the provisions of the Audit Act 1901, I present the following report of the Auditor-General:

Report No. 3 of 1996-97—Follow-up Audit—compensation pensions to veterans and war widows—Department of Veterans' Affairs.

Indexed List of Files

The ACTING DEPUTY PRESIDENT—Indexed lists of files for the Defence Force Remuneration Tribunal and the Remuneration Tribunal are tabled pursuant to the order of the Senate of 30 May 1996.

COMMITTEES

Scrutiny of Bills Committee

Senator COONEY (Victoria)—I present the fifth report of 1996 of the Senate Standing Committee for the Scrutiny of Bills. I also lay on the table *Scrutiny of Bills Alert Digest No. 5 1996*, dated 21 August 1996.

Ordered that the report be printed.

AIRPORTS BILL 1996

AIRPORTS (TRANSITIONAL) BILL 1996

Second Reading

Debate resumed.

Senator MARGETTS (Western Australia) (5.19 p.m.)—When I was interrupted, I was speaking of buffer zones around airports. As an accident, a by-product of planning that occurred before ecological values were considered, the establishment of airport buffers was fortuitous. But we should not pretend that these areas can still be considered worthless bush or scrub. We no longer live in an era where natural vegetation is considered simply an impediment to development. Clearing land is no longer seen as a goal in itself.

Today, these remnant areas are often the only surviving examples of the original ecology of the urban areas, the only remnant habitat of sometimes dozens of species that

have disappeared under concrete and lawn. Little areas caught between canals, within the fences of explosive reserves or around airports are often the only sites where various species are located: species of native grasses, bushes, wildflowers and trees once common in our urban areas. These buffer zones may be the only places they can now be found. Worms, lizards and all sorts of fauna are also found there, often uniquely, since their habitat has otherwise vanished. It could be fungi; it could be all those things that are not exactly warm, fuzzy animals; but they are important. Biologists are still discovering species in these urban pockets of natural land—species they never knew existed and which are now almost gone from the earth.

I do not believe it was the intention of the previous government to simply forget these things: these fellow creatures that share our earth, these small remnants of what the biotic bounty of our cities once was. I sincerely hope it is not the intention of the current government to see these things as expendable, to be thrown away without consideration to put up yet another hotel or a parking lot, or to allow some company to make a few more dollars.

I quote from the local newspaper in Western Australia in relation to airport developments: 'Let's not let a tortoise get in the way of development.' I will be putting a few amendments that I think will at least ensure that these elements are considered so that there will be input into planning from those who care about these things and from those who know. I would like to point out that, as in Perth, it is often not the experts who know; it is often the local naturalists, the keen amateurs and the biology students who spend their spare hours over a period of years in these buffer zones, in the wetlands and along the riverbanks.

The experts of the EPA are often far too busy to focus on such things. They do not have the time. Knowing an ecology is, in many respects, a labour of love. Knowledge of the principles of biological interaction cannot substitute for being close to the earth, a certain plot of earth, for learning its cycles and seasons and for becoming familiar with

the life there. It is the same as the fact that knowing sociology or psychology cannot substitute for personal knowledge of the people of a community or of your own family. It is important that the plans which will affect our environment involve consultation with the people who do know the specifics of the earth in a place as well as consultation with experts.

Our amendments are fairly simple. The master plans and development plans currently include a requirement to note projected impacts of noise and to consider and note all potential environmental impacts. We would amend the requirements so that these impacts are not just noted but that the proponents would have to include a strategy to address these impacts. It is not enough to simply note that these things are likely to happen—that is, that we will ruin the wetlands. Accountability demands management plans.

The noise issue is particularly important. With the environmental impacts, these are, to some extent, covered in the environmental strategy. But in the environmental strategy in division 3, concerning what may be regulated in terms of environmental standards, the phrase in 124(1)(b) that 'the emission of noise generated at airport sites (other than noise generated by aircraft in flight)' creates an implication that environmental management involves only the site of the airport, at least in regard to noise and possibly in regard to other things.

The major issue regarding noise is about residents and about 'noise generated by aircraft in flight'. If this is not to be considered in the environmental strategy, then it must be considered in the context of the master plan and development plans. In fact, it is to be considered in the current bill, but there are no provisions for plans about how to manage or address the problem. Also, as noted below, there are no penalties for contravention of the environmental strategy, while there are requirements under section 76 for bringing a problem with achieving objectives of the master plan to the attention of the minister, and penalties for failing to do so.

The lack of a requirement for plans for management of noise is a serious omission. It

is particularly serious considering that previously the government response to a government owned and operated airport has been to try to insulate residential houses under the flight path to reduce the noise exposure inside the houses. Such a plan cost millions of dollars and the results were far from satisfactory, with the government arguing that they would insulate the bedrooms but not living spaces such as kitchens and dining rooms. What is supposed to happen in future? If a private manager makes decisions or changes that result in unacceptable levels of noise, who decides what is to be done? Who will pay? Will government subsidise the airport lessees? Will residents simply be sacrificed? There is really no provision in the current bill for dealing with this at all.

Among other things, we seek to alter the environmental regulations section to allow regulations regarding noise from airborne aircraft. The regulations are optional; they may be drafted. A regulation in relation to aircraft noise may be nothing other than a regulation requiring that the forecast required for the master and land use plans must include profiles for noise impact broken down by time and neighbourhood.

We are also concerned that there can be alterations to land use that do not fit under the definition of a major development, yet which create a substantial environmental impact. For example, part of a minor development may include drainage that affects water levels in a significant wetland. The development may cost less than \$10 million and so not require a change to the land use plan nor a change to the master plan or environmental strategy, yet it will have a clear impact.

Both the master plan and environmental strategy are to be replaced every five years but may just continue in operation beyond the five-year period if a replacement is not approved. Under section 122(2), contravention of the environmental plan is not an offence. Under 122(3), it does not affect the validity of an agreement though it may be grounds for an injunction. The only place which might require an examination of the new project is under state law or under the development plan. This is why we have included a new

category stating that a development proposal having substantive impact on the environment is as much a major development as an extension of a runway. I do not believe it is the intention of parliament that a development having a significant environmental impact should be free of scrutiny just because the cause of the impact was not monetarily expensive.

We will also seek to clarify the situation with regard to federal environmental regulations and state or territory regulations. Initially we were told that the Airports Bill guaranteed a high degree of environmental accountability. We were told that airports would not be exempted from state and territory environmental law but that, where state law was too lenient or exceptions were made by state legislature, the federal government could put even more stringent regulations in place. The fairly explicit impression I got was that this was to be a system of double safeguards, that airports would be under both state or territory and federal environmental regulations and would have to comply with the most stringent requirements. I am fairly confident that this was the ALP's intention—they may tell me otherwise.

The proposed law does not say that. It says that airports must abide by both state or territory and federal regulations but that federal regulations take precedence in a conflict and further that federal regulations may exempt airports from state or territory law. We have amendments to change this and bring the law in line with what I believe was the original intention of the ALP—and what I hope is the intention of the coalition—that the most stringent measures at either government level should be applied in the protection of the environment.

Finally, the regulations themselves should, I believe, be able to include regulation of impact on habitat and biota. I remind senators that no regulations need be made, and so this simply creates an option to regulate these environmental impacts. The current legislation says that regulations can only deal with pollution, noise and waste, and only at the airport site, yet these are not the only environmental impacts that are likely.

We also believe that, like the plans and strategies, regulations should be made with consultation. It is important to get the input from various sources about what regulations may be appropriate and about any potential problems with regulations. Given the importance of regulations, it also seems an important element of accountability that they should be tabled in parliament as disallowable instruments.

As I said initially, I think it was the intention of the ALP that stringent regulation for environmental protection should apply and that the regulatory regime and development plans for the airports should involve broad consultation. I hope the coalition would agree. If the people are to lose some input, then it is important that they do not lose all input into the impacts of airport development.

I think my amendments strengthen this accountability and responsiveness without unduly compromising the companies that will probably run airports. I wish that this bill not be passed, and I will vote against it. But since it is likely to be carried by the opposition and the government, it should be in a form as responsible and responsive as possible.

Senator MacGIBBON (Queensland) (5.30 p.m.)—I wish to speak on the Airports Bill 1996 and the Airports (Transitional) Bill 1996. Both these bills aid the privatisation and the sale of the leases on the airports held by the Federal Airports Corporation at the present time. I do not wish to canvass the detail of the bills other than in a very superficial sense because that has been dealt with by previous speakers on this side.

What I want to do is review the operation of the Federal Airports Corporation in the six to eight years it has been in existence, as its existence is clearly now drawing to a close, and to highlight the very great conceptual failures that led the Labor government to set up both the Federal Airports Corporation and what was the Civil Aviation Authority before it got broken up further under the guise or the concept of GBEs, government business enterprises.

A GBE is a very fine sounding title, but in practice, administratively, it has been one of the great failures of Australian public admin-

istration. At the end of the day it has been a failure simply because there was no accountability or negligible accountability built into the system. It is all very well to talk about having discrete bodies, government business enterprises, but they did have great power—and, in the case of the FAC, it had both power and economic power—and they really did not have to account for the exercise of that power to anyone at all. In the case of both the FAC and the CAA they were monopoly powers.

They were set up to be self-regulating authorities. The concept was generally based on the belief of user pays, which was quite fashionable in the Labor government, particularly in its earlier years. It is a fair enough proposition in a very broad sense to talk about user pays and about not being a burden on the rest of society, but in the case of these two authorities—the Civil Aviation Authority, as it was then, and the Federal Airports Corporation—there is a demonstrable public interest and a public benefit from those authorities.

You cannot attribute the entire cost of an airport or of the regulation of the airways services to the passengers or to the freight that is carried by the airlines. There is a genuine public interest and the public benefits by those transport facilities, by the development of commerce and all that flows from it.

The other great problem with the user-pays concept in this dimension is that the user literally had no control over the expenditure. There is no requirement on the people providing the service to provide it in the most efficient and, therefore, the most economic form.

The belief was that, if the government business enterprises were set up, they could be self-funding. Not only would that lower taxation to the community at large, which of course never happened, but also there was the belief that, because they were called business enterprises, they would be run more efficiently than when they were departments of state and that thereby costs would be made lower to the users—namely, the industry.

In actual fact all we saw was a great explosion of costs. Costs to the aviation industry

have gone up as a consequence of the introduction of the CAA and the Federal Airports Corporation in 1986, when the legislation was passed by the then transport minister Gareth Evans. The regrettable point is that it does not matter what happens from now on, those high costs are now built into the aviation industry. It will be impossible to get them back to a more equitable figure.

In the case of the Federal Airports Corporation, it was argued that, in the light of experience overseas, particularly the experience in Europe and the United Kingdom, privatisation of airports had been a great commercial success for the authorities that were administering them. That was perfectly true, but there are some significant differences between the European or the United Kingdom experience and Australia.

First of all, in places like Belgium, Holland and London there is great pressure on land. Land is a very scarce resource. If you have a huge area tied up for an airport which has only runways and hangars on it, you are wasting a valuable resource. Given the high population densities around there, it was quite an attractive proposition commercially to develop the land that was not being used for aviation purposes but which was required in any case to enclose runways and hangars for commercial services. That yielded a great benefit.

That argument is not quite transferable to Australia. As someone who has had a long involvement with the aviation industry, I agree that there is a lot of waste land and a waste of resource in all the airports we have in Australia. If we can use that profitably to reduce the costs and the overheads of the airports, I am more than happy to do that. But you have to remember that airports have certain characteristics. They are there for aircraft to operate on and off. They do have a lot of noise associated with them, regrettably. You do need a certain amount of space for aircraft to land and take off. Those requirements for the operation of aircraft must have primacy over any other commercial development which takes place on the airfield site.

The trouble started with the Federal Airports Corporation right at the outset, because

the Labor Party in their usual style were quite dishonest when it came to finance. All the airports in Australia had been paid for by the Australian taxpayers—some of them going back to the 1930s and possibly earlier in one or two other occasions. Not only were they paid for by the taxpayer but their value had been depreciated.

Instead of gifting them to the Federal Airports Corporation, which would have been the correct thing for them to do, they valued them at top dollar at the time as prime development land, transferred that notional value across to the FAC and said, 'We will loan you the money to buy these facilities. Furthermore, we require you to pay a high rate of dividend as a return for the nominal value that we have placed on those airports.' So the FAC got off to a very bad start and, in many ways, a totally unrealistic load was placed on them.

In that sense the management plan was quite wrong. The effect of that has been to build this huge multiplier effect into the overheads of airports, which impacts on Australia's competitiveness internationally. I will give an example of this.

For many years I have been operating out of Archerfield, the secondary airport in Brisbane. When the old Department of Civil Aviation operated the airfields that the DCA owned in Australia, there was a small planning staff in Canberra. I do not how many were in it—maybe half a dozen or a dozen engineers who understood the requirements of airfield civil engineering and air traffic control. They planned what was required for the whole of Australia. All the airports around the country were each manned by probably two or three groundsmen, with two groundsmen for most of the secondary airports. They were people who mowed the grass. Development works, like sealing runways and construction, went out to contractors.

As soon as the FAC was set up not only did we have a huge expansion—dozens more people moved into the central planning authority, with very high salaries for the senior personnel—but we got these huge teams on every airport they control in Australia. Archerfield has maybe 10 or 12 people—

all with very high executive salaries, all with fine titles, such as business manager, development manager, engineering manager, promotions manager and so on. I presume all of them are getting at least \$60,000 to \$80,000 a year and have new cars with mobile phones and radios. That is an overhead that secondary airports simply cannot bear.

When you take on the FAC about the fact they are losing money on these airports, they say that they are losing \$500,000 or \$1 million on X, Y and Z and the only airports they are really making money out of are the primary airports at Brisbane, Sydney and Tullamarine. The reason they are losing money on the others is that they are carrying these absurd overheads that simply cannot be supported.

I declare a personal interest because I am a tenant of the FAC. I have had the unfortunate experience of having to deal with them since they have been in power. I do say quite seriously that they have abused the monopoly powers that were granted to them. Aircraft can be operated only from airfields. They cannot be operated from industrial land, residential land or anything like that. If you live in a capital city, you are obliged to operate from the secondary airport.

The FAC have abused their monopolistic power by being quite unable or unprepared to negotiate on any reasonable terms with their tenants. I originally signed a contract with the old Department of Civil Aviation for a hangar that a group of us had built. That was fairly represented in a lease agreement that took 10 pages. It represented the interests of the tenant and the landlord.

When that lease expired, we were given a 50-page lease agreement from the FAC. Every page of that document was marked and overprinted with the slogan 'For discussion purposes only'. When we came to discuss this 50-page document, which listed every conceivable event and incident which could befall the FAC and protected them and gave no rights to the tenant at all, we met a brick wall. We were told, 'It's non-negotiable. You sign or else.'

The real sticking point of course was the rent. The rent went up very many times. A

tenant simply has no negotiating power with a monopoly landlord who is behaving in this manner. The rental rate was several times that of comparable industrial land over the street. The industrial land over the street is worthless to us. We cannot operate there. We have to operate off the airport. Arguably, we ought to pay a lower rate than that for comparable industrial land rather than pay two or three times the rate for commercial land on the perimeter of the airports.

At the end of the day we are in a position where we just have to give in to the FAC. They very clearly have abused their position and the monopoly powers they have over their tenants. They take one tenant aside and say in private that someone else is paying a certain rate for the rental of a certain property—this is usually someone who has a burning desire to get onto the airfield and knows nothing about the history of it—and, having signed up that person, they then use that as a lever against everyone else with the proviso that, if you do not sign the lease, you take your hangar and return the land to its original condition or they seize your hangar.

They are legally entitled to do that, but it is a pretty draconian way to go about it. It overlooks the fact that some tenants who are on those airports came there under a totally different regime when they dealt with the Department of Civil Aviation. You simply cannot pull down a hangar, dig up six inches of concrete and go.

The way the FAC has gone about this has led to a great flight of people from the secondary airports. That is socially undesirable because the community must have a resource that is an airport. If you do have a designated airport, you can control noise, you can define your approach and departure paths, and you can have a degree of environmental control, which is impossible if people are operating out of a whole lot of small airports.

The other very important point is that it aggregates pilots, maintenance people and aircraft in the one site, which makes oversight and regulation of them very much easier. It becomes very difficult for the regulatory authority if they have to chase after tiny backyard airports all over the place to try to

find out who is up to speed on their maintenance and what operating practices might be. So there are very real social benefits in setting up these secondary airports around the capital areas and running them in an economically efficient way.

We have gotten to the position now where all governments see that the name of the game is to maximise the profits from the sale of the airports. So we have the FAC embarking on an even more rabid rental rise program. Everyone would have seen in the last two to three weeks that Qantas and Ansett had refused to even discuss with the FAC the 13 per cent plus rise that it was trying to put onto their lease agreements. The name of the game is to build incomes up as high as they can for the airports so that the government can maximise the sale price of the airports. The other side of that is that you are building in costs to the industry which are going to be permanent. It neglects the original concept, which was to provide a lowering of cost to industry—not to increase them.

The difficulty with all of this is that there simply is no accountability. There is no way you could bring the FAC to account; they were a law unto themselves. The minister has minimal control legally over them and any complaints are met with a deaf ear. I think it is very undesirable in society to have a group with monopoly power—let alone monopoly economic power—which is not accountable effectively to shareholders, only its own board of directors. That has been the great problem with the FAC. Hopefully, though, they will ride off into the pages of history in the next year or two.

But we are still left with the business of what happens to the CAA. It is time we had a look at the CAA, which has now been split into the Civil Aviation and Safety Authority, CASA, Airservices Australia—looking after the air traffic control procedures—and BASI, which is a bit of an outrider unit and does not quite fit into the category of the other two. I think that Airservices Australia in some way can be privatised. It is very difficult to get competition into the provision of air traffic control services, and I do not wish to take the time of the Senate tonight going into that

because the whip was trying to wind me up about five minutes ago.

There is a very cogent argument for CASA to be returned as a department of state to this parliament under the control of a minister. CASA really is a regulatory authority and therefore is a policeman. I do not see police forces being privatised or run as government business enterprises. Their role is to ensure the safe navigation of aircraft and the safe operation of aircraft in Australia. They exist to form regulations and see that those regulations are applied. Their role is very similar to a police force and I think the concept of them staying as a government business enterprise is no longer tenable.

I do not expect my own government to fall over and accept this proposition straightaway, but I do think we have to seriously look at that. In the end that authority has to be brought back into the parliament because it has a well defined role and it ought to be accountable to the parliament and a minister.

I hope those few words have not impeded the passage of the Airports (Transitional) Bill 1996 and the Airports Bill 1996, because in general they provide worthwhile amendments to the proposed sale. I hope different authorities buy the two major airports in Brisbane and in Melbourne, because in the interest of competition within the states we ought to have a competitive game running between all the major airports.

The other point is that it is highly desirable that in Brisbane, Sydney and Melbourne the primary airport and the secondary airport are linked together and operated together—that the purchaser of the primary airport should also buy the secondary airport so that one can support the other, because there is a very genuine need to have cooperation between those two.

Senator CRANE (Western Australia) (5.49 p.m.)—I begin my contribution in this debate by thanking Senator Murphy for allowing me to speak at this time, because I have an important engagement at 6 o'clock which I could not break. He has left the chamber, but I am sure the duty minister for the Labor Party will pass the message on that I do appreciate the fact. Also, this is the first

opportunity I have had to congratulate Senator Murray on his first speech in this place today. I had the privilege of being involved with his first foray into Senate work in terms of the committee we were on last week.

I would like to clear up a point with regard to the altercation which unfortunately occurred this morning between Senator Conroy and me; I do not believe it should have done, nonetheless it did. I want to put on the record the situation which exists as far as Sydney is concerned and our going or not going up there. We had one submission from New South Wales which was in on time, which was from the Bankstown City Council. They came to Canberra and appeared. We had a second submission from the Sutherland council. It was a late submission and they asked whether or not we would take it into consideration. They were the two submissions we had from New South Wales. We did not get a submission from the New South Wales government.

Another point I want to clear up so that the matter is absolutely clear is that, in relation to Melbourne, this morning I may have inadvertently led people to believe that the representative of the Victorian government wanted to appear but did not appear. I want to make it absolutely clear that, while the Victorian government put in a submission, they expressly said that they did not wish to appear before the committee.

In dealing with this legislation before us, I am going to deal with the inquiries we had and the response to some matters, because some very important matters were raised during those hearings and it is important that I refer to them briefly in the time I have. The first point I wish to make—and it is very important in terms of the committee hearing—is that prior to the hearing the Rural and Regional Affairs and Transport Legislation Committee received, through a letter to me as chairman of that committee, the additional amendments that the minister had. So the witnesses who were there were familiar with them and able to deal with them in a formal manner. I am pleased to say that the recommendation from the committee reads:

The Committee recommends that the Airports Bill 1996 and the Airports (Transitional) Bill 1996 be agreed to subject to amendments notified to the Committee by the Minister for Transport and Regional Development.

So we agreed on those aspects of it. I also note that at the end of that hearing Senator Conroy congratulated the committee for adopting what he called the amendments from the opposition in the other place. But they were more than amendments from the opposition in the other place. Whilst I acknowledge that they were moved there, they were positions also put by a number in the community including—I am not 100 per cent certain about this—the Victorian and New South Wales governments about the situation that existed. I see Senator Conroy is nodding about them both.

We dealt with other important matters and we heard from every witness who wished to appear before us. Other than the submissions that I have mentioned, there was one other but the witness did not wish to appear. So we did not get a large response in terms of people wishing to give evidence either through submissions without appearing or by appearing. But the important thing about this inquiry was that the submissions went straight to the point. They were very important and the committee took on board the aspects raised.

Another recommendation was:

The Committee recommends that the Minister raise with the Minister for Finance the need to ensure selection processes take into account the broader development and economic concerns of the States, Territories and Local Government.

I think it is fair to say that the Western Australian government, the South Australian government, the Bankstown Council and the conglomerate of councils from Tasmania all put that aspect to the committee and I am pleased to say that the minister has taken that recommendation on board. It demonstrates quite clearly the value of the hearings.

The next recommendation states:

Further, the Committee recommends that the Government establish clear consultative processes with the States, Territories and Local Government. It is fair to say that once again all the witnesses were concerned about the consultative

process. They were concerned that it was not clearly spelt out, although they did not really criticise the communications to this point. They were concerned about the future, the leasing program and what was occurring. We put that recommendation to the minister and, once again, the minister has accepted it and is prepared to implement that in a practical way. We as a committee will obviously be interested in the outcome and will continue to monitor it. I am sure that those councils and the state, territory and local governments will all remind us, as time goes by, if it is not implemented, but I have no doubt from the discussions that I have had with the minister's office that it will be implemented and that that is the intention.

The next recommendation was raised by all the witnesses, and I have to say that this is the only inquiry on which I have sat and on which there has been a consistency of theme from all the witnesses. The recommendation states:

The Committee also recommends that the Minister regulate to ensure that non-aeronautical business activities are consistent with State, Territory and local Government planning and trading laws.

I had some personal experience on this issue because of what almost occurred at the Perth airport at Guildford approximately 18 months to two years ago. There was a proposal, which nearly saw the light of day, to build a shopping centre at the airport. It would have been operating in competition with the various businesses around the airport but under a totally different set of trading rules which, as I understand it, would have severely disadvantaged those shops and shopping centres outside of the airport. It did not proceed because of the community outrage. We were also given other examples of real concern. The minister has recognised this as a problem and once again he has been quite happy to make sure that there is consistency in what occurs with non-aeronautical activity on both sides of the fence, if you like.

The committee drew the minister's attention to a number of concerns raised by the airlines. There is no doubt that the airlines themselves have a vested interest in the outcome of this leasing program, but one has to recognise

that, having serviced the Australian public for a long time, they do have some rights. We have drawn to the minister's attention the concerns that they raised. A number of these have been dealt with in the report that we put down today and they are included in a letter from, I think, the department which deals with consultation, critical national issues, domestic terminal leases, et cetera. I will not read them all out—it is in the back of the report—but I make the point that, once again, we have had a positive response from the minister to them.

With this legislation, as far as the arrangements into the future for the leasing of the airports and the development of policies are concerned, I believe we now have a very sound policy position and one that will be great for Australia and its capital cities into the future.

I emphasise one thing, which came out in the state government submissions and the submissions from the councils in Tasmania. They put a lot of emphasis, because of the development of air travel, tourism and commercial development—once again I use an example from my state of the development of commercial products, chilled goods into Asia—on the necessity to have a coordinated Commonwealth-state approach based on consultation. The hearings that were held were very fruitful and helpful to the government in consolidating a policy position.

I thank all the witnesses for their contributions. It would be remiss of me if I did not thank the departmental officers, and Senator Tambling as the parliamentary secretary there on that day. A lot of information was put on the public record and it was a classic example of how the committee system should work to improve a situation. Most of that improvement was in getting an understanding of the proposition rather than in changing anything.

Senator MURPHY (Tasmania) (6.00 p.m.)—I would like to address my remarks on the Airports Bill specifically to regional airports because they are of such significance in my home state. With regard to the question of selling the remaining FAC airports, there has always been, I think, a fairly diverse view within the Australian Labor Party about the sale or leasing of airports. They are a very

successful public asset and they have worked, in the main, very well—save for some of the regional airports.

One thing that has always bothered me with regard to the FAC has been its investment strategy in so far as it has a very clear focus on the large airports and somewhat of a much lesser focus on what to do with the regional airports. I say that again in relation to my own state in particular. If I were of a view to support the leasing or the sale of those public assets, it would be on the basis that I thought that our airports in Tasmania could do much better under local ownership.

That brings me to this question of the local ownership. When we were in government, two community groups were set up, once the decision had been taken to lease the FAC airports. There was a concern about people in Tasmania not wanting those airports to fall under the control of private ownership—and for very good reason. So we in government agreed to a study taking place to allow the community to ascertain whether the local ownership or the local leasing of the airports by the local authorities would be or could be successful and whether or not the financial capacity of those airports would be such as to not be a financial drain on the community. In government we provided some \$200,000 for that study to proceed. Mind you, I would have to say, the people that did the study, in my view, did not do a very good job and, in some respects, I think the money that was used was somewhat sadly wasted because we did have to proceed to get some further analysis done of exactly what the capacity of the airports might be.

We went on down that road to give a very firm indication to the Tasmanian community that, should they desire to take control of their airports in Hobart and Launceston, we would be granting those airports to the communities basically free of charge and also free of debt. We carried a resolution at our national conference in 1994 that also committed the ALP in government to the establishment of a development fund. What happened was that we rolled along the road towards a federal election and when the question was put—and I participated on both committees, in the north and south of

the state—to the two parties, the coalition agreed and indicated very firmly that they would do exactly the same as what had been promised by the then Labor government, should they win government. We know that on 2 March they did win government, and we also know that they have now reneged—in fact, ratted—on what they told the Tasmanian public with respect to the two airports in Tasmania.

I just want to read out a few paragraphs from a speech made by the now Prime Minister (Mr Howard) on 26 March to the Business Council of Australia. In part, he says:

One of the reasons why the respect for our institutions has declined is the way in which promises are too freely made and even more freely repudiated after governments are elected to power.

I think part of the process of restoring trust and confidence in the process . . . is for governments to try to the best of their ability, and even beyond that if that's possible, to meet the commitments that they have made. And I have indicated to my colleagues and I have indicated publicly, and I will go on indicating it publicly, that nobody should imagine that I will lightly accept any repudiation of the commitments that we made to people. And even more important than other benchmarks against which you are entitled to judge us, in three years time you will be entitled to judge us according to the benchmark of whether or not we have honoured commitments made to people and to the Australian nation before the 2nd of March because unless that stream of trust, that element of confidence, can be restored, then the whole respect of the community for the political process and for the process of government is going to further disintegrate.

I think it is a great few paragraphs. I totally agree with them, but the problem is that the Prime Minister and his government now have lost sight of them altogether.

This is particularly the case with respect to Tasmania because this ratting exercise does not relate only to the airports. The Australian Maritime College is a very important piece of infrastructure in the Bass electorate, in which Mr Warwick Smith, the member of the House of Representatives, was re-elected at the last election. We gave a funding commitment to the college for the development of a new cooperative research centre, a hydrodynamic

facility. The commitment was \$14½ million. Overall, the development would have had a total cost of around \$17 million and would have provided, during its construction and initial operation, a significant boost to the local economy in terms of employment, small business and services. And yet what has the government done? It has withdrawn that funding.

The Tasmanian state Liberal government also gave the Australian Maritime College \$500,000, a fair amount of which was used in boring a test hole. They also put in place joint arrangements with other countries on the basis of that development proceeding, but John Howard's actions have left them with egg on their face. Of course, it does not stop there either. Also affected are the university through the better cities program and the redevelopment of the Inveresk railyards in Launceston in Warwick Smith's electorate of Bass.

Following the election I remember reading an article by Mr Michael Courtney in the *Examiner* saying that the people of Bass had been smart in electing a member of government in 1993 and doing so again in 1996, and he mentioned the significant benefits that having a member of government had delivered to Bass. I am sure he would like to withdraw those comments now, but of course he will not.

I noticed the other day that Launceston airport was so important to the new minister, Mr Sharp, that he organised a meeting with the PLA on Flinders Island. Of course, he did not tell anyone else—nobody else knew. He said, 'We're very much in favour of local ownership, but we will put those airports up for sale to the highest bidder.'

The community itself will not have the capacity to raise the necessary finance either to buy an airport or to compete against some other major bidders. In this legislation the government proposes allowing the clustering of airports so that somebody will be able to buy Melbourne airport and Hobart and Launceston airports. We propose an amendment to that which I hope the government members in this Senate from Tasmania will support.

I recall Senator Abetz not that long ago on another issue, namely, woodchip export licences, saying he expected Labor senators to cross the floor and vote with the government in the interests of Tasmania. I challenge Senator Abetz and his colleagues to do the same. If you expect that from us, then we can rightly expect the same from you.

I listened to Mr Chris Miles on ABC radio this morning talk about the labour market program cuts and the effective shifting of money into the modern apprenticeship training scheme, MATS. In Tasmania there has been a decline in big industry where apprenticeships are normally found. There is no investment on the horizon for our state to put people into apprenticeships.

The labour market program funding that we had in operation when we were in government provided the only employment generation in Tasmania. Many thousands of people now have real jobs—not apprenticeships—earning real money and paying real taxes. An organisation did a survey of the Tasmanian experience which indicated there was a net economic benefit after three years to the government in the use of labour market programs, even though some of them were not as successful as others. No way will MATS work in my state.

Mr Miles said, 'But a major shipbuilder is having trouble getting trained people.' Mr Miles did not say, 'By the way, we also scrapped the shipbuilding bounty' and Mr Clifford has now said, 'That is exactly what you will do. You will wipe out that shipbuilding for Hobart.'

Senator Calvert—That was going out in '97 under your scheme. Don't come that here.

Senator MURPHY—You should know all about it. It is interesting that Senator Calvert should interject because I will be interested to see whether he will vote for our proposed amendments in the interests of Tasmania. Earlier I heard Senator Calvert say the airports are a vital asset, and I agree with him—particularly for tourism and some of our food-based industries such as salmon and oyster growing which have a capacity to expand. But Senator Calvert's Liberal colleagues in the state government ought to get some better

management strategies in place for marine leases.

On the inquiry that was conducted, a number of government senators said that the southern municipal association came along and gave a great submission. The only reason they did so was because they were appalled at the fact that they even had to give a submission because they had been ratted on by the government. The state Liberal government did not even seek to make a submission. The northern regional development board, which is based in Launceston in Tasmania, said they did not know it was on until it was too late—and they sent a letter. The Liberal members in Tasmania have a lot to answer for.

Senator Calvert—I didn't see you there.

Senator MURPHY—Senator Calvert says that he didn't see me there. No, I wouldn't be there. I would have thought that in government you and your colleagues would have had the decency, understanding Tasmania's circumstances in particular—let alone anywhere else—to ensure that the Prime Minister (Mr Howard) and the Treasurer (Mr Costello) did not allow these circumstances to develop in Tasmania.

What else you have done in terms of transport for tourists to Tasmania is cut the passenger equalisation subsidy by 50 per cent. Either you are admitting that you clearly lied in opposition prior to the election by putting out figures saying it would be \$12 million in the first year, \$17.5 million in the second year and \$22 million in the third year—based on the figures that TT-Line gave you—or you knew that you were never going to apply it to a fare structure where people could get \$150 one way. For your information, Senator Calvert, the only way under the current fare structure that you could get \$150 going one way on the *Spirit of Tasmania* is if you stopped in the top two classes of accommodation.

In your budget yesterday you cut that amount by 50 per cent. That indicates that you either blatantly lied to the Tasmanian people or you cocked it up so badly that you really had no idea what you were doing anyway so you thought, '\$49½ million is a bit more than the \$44 million ferry that the Labor

Party promised, so \$49½ million will sound better to the people and that will con them.' Well, I have to agree that you did con them. It got you into government but, by God, a lot of Tasmanian people must be absolutely kicking themselves for ever voting for you.

As I said, airports are a vital asset in Tasmania. It is paramount that we get those airports under local control so they can be operated in the best interests of the Tasmanian community. If we do not, if they are sold to private interests and operated purely on the basis of being profit machines, there will be a real possibility that one of those airports will close. Senator Calvert might think that it is not such a bad idea, particularly if it was Launceston airport, but it would be a disaster for the north of the state. We have a real potential to see some industries, particularly in the agricultural and horticultural areas, develop. If we had a better state government that might happen all the more quickly. But the airport will be essential to our ability to transport those things out of the state.

Finally, I again urge and implore my Tasmanian government colleagues to stand up and fight for our state and ensure that the Prime Minister allows the granting of those airports to the two local bodies that have sought to take control of them. I urge you, if for no reason other than that you have an obligation because you told the voters you would do it and you should not be allowed to get away with ratting on them.

Senator HARRADINE (Tasmania) (6.21 p.m.)—(*Quorum formed*) The sale of public assets imposes a heavy responsibility on the parliament. I have stood here on numerous occasions to oppose the privatisation of public monopolies. The reason for that is that I believe it is unfair to the public to have a situation where the privatised corporation is able to make money at the expense of those who rely on the services of that monopoly; in other words, the ability of such an organisation to make whatever money it likes.

We are indeed trustees of the people's property and we are answerable to the people in the states who have put us here to use this property wisely. There are arguments that the private management of assets such as airports

may improve operational efficiency. However, it is important to remember, as I have pointed out previously in the Senate, that airports are in fact strategic natural monopolies. It is important that we do not sell off natural monopolies to anyone who is then left free to charge whatever the market will bear. To do that would be to legislate for a new breed of robber barons.

Obviously, to give away natural monopolies with no system of regulation or control of pricing is the equivalent of tax farming—it is selling a licence to tax the travelling public for a lump sum fee. It is just like Tudor or Stewart Kings raising revenue by selling patents of monopoly or the French monarchy letting out tax farming contracts before the revolution.

Indirect taxes levied through the abuse of monopoly rights are among the worst of all taxes. More than once I have pointed out that there is an inherent conflict between the economic efficiency arguments for putting airports under private management and the revenue maximisation objectives of selling to the highest bidder.

I was pleased when the original objective of selling airports outright was abandoned in favour of a leasing system. At least that is something, although I am cautious about that. Actually I am inclined to vote against this particular measure for a number of reasons, which I will give later. At least it is better now that it is a leasing system. A leasing system allows the Commonwealth to impose by contract, as a condition of the lease, the incorporation of a regulatory and pricing oversight regime which can in theory at least limit abuse of monopoly power.

I would like the government to consider what I say with respect to this matter. Unless care is exercised in this regard, the Commonwealth could find itself in the position that any attempt to prevent unjustified charges could be attacked by airport lessees as a constitutionally prohibited unjust acquisition of property.

I therefore ask the parliamentary secretary who is representing the minister to deal with this matter in his response to the second reading debate or at least in the committee

stage of the debate. I ask him to assure the Senate that all leases will contain specific provisions subjecting the lessee to whatever pricing and regulatory regime the parliament may enact from time to time. It is crucial that parliament insists upon and retains the right to exercise oversight of regulatory and pricing regimes which prevent any abuse of monopoly power.

Given the figures that have been touted in the financial press as to the value of some of the airports—and it does appear that Tullamarine, for example, will be a real bottler—I am concerned that some bidders may be proceeding on the assumption that they will be allowed to charge the airlines and the travelling public what the market will bear. I would like to see any such notion firmly disabused.

Some time ago I did ask the previous minister for a copy of the scoping study detailing the value of the airports. I was interested in whether the values being placed on airports were being manufactured on an assumption of disguised monopolistic charges. The opposition might be interested to know—because they probably do not know what happened—that the previous minister did not choose to give that study to the parliament.

Personally, I have some difficulty with the concept that parliament should be disposing of any public asset without a firm understanding as to how the value is derived. However, others in this chamber seem to be more relaxed about this particular difficulty. Unless, therefore, there is support for pressing this question, I do not intend to delay the chamber by further discussing this matter, but I simply note that, for one, I find it unsatisfactory that a trustee of public assets could be expected to dispose of them without full information as to what they are worth. In principle, I think it is wrong, but I can do no more than state my view and hope that the parliamentary secretary responds.

Turning to my own state of Tasmania, as I have said on previous occasions Tasmania is uniquely situated amongst the founding states of the Commonwealth. We are, as you all know, an island state, and we know it only too well. Any cost imposed upon aviation,

whether through fuel charges, aviation regulations or airport charges, is a threat to the prosperity and wellbeing of Tasmania. It is therefore essential for Tasmanians to be reassured by the government that proper oversight will be maintained on freight and passenger charges levied on all airports, and Tasmanian airports in particular.

Furthermore, if the object of this exercise is to ensure that airports are placed in the hands of those who can best manage them to the advantage of the communities they serve, I would like to see some assurance from the government that preference will be given to applications from states or local communities to take over federally run airports.

I will also seek assurances for the parliament—and I seek them now—that airports will be fully subjected to local government regulations and local government taxation, and that these requirements will be explicitly incorporated into leases signed by the Commonwealth with any lessee of any airport.

I want to go back a little to something that I said a moment ago about the airports being placed in certain hands. I want to take as an example the Launceston and Hobart airports. In the current regime those airports are cross-subsidised by the FAC. I think, taking all things into consideration, Hobart is run at a loss of about half a million dollars a year. Obviously, the second tranche will affect that airport. I realise that the immediate matter relates to the first tranche, but we are dealing with a bill which has principles which will apply to the second tranche. That is one of the major reasons I am concerned about this particular measure.

Senator Margetts—This is the only bill we are going to get. The rest is going to be by regulation.

Senator HARRADINE—As Senator Margetts correctly points out, this is the only bill we are going to get, and the rest will be dealt with by regulation. That is an interesting aspect, is it not? Regulations can always be overturned, but one of the problems is that we might deal with specific matters the overturning of which could cause more problems than there were originally.

This is why I think it is so important—and this is what I think Senator Margetts is getting at; she really dealt with the issue thoroughly, I believe, in her speech—that we get it right. I am inclined, as she is, and she said so in her speech, to vote against the measure. It is obvious that the government and the opposition jointly are going to support the bill irrespective of what happens. We have a second reading amendment moved by the opposition, but that is not placing things in the bill. The opposition is still going to vote for the measure, as I understand it. The opposition is going to vote with the government. Irrespective of what Senator Margetts, the Democrats, Senator Brown, Senator Colston or I do, the thing will go through. That will not be so, of course, when it comes to regulations.

Let me put it this way: if this particular measure results in a situation whereby the Launceston and Hobart airports are sold to the highest bidder, and that bidder then exploits the situation of Tasmanians and charges passenger and freight rates on the basis of what the market will bear, that is totally inappropriate, particularly in a situation of a state like Tasmania, which relies very heavily on travel across Bass Strait by air—whether it be business travel or private travel by people seeing their relations on the mainland, perhaps visiting sick relations, going to funerals or whatever. There is also, of course, the important freight travel. I think Senator Calvert and Senator Murphy referred to some of that.

In my view, if the principles in this measure are going to result in the lease going to the highest bidder who will charge what the market will bear, that is totally inappropriate.

I did say that I do acknowledge that one of the government representatives at the meeting of the rural and regional affairs and transport committee on 6 August responded to questions that were raised by Senator Calvert and me in respect of the submission that was made by the Hobart Metropolitan Councils Association.

The Hobart Metropolitan Councils Association made a very good submission. It was represented at the hearing by Terry Martin,

the Mayor of the City of Glenorchy; Greg Alomes, the manager of that city; and Mr Michael Catchpole. Those witnesses put forward the belief of the Hobart Metropolitan Councils Association that the Commonwealth, in granting to a regionally representative group the lease over the Hobart airport, should ensure that the airport is transferred debt free, at no cost and with the provision of a one-off capital grant for essential maintenance and upgrading, under a similar form of ownership to the ALOP—that is, the aerodrome local ownership plan—and to a lessee which has no ownership interests in any other airport. The latter matter, of course, has been dealt with by the government.

I was interested to see the responses or indications that were given by one of the representatives of the department before that hearing in respect of these matters. But they were only indications. Obviously, given the clauses in the bill, they could be no more than indications. I would like those indications to be set firm in concrete. In answer to a question of mine, the department did agree that the current ALOP arrangements in various airports, including those in Burnie and Devonport, were working quite well; in other words, the community organisations that operate those particular airports are going well and are managing those airports very well.

What is important in Australia is both who manages these particular assets and how they manage them. It is clear that they are being managed well under the ALOP system. It is also important that they are provided with essential public services at the least possible cost, and that the travelling public are provided with these. It is particularly important in our state, given the Bass Strait situation, that the travelling public should be provided with the services at the least possible cost and not be exposed to the risk of monopoly gouging. No senator representing any state, certainly not an island state, can possibly accept any bill which exposes his or her constituents to the threat of commercial extortion on the grounds of geographical disadvantage.

Therefore, I will be looking in the committee stage of the bill for explicit assurances from the minister on the points I have raised.

However, if the minister can give those assurances on those particular matters now, I look forward to hearing from him. In short, I am not inclined to vote for the measure as it stands, but no doubt we will be revisiting it tomorrow during the committee stage.

(Quorum formed)

Senator TAMBLING (Northern Territory—Parliamentary Secretary to the Minister for Transport and Regional Development) (6.43 p.m.)—It is indeed a pity that Senator Conroy, as a new whip in this place, is obviously trying to find his own way through, on his own mettle, in judging various issues. The fact is that this morning, when the Senate was considering a committee report on this very important matter, it became obvious that Senator Conroy stuffed up. At that point, a number of issues were taken against him, and it is notable also that he has been removed from the Labor Party speakers list on this particular bill.

I would like to refer to the Senate Rural and Regional Affairs and Transport Legislation Committee report into the Airports Bill 1996 and the Airports (Transitional) Bill 1996. The government welcomes that report. In particular, I would like to compliment the chairman, Senator Crane, members of the committee and the committee secretariat for the Senate committee's comprehensive and timely response to the matters raised. The government notes that the committee has recommended that, on its introduction into the Senate:

... the Airports Bill 1996 and the Airports (Transitional) Bill 1996 be agreed to subject to amendments notified to the Committee by the Minister for Transport and Regional Development.

The government is indeed encouraged by this strong indication of cross-party support for passage of this important legislation.

I note that the committee has made the following recommendations for the minister's consideration: firstly, that the minister raise with the Minister for Finance the need to ensure that selection processes from future airport lessees take into account the broader development and economic concerns of the states, territories and local governments. I am confident that the Minister for Transport and

Regional Development (Mr Sharp) will have no difficulty with this recommendation.

The second recommendation is that the government establish clear consultative processes with the states, territories and local governments. I note that there could be substantial benefits from adopting a partnership approach to airport matters of mutual concern to the Commonwealth, states, territories and local governments within the broad framework of responsibilities established in the Airports Bill and associated regulations.

The third recommendation is that the minister is to regulate to ensure that non-aeronautical business activities are consistent with state, territory and local government planning and trading laws. The bill provides that Commonwealth law will apply, but the government expects that airport operators will seek consistency with state, territory and local government law for such activities. However, the government has noted the submissions made by the states and local government. I am sure the minister will give careful consideration to this recommendation that the minister regulate to ensure appropriate outcomes in this area.

The committee also drew to the minister's attention a number of concerns raised by the airlines. While some of the concerns raised are not new, the treatment of each matter raised is being given further consideration. In a number of cases, while the outcomes being sought by the airlines could be appropriate, the view taken to date has been that such outcomes can be achieved on a commercial basis by the parties involved without the need for government intervention.

Overall, the government's response to the Senate committee's report is positive. As noted earlier, I am looking forward to the Senate committee's support for the passage of these bills being translated into their actual passage by the Senate following the second reading debate on this particular legislation.

I turn to the contributions that have been made by senators. I acknowledge that all senators who have spoken today have a close and personal interest in this particular issue. Senator Bob Collins was the first speaker on behalf of the Australian Labor Party on this

issue. Whilst many of his remarks could be commented on as being rather lukewarm and parochial, he did address the issue of how the government will deal with the sale of regional airports. The government has a philosophical commitment to an open tender process for the sale of airports. Anything less will raise the spectre of special deals for special groups. There will be no WA Inc. under this government.

At the same time, we are obviously not unaware of the issues related to local ownership and we favour that as a matter of principle. How this will be put into practice is yet to be determined, but I can say that Alice Springs, Launceston and Hobart airports are the kinds of airport leases for which the government will want to consider how to ensure that the sale processes give life to that particular principle. Like Senator Collins, I would also acknowledge the development of Northern Territory airports by the Federal Airports Corporation but I would point out that the Howard government is a forward-looking government, not retrospective and not debt driven like the ALP.

Senator Woodley decided to oppose the bills, and we regret that. His contribution in the debate here, by really regurgitating the comments of Senator Kernot, makes him into rather a pussycat of Senator Kernot and rather reflects the policies of 1950s Soviet Union. But Senator Woodley made a couple of points which are wrong and cannot go unanswered. With regard to competition between airports, we are, of course, going to do all we can to encourage competition. But that will in a direct sense only occur at the margin.

Debate interrupted.

The ACTING DEPUTY PRESIDENT (Senator McKiernan)—Order! It being 6.50 p.m., I now call on government documents.

DOCUMENTS

Department of Foreign Affairs and Trade

Senator COOK (Western Australia) (6.50 p.m.)—I move:

That the Senate take note of the document.

I rise to speak on this report of the Department of Foreign Affairs and Trade entitled *Australia-European Union trade and investment towards 2000* for three reasons. Firstly, I would like to congratulate Ian Forsyth and Alex Brooking, the two DFAT officers who were principally responsible for the compilation of this report, and to acknowledge the work of Don Cuddihy and Geoffrey Leach, the major contributors to this report. I have worked with these officers previously and I must say Australia is flattered to have such competent officers as these. This is indeed a piece of valuable work that they have provided.

Secondly, I wish to take issue with the contention made by Minister Downer and Minister Fischer who are the joint authors of the foreword of this report. The contention is that somehow we have given less public attention to the needs of Australia-European Union trade over the last decade. I think it is acknowledged by the joint authors that yes, of course—and rightly—our interests in Asia have predominated in that period, but I do not think Australia has left Europe on the backburner over that period of time either.

As evidence, I cite the meeting between former Prime Minister Thatcher and former Prime Minister Hawke, setting up a joint relationship between Australia and the United Kingdom on trade, and the meeting between me as former Minister for Trade and the President of the Board of Trade, Mr Michael Heseltine, from the UK side in following on that initiative. Many Australian companies see Britain as a jumping-off point for trade in Europe. There have been two-way trade delegations embracing France, Germany and Italy. Indeed, during the Uruguay Round negotiations a lot of attention was paid to the Australia-Europe relationship, albeit with agriculture overshadowing the entire debate as rightly it should.

My third and most important reason for rising today to speak on this report is that yesterday in the House of Representatives we had a budget brought down which undermines the very efficacy of this report and renders many of the recommendations of this report completely obsolete. This report is, of course,

about how we promote trade and investment between Australia and Europe.

The principal agency that the Commonwealth government retains for that work is Austrade. Austrade had its trade promotion budget cut yesterday by \$100 million over three years. That is not a vote of confidence in Austrade's ability to capture the many and varied gains possible in Europe for Australian companies.

But, more than that, the export market development grants scheme was cut by \$340 million over four years in yesterday's budget. The chances for small and large Australian companies wanting to get into Europe to access export market development grants and use that support for market entry are vastly diminished. That is hardly a vote of confidence in Australian and European trade, or trade between Australia and any other country or bloc in the world.

The international trade enhancement scheme, the ITE scheme, was cut by \$120 million over four years—a total cut in support for Australian industry getting into foreign markets of \$560 million over four years. That is not a vote of confidence by this government in market opportunity for Australian industry in Europe or anywhere else.

But, importantly, this report refers to Australia as an investment destination for European capital, and cites one of the key attractors of that investment as being our research and development regime. That is mentioned at some length on page 18 of this report. Might I say that the changes to R&D, the reduction from 150 per cent to 125 per cent, the ending of syndication, will undermine a lot of the R&D that creates valuable products in this country. Australia will no longer be able to take its place in this trade, which will reduce its attractiveness accordingly. The investment promotion campaign, which has attracted so many regional headquarters, is abolished. European headquarters have come to Australia, in part, because of that campaign.

This is a valuable report. It makes valuable recommendations and suggestions about how we can improve our trade relationship with Europe, but the budget undermines everything

that this report stands for. I think Ministers Downer and Fischer, who have prefaced this report with such encouraging remarks, should take responsibility and try to change those budget settings to give Australian exporters a chance in what is an important market and try to turn back the situation where we stop exporting commodities only, or in the majority, and start exporting more elaborately transformed manufactures. Rather than buy back all of the elaborately transformed manufactures from Europe, we should send some in their direction as well. (*Time expired*)

Question resolved in the affirmative.

Australian Land Transport Development Program

Senator SCHACHT (South Australia) (6.56 p.m.)—I move:

That the Senate take note of the document.

This report, which has just been tabled, deals with various projects, both road and rail, developing around Australia to improve Australia's land transport infrastructure. Most of this infrastructure, particularly in rail, came from the One Nation project, which then Prime Minister Keating announced in early 1992. Road projects also received One Nation money.

The present government, when in opposition, and many economic commentators, used to keep saying that Australia could not afford the One Nation program. But I want to point out that the money invested at that time during the recession not only created employment but also significantly improved the land transport infrastructure of Australia. For example, in my home state of South Australia, the connection of Adelaide to the standard gauge railway is something we had been asking for for generations, but it was the Paul Keating One Nation statement that provided the money. Nobody criticises that project.

I note that in Melbourne the western ring-road is funded overwhelming by One Nation money, yet I notice that when various sections of it were opened, the Premier of Victoria, Mr Kennett, was quick to claim credit for some of the new phases of that significant infrastructure improvement for Victoria.

I draw the attention of the Senate and the public to this report because it outlines the commitment of the previous governments, the Hawke and the Keating governments, to improve the infrastructure of Australia. In the budget announced last night, we note the removal of funds for the upgrading of the Pacific Highway, which was a commitment we made in government, and the removal of money for the so-called black spots program. When we look at the aggregate cuts to state funding, this new federal budget has reduced money for roads in Australia.

The reduction in road funding is a step backwards by the coalition government. I suspect that in the months ahead, as this parliament, and the Senate in particular through the estimates committees, has a chance to examine the actual expenditure on roads outlined in this budget, the people of regional and rural Australia will certainly see that they have been sold a pup in the development of roads and rail in Australia, but particularly roads.

This will be a major issue on which the opposition will campaign and expose the deceit of the new government in claiming that they have provided extra money for road development in Australia when, through their own budget process and the reduction of road funding to the states, they have significantly reduced road development in this country, which of course is an economic cost to the country.

Good infrastructure in roads and rail means that our productive industries can get their goods to port for export and industries can reduce their distribution costs accordingly. Also by improving and building better highways in Australia, we can reduce the awful road toll that Australia has suffered for so many years.

I commend this report because it shows what the previous government had done to improve the land transport infrastructure of Australia. Unfortunately, the new government, in the budget announced last night, has gone a long way to reduce that infrastructure expenditure for some mad reason which is beyond us in the opposition.

Question resolved in the affirmative.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator McKiernan)—I put the question:

That the Senate do now adjourn.

Mobile Phone Base Stations

Senator CALVERT (Tasmania) (7.01 p.m.)—I wish to speak briefly tonight about a matter that has been brought to my attention in Tasmania by the Lenah Valley School Association. That association has concerns about a mobile phone base station which is going to be located some 76 metres from the school boundary. It has forwarded a petition with in excess of 1,000 signatures to the House of Assembly, and tomorrow a petition with some 894 signatures will be presented on my behalf drawing the government's attention to that association's concerns.

Of particular concern is the health risk associated with electromagnetic radiation. I might say, pardon the pun, that not enough energy has been put into this research. I am pleased to say that the government has established a committee of officials to examine electromagnetic energy and to advise on the adequacy of health exposure standards, compliance procedures, and national and international research findings.

The committee includes representatives from the Department of Communications and the Arts, the Department of Health and Family Services, the Spectrum Management Agency, Austel, the Australian Radiation Laboratory, the Therapeutic Goods Administration and the CSIRO. This committee must also consult and provide information to the public.

By remaining informed across the broad range of electromagnetic energy public health issues, the government ensures that its actions in this area are based on the best available national and international advice. Nevertheless, as I said earlier, in this particular case and in other cases there is widespread concern about the health impacts of EME, electromagnetic energy. Research from around the world has indicated that there could be problems, especially for children. Even our own CSIRO has published a report stating that research on biological effects and develop-

ment of safety standards always lags many years behind technological development.

I believe that, before Telstra sites mobile phone base stations near our schools, more research needs to be done. The Australian standards need to be proved to be rigid enough to protect our children from exposure to radiofrequency energy. I urge the government to continue to fund this committee so that its important work can be done and that, one day, it could undertake or commission research specific to EME in Australia. I also urge the government to ensure that Telstra is unable to site these towers close to schools in the interim. Other less dangerous areas need to be found.

In conclusion, I have written to the minister voicing the concerns of Loris Watchorn, who is a member of the mobile phone base station committee that was set up by the Lenah Valley School Association, which is so concerned about these problems. I hope that his answer will be forthcoming in the near future.

Foreign Aid

Senator SCHACHT (South Australia) (7.05 p.m.)—I rise to speak tonight on the issue of foreign aid announced in the budget last night. During the 13 years of the previous government and during the nearly 10 years I have been here Senator Hill has made consistent criticism, including when he was the coalition foreign affairs spokesman for many years in this place and in the wider community, about the Labor Party never being able to meet the 0.7 per cent of GDP for foreign aid, which was the United Nations standard for what developed countries should provide in overseas aid, or even being able to meet the Labor Party conference decision of a few years ago of four per cent of GDP by the latter part of this decade.

It is true that we were never able to meet that figure. I think at one stage we got around 0.35 per cent. We were consistently berated by Senator Hill and by the now Minister for Foreign Affairs (Mr Downer) in the last year or so that we had failed to meet that United Nations obligation or even our own national conference commitment.

I have to say that the coalition made good hay when the sun shined criticising us on that and going out to the aid groups in the community, which are widespread. There are well over 50 overseas aid organisations operating in Australia, raising their money themselves, getting money from the federal government through the aid budget and spending it efficiently overseas to help those people who are in less fortunate positions than Australians.

Last year Mr Downer made a commitment to aid agencies that he would abolish the DIFF program because it was not proper overseas aid. Some of the aid agencies responded that this would be a good move. I suspect that they were expecting that if DIFF were abolished the money would be transferred to either bilateral or multilateral aid.

What happened on budget night was a disgraceful performance in view of all the words said in opposition by the spokespersons of the coalition. As a result of the cutbacks this year, Australia's overseas aid budget will be only 0.29 per cent of GDP, a drop of I think over 0.3 per cent in one budget. I cannot recollect it ever getting that low at any time we were in office for 13 years. I do not think the overseas target of the Malcolm Fraser coalition government, which was in office for seven years, was ever under 0.3 per cent of GDP. But Mr Howard and Mr Costello, in their first budget, have delivered massive cuts to overseas aid and dropped it below 0.3 per cent for the first time in anyone's memory.

This is a disgraceful performance. It is one that does this country no credit. It adds further to the bumbling incompetence of the foreign minister, who, in the short four to five months as minister, has become an international embarrassment to us. The handling of the cessation of the DIFF scheme alone has done more damage than any number of other episodes in Australia's recent foreign affairs relationships with countries in our region.

At the hearing of the Senate Foreign Affairs, Defence and Trade References Committee which dealt with the cessation of DIFF, representative after representative from the business community—who by no means could be called radical supporters of the Labor

Party—gave awful examples of how our reputation overseas has been damaged by the foreign minister cancelling the DIFF program without any consultation with countries in the region, with whom we are supposed to have excellent relations. It will take a long time for us to recover from that.

Overall in this budget there is a 10 per cent reduction—straight down—in overseas aid. There has not been an evening out of outlays over the next few years—just a straight reduction of 10 per cent. Funding for population control as part of our aid money to the United Nations apparently has been abolished. This is an extraordinary cut to our overseas aid. It does no good to the reputation of Australia—a very large continent that is blessed with having a small population compared with countries to our north and other regions of the world where overpopulation, overcrowding, is the major social and economic issue they face.

We are walking away from the modest funding we used to provide for population control programs—programs that were in no way coercive. They were developmental programs, educational programs, particularly to encourage women in poor circumstances, women who lack education, how they can control their own fertility so that they can make rational choices about the number of children they should bear.

There have been cutbacks to organisations that are associated with the trade union movement. In the mid-1980s the trade union movement in Australia accepted responsibility by establishing an aid program whereby they would provide some money. It was not as much as they would have liked, I suspect, but they made the principal commitment to fund overseas aid programs, particularly in the training area. That has all been abolished—I think because the coalition has some ideological view that the money involving the trade union is somehow perverted or being misused.

I have seen the trade union training programs in such countries as Cambodia and Vietnam. On previous visits to those countries I have seen the beneficiaries—those who have had the training provided by those programs, such as learning English, trade training and so

on. These were excellent programs run by excellent young Australians and were funded in part by the trade union movement and by the overseas aid budget.

Not only in the multilateral aid area have substantial funding cuts been made but we also see them in the bilateral arrangements we have had. Countries such as China, Indonesia, the Philippines and India have all had massive reductions in the aid being provided to them. I do not know how Mr Downer, when he next meets with Asian countries, will explain the background to these massive cuts. I do not think those countries will take too kindly to the political expression that we had to fill a black hole in the budget. When they look at the size of our economy, the prosperity of our country, the fact that we have a First World economy with growth and a well trained and educated population and see that we do not suffer the appalling poverty that their countries do, they will consider our excuse that there was a black hole in the budget to be very weak indeed. We all know that with none of these cuts that deficit would have almost disappeared over the next three years.

Mr Downer will have an appalling problem trying to explain the background to these cuts. In view of his very awkward performance—that is the best way I can describe it, although 'appalling' is a more apt way to describe it—in his first five months in the job, no-one could have any confidence that Mr Downer can explain to these countries the reasons for these savage cuts coming on top of the cessation of the DIFF program. Australia's reputation will be besmirched because we will be seen as becoming increasingly selfish and inverted in our relations with these countries.

With these cuts we are saying that we are not concerned about what happens regarding development in Asia, that they are on their own even though we have the advantage of a decent standard of living and a First World economy—a stronger economy, an economy that in aggregate is still greater in size than most of the combined economies of South-East Asia. They will find it very difficult to see the justification for these very significant cuts, which run into over hundreds of millions

of dollars this year, next year and the following year.

My final comment is that I think at the last election some overseas aid agencies from Australia fell for the line by Mr Downer that basically there would not be any cuts. He would cut DIFF, but he left open the issue of money from that funding cut being transferred to direct aid. Every one of those overseas aid agencies was duded in the budget last night. It is to the eternal shame of the coalition that they have made these awful cuts to our overseas aid budget. (*Time expired*)

Aged Persons

Senator NEAL (New South Wales) (7.16 p.m.)—I rise on a matter of great concern to me and I think a matter of great concern to a large number of people in this chamber. I know that Senator Patterson for many years has had a great deal of concern about the treatment of the elderly and ensuring that they get a fair go in this community.

The reason I have seen fit to speak on this issue tonight is that I very much see that this budget is not in accord with the general principle that our elderly, the older people in our community, not only are entitled to a particular regard but also should be looked after, particularly those people who, through maybe a difficult life or poor planning or some unanticipated event, find themselves in a situation where financially or personally they are unable to care for themselves.

To some extent I was excited in my view or it became more obvious to me in the debate today in question time and from some of the statements made during question time. In relation to a very straightforward and I thought honest question from Senator Woodley, I was very concerned that the Minister representing the Minister for Health and Family Services in the Senate, Senator Newman, seemed to be unable to give us some fairly essential information that is obviously of some great interest not only to the members of this chamber and those in the other place but also to a vast majority of elderly people and the families that care very much for them.

I am sure everyone is aware that HACC services are the provision of care within people's homes. HACC provides for the frail, the elderly and what might be described as the young disabled. It has been a program that has had its ups and downs. Despite all of that, it has provided a great deal of benefit to the individuals who have been assisted and who have been able in some circumstances to remain independent and to enjoy the lifestyle of an independent resident, but at the same time have the support necessary from the community services to allow them to remain at home where otherwise they might not be able to.

This care can cover a range of things—from personal hygiene to maybe help with medication or the organisation of lifestyle to deal with a particular medical problem. It also has, by a happy coincidence, a financial benefit for the community at large in that it is obviously much more efficient to have someone at home still maintaining an independent lifestyle than to have them slotted into a hostel or a nursing home and having to rely entirely on the public purse. So, all round, it is a program that people derive a great deal of benefit from and something that I have been a big supporter of.

Having a brief look through Budget Paper No. 1, page 3-109, what distresses me in relation to HACC is a fairly brief line item, as they all are, which says, 'Increase user charging in the Home and Community Care Programme.' If you have a look at that, you see that in this first year it is a saving of \$4 million, next year it is a saving of \$12.7 million and in the third year it is a saving of \$19.6 million. When you look at the bare figures like that, it does not seem to mean a lot. But when you translate that into a number of people who for many years have relied on HACC to help support them you see that there are going to be a lot of elderly people in particular out there who will not be provided with the support that I think they are entitled to. That is a very sad part of the budget.

Senator Patterson—I hope you've got it right. Are you absolutely sure you are right?

Senator NEAL—I hope very much that Senator Patterson will be expressing her views very strongly within her own party, because I hope she would not be supporting such a proposal.

In relation to the deceit of elderly people, that is not where the bad news ends. Nursing homes have taken a bit of a beating, as it were, as well. There are a couple of fees that are pretty up-front that have been introduced in the budget. One is the nursing home entry fees. Any reference to the nursing home entry fees is pretty scarce. I have spoken to a number of people in the industry and they are unclear about how that exactly is going to operate. In fact, even though they have sought further detail from the Minister for Health and Family Services, Michael Wooldridge, they have been unable to get the information they need to make an assessment about how it will operate.

Essentially what has been said is that, on a means tested basis, people will be charged entry when they go into a nursing home. If you extrapolate the average cost of an entry fee into hostels, you find that it is \$26,000. Obviously the average figure paid as an entry fee into hostels does not necessarily translate into what is payable on entry to a nursing home. But, being the most comparable situation, it is probably reasonable to assume that \$26,000, which is the average amount payable in hostels, is not so far from what might on average be payable in nursing homes.

The greatest concern is that \$26,000 is the average fee that might be payable. In fact, the scope of the policies allows for as high as \$88,000 to be payable. That is the limit. That is the greatest amount that anyone can pay. But a lot of people out there—

Senator Patterson—How many nursing homes charge the limit now?

Senator NEAL—A lot of elderly people and a lot of people who care about them and look after them, their families, might think that \$88,000 is a bit steep. Certainly I share that view. The sad thing about it is that not only is this entry fee now going to be charged, but also at the same time the loan moneys that are provided for capital works in nursing homes has been abolished. So the

contribution that the federal government has made to date towards providing funds for capital construction in nursing homes is at the same time being taken away. Again that is a very sad thing for the elderly in our community and I am sure the people in the coalition who care about the elderly will have something to say about it.

That means that, because the entry fee is also means tested, those nursing homes that take on a lot of people in lower income groups and are not able to claim the entry fee will also be missing what has been traditionally provided through loans, which is a source of funds for capital works. That will skew the whole system so that nursing homes will be encouraged to take on people who are capable of paying high entry fees in order to continue with their capital works. Again it means that the elderly in our community who are not well off, who through some accident of their life or circumstances cannot look after themselves financially, will find it more difficult to find a place as they become more physically frail.

That is not the end of the bad news in this budget for the elderly. Nursing home fees will be \$34 per day, \$12,000 a year—another initiative of this budget that does not care about the elderly. That fee is payable for anyone who goes beyond the pension-free area, which I understand is pension plus approximately \$30, but I have to say that from the material that has been provided by the minister, it is not exactly clear.

How have the elderly been treated in terms of health? Not very well either. Again, the less well off are those who suffer the most. The dental health care program was introduced by the federal government to top up state funding. We had an appalling situation where people were waiting 24 months, two years, to get dental treatment; that is pensioners, those people that we should be look looking after and people on health cards. If you have difficulty with your teeth, it is not much help if you are waiting 24 months. The solution in those circumstances was that teeth were not being saved. It took too much time, was too complicated if people had difficulty with their teeth. You could not perform

complicated procedures that were going to save those teeth; you pulled them out. Teeth were extracted. It is very difficult to believe—
(*Time expired*)

Mr Alan Platt: Retirement

**Legal and Constitutional Committee:
Secretariat**

Nurses Centre

Senator COONEY (Victoria) (7.25 p.m.)—Madam President, this is the first time since your elevation to your position that I have had the opportunity to speak to the chamber. May I congratulate the Senate on having you as President. In a certain sense, you have a classic background of having been in the law and then coming into politics. You have been, may I say, a most distinguished lawyer and a most distinguished parliamentarian. I have no doubt that you will be among the great presidents, Madam President. People sometimes criticise lawyers, but I always think there are never quite enough lawyers in parliament.

I want to speak tonight on a couple of topics. The first is on a matter that you yourself raised this morning; that is, the going from this place of Mr Alan Platt, who has been in charge of this chamber for over a decade now. He represents, I think, all the best that there is about this place, about the people who make the place run, who make the functioning of the Senate and of the House of Representatives and of the place generally of the high standard that it is. I think it is proper that we recognise him.

I am glad to see in the information bulletin that is published by the Department of the Senate a recording of the fact that Mr Alan Platt received the meritorious service medalion and certificate for his outstanding performance as the Senate chamber supervisor. That is grand to see. It is a pity that this Senate is about to lose his services.

Alan represents the sort of people who look after us day after day in this place and, in paying tribute to Alan, I would like to pay tribute to them. There are interesting things about him. For example, I am told that he played hockey with Alan Cumming Thom,

who was a former Clerk of this place, and with John Stone, who was a former eminent senator here, amongst other things. He was, of course, a person who fulfilled many roles. On behalf of Senator McKiernan who, if he was sitting in his right place, would be sitting next to me, and all senators, I would like to thank Alan Platt.

While I am going through the information bulletin, I also mention the legal and constitutional committee secretariat who also received an achievement award for their consistent performance of duty to a high standard throughout the 37th parliament, setting a good example for their colleagues. I see Senator McKiernan and Senator O'Chee here. I think they would be delighted that the secretariat of that very distinguished committee received that award.

I also mention three people from the Nurses Centre: Sue Game, Jocelyn Murphy and Margaret Heydon. They gave great service to about 40 people on the unhappy day, as it turned out to be, last Monday when the awful events took place at the front of Parliament House. They treated police, they treated people who entered through the doors, they treated anybody who needed to be treated and they did so with great distinction. It just shows how valuable a service they perform.

I have had treatment myself from them over the years. In the last session I had all sorts of trouble with my leg, and they gave me the sort of comfort and advice that has led to its recovery.

Senator Patterson—What about the help I gave you, Senator?

Senator COONEY—It was almost as good and as high in quality as the service that was given to me by Senator Patterson, who is a person—I was going to say that she knows all about legs—who knows all about injuries to legs. I see that she is at present in the chamber and I have to thank her for the service she gave.

In fact, I think that perhaps the only direct service I did not get was from my daughter, Megan, whose birthday it is today.

Senator Patterson—We've heard about Megan all day.

Senator COONEY—You have heard about Megan all day? Well, I have to mention her, Senator Patterson, because it is her birthday today—and a great daughter she is.

Senator Patterson—A Leo.

Senator COONEY—A Leo. Yes. I think she is three. Everybody else tells me she is a lot older.

I reiterate my thanks to the people who look after us in this place, and I hope that the services that they give and the quality of those services can be maintained into the future. I finish off with a mention of Alan Platt, who unfortunately is leaving, and I think I can say for all senators here—

Senator Tambling—Certainly.

Senator COONEY—Senator Tambling, you would agree. And we have to include all: the distinguished Deputy Clerk and parliamentarians here would of course agree with the sentiments that I have expressed about Mr Platt.

Mr Alan Platt: Retirement

Nursing Home Funding

Senator PATTERSON (Victoria) (7.32 p.m.)—Madam President, this is the first occasion I have had to congratulate you on your appointment to the position you now hold. I think you know personally how thrilled I am that you have finally achieved that position, and I know that you will carry out the job with great distinction, impartiality and a sense of humour—the three qualities that we need in a President of this chamber. I look forward to working with you, especially as a temporary chairman of committees.

I also apologise for having been unruly earlier, but I could not cope with sitting here hearing what Senator Neal had to say, especially in broadcast time, when the Labor Party is running around scaring older Australians. I found it outrageous. She continued tonight to spread the furphy that those opposite have spread since the budget was released last night about entry contributions to nursing homes and the level they will be at. I found it appalling, and I hope that anybody who was listening to her will not believe the furphy.

Before I go on with that, I want to join with Senator Cooney in expressing—on behalf of other senators, I guess, who are not here and I am sure would say it for me—my appreciation to Alan Platt and in farewelling him. He plies us with water and, as many times as I have asked him for gin in the water, I have not had it. Sometimes I have felt like I needed a gin in the water and I am sure he felt like he needed a gin sometimes when we sat till two and three in the morning. I think that sometimes we forget, when we can wander in and out and go and see a video or go up to our rooms, that those who are here in the chamber are here for very long periods of time, serve us very well, never get cross and seem to have even tempers from early in the morning till early the next morning. I say farewell to Alan and wish him a very happy, prosperous and enjoyable retirement. I am sure he will find something to do and be active in the community. My sincere thanks to you, Alan, for all that you have done for me in the nine years I have been in this chamber.

Alan is most probably very interested in the government policies for older Australians, as I am, because I am part of the baby boom. If we do not get it right, it will be a disaster for the next generation: we will leave a bill which will not be able to be paid. The previous government left nursing homes and hostels in a disgraceful state—nursing homes in particular.

Professor Gregory, their own appointment to carry out an inquiry into nursing home funding, found that there was something in the order of over \$300 million needed to bring current nursing homes up to standard. This former Labor Party government did nothing about that. It sat on its hands for at least the nine years that I have been in this parliament and did naught.

We have been left with a situation where we have to address that issue. As I have moved around, I have most probably visited more nursing homes than any other person in this parliament, and I do not often make such a claim. Nursing home after nursing home after nursing home will tell you that it is iniquitous that you charge an ingoing or an

up-front payment, which is rebatable under certain rules—a certain amount comes back to the individual or to their estate—when you go into a hostel, depending on your means, and you do not when you go into a nursing home. Many institutions would tell me that they could not see the logic in it and that that was one way that we could address it: that people would share that cost and that people going into nursing homes would be assessed.

Senator Neal perpetuated the furphy that has been going around in the last 24 hours—she did not actually say it but she almost implied it, and I listened carefully—that people will be charged \$26,000. They will not be charged on average \$26,000. I think—and stand to be corrected; Senator Knowles will correct me if I am not right—that 30 per cent of people make no ingoing payment to hostels now. And it will not change for nursing homes. If a person does not have the money, they will not be charged an ingoing payment and they will pay 87.5 per cent of the pension. There will be very strict rules about the number of people who are financially disadvantaged, which each nursing home and hostel will be required to take.

But we have to find funds from somewhere and if the current generation of older, able people does not contribute, we will leave a debt problem for the next generation when the baby boomers come on stream for nursing home care. We might all think it will not happen to us, but it will be my age group in 20 years time who will need to have that in place. We need to get it right now, and that is what we are doing.

Senator Neal also spoke about HACC. I do not know how she reads the budget papers but, for the benefit of those people listening tonight, the facts are that HACC funding will rise by approximately six per cent—I think, \$28 million. Senator Neal claimed that Senator Newman did not answer the question. If she had listened carefully she would have heard Senator Newman say that she thought that Senator Woodley had asked a question about aged care but in fact had asked about HACC. When she realised that, she then answered that there will be a six per cent increase.

Tomorrow I will look at what Senator Neal said to make sure she did not actually mislead the Senate. When I have done that, I will come back into the chamber. I want to put on the record that there will be a six per cent increase in home and community care funding for older people and for people with disabilities et cetera, who require some care to maintain themselves at home—maybe Meals on Wheels or having a bar put in beside the shower so they can get in and out of the bath and those sorts of facilities.

In her answer to a question, Senator Newman pointed out that HACC has grown like Topsy and there is some inequity in the way different states treat the delivery of HACC. I think all senators in this chamber would agree that it should not depend on whether you live in Queensland, Tasmania or Victoria as to whether you get an equal share of the HACC funding, and that you should be treated in the same way.

Minister Moylan is therefore ensuring that the policy will be fair and that HACC clients will be treated consistently across Australia. I should have thought that that was something the Australian Labor Party would have welcomed, but they did nothing when HACC was in a mess with people falling between stools. The minister is increasing funding and trying to address some of the inequities in the HACC system. But Senator Neal disregards that and goes on as if it is all doom and gloom.

Senator Neal did not tell those people who are listening that the pension has now been indexed at 25 per cent of male average weekly earnings. That indexation is now built into forward estimates, which has never happened before. But the government has made that commitment so that older Australians do not have to worry about their pension being indexed. She did not add that the older Australians who are self-funded retirees, many of whom are on fixed superannuation and who have been living in genteel poverty under Labor, are the sorts of people that Labor claimed they looked after; but they are the sorts of people who deserted them in the election because Labor lost sight of them.

Over and over again many of those older people have come to me and said, 'It seems unfair to us that we are treated differently from pensioners on the same income with regard to tax-free thresholds.' That has been addressed: those people on the same income as pensioners will have a tax break in that their tax-free threshold will rise. We did not hear about that.

Another issue which has concerned people in the aged care industry is respite care. We did not hear Senator Neal say that there will be an increase in funding for respite care. Nor did we hear her say that never, in the 13 years of Labor, was there an acknowledgment of an increased cost in caring for people with dementia in nursing homes and hostels. That will be factored into a new funding regime which will take into account the fact that people with dementia need more care than ambulant, frail, older people. An enormous leap forward for the aged care sector. Senator Neal omitted to tell the good news about the budget.

Senate adjourned at 7.42 p.m.

DOCUMENTS

Tabling

The Parliamentary Secretary to the Minister for Social Security (Senator Kemp) tabled the following government documents:

Advance to the Minister for Finance—Statement of heads of expenditure and the amounts charged thereto pursuant to section 36A of the Audit Act 1901, for the year ended 30 June 1996.

Australian Land Transport Development Act—Australian Land Transport Development Program—Progress report for 1994-95.

Avalon Airport Geelong Limited and its controlled entities—Financial statements and report for the period 1 June to 31 October 1995.

Defence Act—Army and Air Force Canteen Service Board of Management—Report for 31 January 1995 to 29 January 1996.

Defence Force Discipline Act—Judge Advocate General—Report for 1995.

Department of the Environment, Sport and Territories—Financing Jervis Bay—Report by Don Nicholls, December 1995.

Department of Foreign Affairs and Trade and Austrade—Report—Australia-European Union trade and investment: Towards 2000.

Equal Employment Opportunity (Commonwealth Authorities) Act—Equal employment opportunity program—Australian Defence Industries Ltd (ADI)—Reports—

1993-94.

1994-95.

The following documents were tabled by the Clerk:

Aboriginal and Torres Strait Islander Commission Act—Explanatory Addendum to directions under section—

12, dated 4 June 1996 [Addendum to document tabled on 28 June 1996].

142E, dated 4 June 1996 [Addendum to document tabled on 28 June 1996].

Agricultural and Veterinary Chemicals Code Act—Regulations—Statutory Rules 1996 No. 111.

Air Navigation Act—Regulations—Statutory Rules 1996 No. 113.

Air Services Act—Direction under section 16—Instrument No. M57/96.

Audit Act—Regulations—Statutory Rules 1996 No. 120.

Australian Bureau of Statistics Act—Proposal for the collection of information—Proposal Nos. 5 and 10 of 1996.

Australian Capital Territory (Planning and Land Management) Act—National Capital Plan—Amendment No. 18 (Revised).

Australian National Maritime Museum Act—Regulations—Statutory Rules 1996 No. 93.

Banks (Shareholdings) Act—Regulations—Statutory Rules 1996 Nos 146 and 147.

Child Support (Assessment) Act—Regulations—Statutory Rules 1996 No. 142.

Christmas Island Act—Ordinance—No. 2 of 1996 (Liquor Licensing Act 1988 (W.A.) (C.I.) (Amendment) Ordinance 1996).

Civil Aviation Act—Civil Aviation Regulations—Civil Aviation Orders—

Amendment of section 20, dated 21 June 1996.

Directive—Part—

105, dated 11, 19, 20, 21, 24, 26[5], 27[3] and 28[4] June; 2[4], 3, 4[4], 5[3], 8[6], 9[3], 16, 17[2], 18, 19[3], 25[2], 29[2] and 31 July; and 1[8], 5[5] and 7[2] August 1996.

106, dated 8[2], 29 and 30 July; and 1 and 5[5] August 1996.

107, dated 4, 5, 8, 9[2] and 29 July 1996.

Exemption—

- 148/FRS/160/1996, 149/FRS/161/1996, 150/FRS/162/1996, 151/FRS/163/1996, 152/FRS/164/1996, 153/FRS/165/1996, 154/FRS/166/1996, 155/FRS/167/1996, 156/FRS/168/1996, 157/FRS/169/1996, 158/FRS/170/1996, 159/FRS/171/1996, 160/FRS/172/1996, 161/FRS/173/1996, 162/FRS/174/1996, 163/FRS/175/1996, 164/FRS/176/1996, 165/FRS/177/1996, 166/FRS/178/1996, 167/FRS/179/1996, 168/FRS/180/1996, CASA 12/1996 and CASA 13/1996.
- Cocos (Keeling) Islands Act—Ordinance—No. 2 of 1996 (Liquor Licensing Act 1988 (W.A.) (C.K.I.) (Amendment) Ordinance 1996).
- Copyright Act—Declaration under section 10A, dated 1 July 1996.
- Crimes Act—Regulations—Statutory Rules 1996 No. 125.
- Currency Act—Currency Determination No. 2 of 1996.
- Customs Act—
Instrument of Approval No. 1 of 1996.
Notice No. 2 (1996).
Regulations—Statutory Rules 1996 Nos 123 and 134.
- Dairy Produce Levy (No. 1) Act—Regulations—Statutory Rules 1996 No. 127.
- Defence Act—
Defence Force Remuneration Tribunal—Determinations Nos 12-16 of 1996.
Determinations under section 58B—Defence Determinations 1996/23, 1996/24, 1996/30 and 1996/31.
- Excise Act—Notice No. 2 (1996).
- Export Control Act—Export Control (Orders) Regulations—
Export Meat Orders (Amendment)—Export Control Orders No. 6 of 1996.
Livestock Export (Merino) Orders (Amendment)—No. 1 of 1996.
Export Inspection (Establishment Registration Charges) Act—Regulations—Statutory Rules 1996 No. 110.
- Export Market Development Grants Act—Determination under section 40BH—Approved joint ventures and consortia, dated 4 July 1996.
- Foreign Judgments Act—Regulations—Statutory Rules 1996 No. 145.
- Health Insurance Act—
Determinations HS/1/1996 and HS/2/1996.
Regulations—Statutory Rules 1996 Nos 106 and 128.
- Higher Education Funding Act—Determination under section 15—T7-1996 and T8-1996.
- Immigration (Education) Charge Act—Regulations—Statutory Rules 1996 No. 107.
- Income Tax Assessment Act—Regulations—Statutory Rules 1996 Nos 114, 124 and 133.
- International Organizations (Privileges and Immunities) Act—Regulations—Statutory Rules 1996 No. 144.
- International Shipping (Australian-resident Seafarers) Grants Act—Regulations—Statutory Rules 1996 No. 112.
- Judicial and Statutory Officers (Remuneration and Allowances) Act—Regulations—Statutory Rules 1996 No. 109.
- Lands Acquisition Act—Statement describing property acquired by agreement under section 40 of the Act for specified public purposes [2].
- Marine Navigation (Regulatory Functions) Levy Act—Regulations—Statutory Rules 1996 No. 130.
- Migration Act—Regulations—Statutory Rules 1996 Nos 108, 121 and 135.
- National Gallery Act—Regulations—Statutory Rules 1996 No. 92.
- National Health Act—
Declaration—Nos PB 11 and PB 12 of 1996.
Determination—
No. 1995-96/ACC 19, 1995-96/ACC 20 and 1995-96/ACC 23.
No. PB 13 of 1996.
PHI 9/1996 (Amendment to PHI 6/1996) and PHI 10/1996-PHI 13/1996.
Instrument for the purposes of paragraph 40AA(6)(ce), dated 14 August 1996.
Principle—No. 24SH 2/96.
- Occupational Health and Safety (Commonwealth Employment) Act—Regulations—Statutory Rules 1996 No. 129.
- Ozone Protection Act—Grant of exemption under section 40, dated 16 June 1996.
- Passports Act—Regulations—Statutory Rules 1996 No. 141.
- Primary Industries Levies and Charges Collection Act—Regulations—Statutory Rules 1996 No. 126.
- Public Service Act—
Locally Engaged Staff Determinations 1996/13-1996/18.
Parliamentary Presiding Officers' Determinations Nos 1 and 2 of 1996.

- Public Service Determinations 1996/31, 1996/34, 1996/41, 1996/43-1996/49, 1996/74-1996/99 and 1996/106-1996/118, 1996/120-1996/129.
- Radiocommunications Act—Class Licence—
Radiocommunications Class Licence (861-865 MHz Land Stations).
Radiocommunications Class Licence (Infrared Devices).
Radiocommunications (Cordless Telephone Service) Class Licence No. 1 of 1993 (Revocation).
- Remuneration Tribunal Act—Determinations Nos 5-8 of 1996.
- States Grants (Petroleum Products) Act—Amendment No. 96/1 to schemes.
- Superannuation Act 1976—
Declarations—Statutory Rules 1996 Nos 95 and 115.
Determination—Superannuation (CSS) Additional Employer Component Payment (Australia Post Superannuation Scheme) Determination No. 3.
Regulations—Statutory Rules 1996 Nos 96-105.
- Superannuation Act 1990—Declaration—Statutory Rules 1996 No. 94.
- Superannuation Guarantee (Administration) Act—Regulations—Statutory Rules 1996 No. 148.
- Superannuation Industry (Supervision) Act—Regulations—Statutory Rules 1996 No. 122.
- Superannuation (Productivity Benefit) Act—
Declarations—Statutory Rules 1996 Nos 116, 117 and 118.
Determination—Statutory Rules 1996 No. 119.
- Taxation Determination TD 96/34.
- Taxation Ruling—
TR 95/22 (Addendum) and TR 95/34.
TR 96/22 and TR 96/23.
- Therapeutic Goods Act—
Therapeutic Goods Order No. 55 (Amendment to Order No. 48).
Regulations—Statutory Rules 1996 No. 131.
- Therapeutic Goods (Charges) Act—Regulations—Statutory Rules 1996 No. 132.
- Wool International Act—Regulations—Statutory Rules 1996 No. 143.
- Wool Tax Act (No. 1)—Regulations—Statutory Rules 1996 No. 136.
- Wool Tax Act (No. 2)—Regulations—Statutory Rules 1996 No. 137.
- Wool Tax Act (No. 3)—Regulations—Statutory Rules 1996 No. 138.
- Wool Tax Act (No. 4)—Regulations—Statutory Rules 1996 No. 139.
- Wool Tax Act (No. 5)—Regulations—Statutory Rules 1996 No. 140.

PROCLAMATIONS

Proclamations by His Excellency the Governor-General were tabled, notifying that His Excellency had proclaimed the following acts and provisions of acts to come into operation on the dates specified:

- Australian Sports Drug Agency Amendment Act 1996—Section 3 and Schedule 1—24 July 1996 (*Gazette* No. GN 29, 24 July 1996).
- Customs Amendment Act 1996—15 July 1996 (*Gazette* No. S 263, 11 July 1996).
- Customs Tariff Amendment Act (No. 1) 1996—15 July 1996 (*Gazette* No. S 263, 11 July 1996).
- National Food Authority Amendment Act 1995—Act (other than sections 1 and 2)—1 July 1996 (*Gazette* No. S 230, 27 June 1996).

QUESTIONS ON NOTICE

The following answers to questions were circulated:

Vietnam Veterans: Agent Orange

(Question No. 95)

Senator Woodley asked the Minister representing the Minister for Veterans' Affairs, upon notice, on 31 May 1996:

(1) Does the Minister accept the findings of the Institute of Medicine at the National Academy of Science in the United States of a link between exposure to Agent Orange and the incidence of spina bifida in the children of Vietnam veterans.

(2) Why is it necessary to wait until July 1996 when the findings of the Government's own study into this matter are handed down to formally accept that the link between Agent Orange and spina bifida exists, as outlined in the Minister's press release of 29 May 1996.

(3) Will legislation be introduced to pay compensation to those children of Vietnam veterans with spina bifida, if so, when is it envisaged that the legislation will be introduced.

Senator Newman—The Minister for Veterans' Affairs has provided the following answer to the honourable senator's question:

The Minister for Veterans' Affairs acknowledges the findings of the Institute of Medicine at the National Academy of Sciences in the United States. In response to these findings the Minister for Veterans' Affairs set up an Expert Committee in April this year to examine the findings and establish their relevance to Australian Vietnam veterans.

2) There are differences between the legislative requirements governing the provision of veterans benefits in USA and Australia. The essential difference is that the Australian system requires a causal connection between eligible service and disability, while the American system only requires a statistical association. As the American study did not address the question of causation, this issue required examination before an Australian response could be properly considered.

The Expert Committee was set up with the following Terms of Reference:

(a) to consider the scientific merit of the Academy's report;

(b) to assess the possible causal connection using standard epidemiological criteria and report on that basis; and

(c) to assess whether any findings in their report are applicable to women who served in Vietnam or may have been exposed.

This Committee was given 90 days to report. The time was necessary to relate the Terms of Reference of the Expert Committee to the American data and the Australian experience in Vietnam, and to call for submissions from ex-service organisations and interested parties including affected Australian families.

(3) The Government will consider the findings of the report when it has been provided by the Australian Expert Committee. No announcement will be made until that consideration is complete.

Major Defence Equipment Projects

(Question No. 98)

Senator Margetts asked the Minister representing the Minister for Defence, upon notice, on 14 June 1996:

Can an itemised list be provided of the 20 largest unapproved major defence equipment projects including: (a) the name of each project; (b) costing; (c) approximate commencement and completion dates; and (d) strategic rationale for each.

Senator Newman—The Minister for Defence has provided the following answer to the honourable senator's question:

Yes. The following list of the 20 largest capital equipment projects is based on the 'Unapproved New Major Equipment Program' document (referred to as the Pink Book), as approved by the Force Structure Policy & Programming Committee. This is an internal Defence document which is reviewed regularly. The next review is scheduled in September 1996. Although the Pink Book is a classified document, as it contains sensitive details of project costs and capabilities, an unclassified version is released periodically.

The projects are grouped according to cost bands to preserve confidentiality and to protect the Commonwealth's position in contract negotiations with prospective tenderers. As these projects are unapproved they will continue to be reviewed and their scope and cost may change substantially before they are submitted for Government approval. The Pink Book is, in fact, only a basis for internal long-term planning and is substantially over-

programmed to allow management flexibility. Further, the capabilities for many projects are indicative only, as they have not yet been subjected to the detailed review which occurs prior to their approval by Government.

The following list is based on the current version of the 'Unapproved New Major Equipment Program', (Pink Book 2/1995—2000), which was approved by the committee in February 1996.

Projects with estimated total cost greater than \$1 billion

1. Airborne Early Warning and Control System

This project would involve the acquisition of Airborne Early Warning and Control Aircraft. It is currently planned that an initial design stage of the project would commence by about 1997 and that the last aircraft would enter operational service by about 2003. If agreed, the acquisition of these aircraft would enhance Australia's air defence by providing microwave radar coverage for effective detection, identification and tracking of air targets, and close control of interceptors/fighters, complementing the Jindalee Operational Radar Network, which will have an effective broad area surveillance capability but not the same quality of tracking and control information.

2. Offshore Patrol Combatant Acquisition

This project would involve the acquisition of Offshore Patrol Combatants (OPCs) to replace the current fleet of Fremantle Class Patrol Boats. It is currently planned that the acquisition process would commence in about 1997 and that it would conclude with the commissioning of the last vessel in about 2006. If agreed, acquisition of OPCs would provide coastal surveillance, patrol and response within Australian waters. Being larger than the Fremantles that they would replace, OPCs would have better seakeeping thereby making them a more effective patrol vessel.

3. Rotary Wing Surveillance, Reconnaissance, Fire Support and Troop Lift

This project would involve the acquisition of helicopters for surveillance, reconnaissance, troop movement and fire support for the Army. The capability would consist of either a common platform or a mix of utility and armed reconnaissance helicopters. It is currently planned that preliminary definition studies would commence in about 1997 and that the final aircraft would enter operational service in about 2006. If agreed, the acquisition of this capability would provide enhanced mobility for ground troops, aerial reconnaissance, and highly flexible fire support and engagement of targets in widely dispersed and remote locations, thereby enhancing our ability to interdict hostile forces on Australian territory.

Projects with estimated total cost between \$500 million and \$1 billion

4. Australian Defence Force (ADF) Air Refuelling Capability

This project would involve the enhancement of the ADF's air refuelling capability. It is currently planned that introduction of this capability into service would commence in about 2000 and that it would be concluded by about 2002. If agreed, the proposed enhancement would supplement the limited air refuelling capability currently provided by four modified B707 tanker aircraft and, by extending the coverage and range of Australian Defence Force air assets, would enable them to be more flexibly employed during operations.

5. ADF Ground Based Air Defence Weapon System

This project would involve the acquisition of a ground based Air Defence Weapon System to replace the aging Rapier system. It is currently planned that procurement would commence in about 2000 and that the project would be completed by about 2004. If agreed, such a system would contribute to air defence and reduce the vulnerability of civilian and military assets in northern Australia to air attacks that could be potentially launched against Australia.

6. F/A-18 Hornet Upgrade

This project would involve a range of upgrades to the key systems of the Hornet aircraft (including software and hardware) in order to increase its operational effectiveness. It is currently planned that the first major upgrade would commence in about 1997 and that the last upgraded aircraft would return to operational service by about 2003. F/A-18 aircraft play a key role in maintaining the ADF's capability to intercept and defeat hostile aircraft and missiles. If agreed, the proposed upgrades would maintain the aircraft's operational effectiveness as aircraft and weapon developments continue.

7. FFG Progressive Upgrade

This project would involve the maintenance of the capability of the FFG fleet through to their planned end of life. The current combat system of the FFG is now some 20 years old. If agreed, the upgrade would provide the FFG with better defensive systems, particularly against anti-ship missiles. It is currently planned that implementation of the upgrade program would commence in about 1998, and that the last upgraded vessel would return to operational service by about 2003.

8. High Frequency Radio Communications Modernisation

This project would involve the acquisition of an integrated, joint ADF tactical High Frequency (HF) radio communications network. It is currently

planned that preliminary study would commence in 1997 and that the mature system would be operational by 2002. If agreed, this project would improve the reliability, security and capacity of HF radio as the primary survivable means of tactical communication within Australia and the immediate region.

9. Light Tactical Airlift Capability

This project would involve the acquisition of a light transport aircraft to maintain the capability currently provided by the Caribou. The light tactical airlift capability differs from the C130 Hercules airlift capability in that it provides a light lift/short take-off and landing air transport capability and increased flexibility to a range of supported forces. It is currently planned that development of the project would commence in about 1997 and that the final replacement aircraft would enter operational service by about 2000. If agreed, this project would provide the capability to support operations in northern Australia in a cost-effective manner.

10. Tactical Airlift Capability

This project would involve the maintenance of the ADF's tactical air transport capability, currently provided by the C130H fleet, either through the acquisition of replacement aircraft or the refurbishment of the C130H aircraft. It is currently planned that the initial phase of procurement would commence in about 1998 and that the final aircraft would enter operational service by about 2000. If agreed, this project would provide continued air mobility to the ADF for response and sustainment tasks.

Projects with estimated total cost between \$200 million and \$500 million

11. Anzac Frigate Warfighting Improvement Program

This project would involve the upgrade of the capabilities of Australia's eight Anzac frigates. It is currently planned that the upgrade would commence in about 1998 and that the last upgraded ship would return to operational service by about 2005. Anzac ships, together with FFGs (which are also being upgraded), comprise the ADF surface combatant force capability beyond the year 2000. If agreed, the upgrade of the Anzac capability would improve the ability of the ships to defend themselves against air attack, particularly from anti-ship missiles.

12. AUSTACSS—Australian Army Tactical Command Support System

This project would involve the development of a fully automated tactical command support system to facilitate the flow and processing of command information within, and between, headquarters of the land forces. It is currently planned that the

development of the mature system would commence in about 1998 and that the system would be in place by about 2000. If agreed, the proposal would replace the current manual development of reports and assimilation of battlefield data (from personnel reports and mechanical sensors), ensuring that efficiencies in command and command support structures could be realised.

13. Bushranger—Infantry Mobility Vehicle

This project would involve the acquisition of suitable vehicles, complete with ancillary equipment, to provide integral mobility for the rifle companies of selected infantry battalions of the land force. It is currently planned that the acquisition of the vehicles would commence in about 1999 and that it would be complete by about 2003. If agreed, acquisition of these vehicles would greatly enhance the coverage and effectiveness of infantry battalions in the difficult terrain of northern Australia by providing increased cross-country mobility with some protection against light arms fire.

14. Electronic Warfare for Transport Aircraft

This project would involve the provision of an Electronic Warfare (EW) self protection capability for ADF transport aircraft, including C-130Js. It is currently planned that installation would commence in about 1998 and that the last upgraded aircraft would return to operational service by about 2002. Transport aircraft provide a fundamental combat support capability for the ADF. If agreed, the proposed capability would offer enhanced mechanisms for self protection against missiles and radar-directed gunfire, as well as contributing to increased awareness by flight crews of the threat environment in which they were operating.

15. Heavyweight Torpedo

This project would involve the acquisition of an anti-submarine and anti-surface ship weapon capability for the Collins Class submarine to replace the existing Mk 48 torpedo when it reaches its planned withdrawal date in the year 2000. It is currently planned that the acquisition and installation of the new torpedos would commence in about 1999 and that it would be completed by about 2004. The current Mk 48 torpedo is becoming difficult to support and maintain as the main user of the weapon, the US Navy, is moving to another more capable torpedo. If agreed, the new torpedo would provide an improved anti-submarine and anti-surface ship capability, particularly in shallow waters.

16. Offshore Patrol Combatant Helicopter Capability

This project would involve the acquisition of an intermediate sized helicopter for the Offshore Patrol Vessel (OPV) to undertake maritime surveillance and patrol. The helicopter would be the same as that acquired for the Anzac Ships to retain com-

monality in support and training. It is currently planned that acquisition would commence in about 2000, and that it would be complete by about 2003. If agreed, the helicopters would provide a significant increase in the surveillance capability of the patrol vessels and they could also be equipped with an air-to-surface missile.

17. M113 Minimum Upgrade

This project would involve the modification of several hundred armoured vehicles in Regular and Reserve armoured units by upgrading their engines and transmissions. It is currently planned that the modifications would commence in about 1999 and that the last modified vehicle would return to operation service by about 2003. If agreed, the project would provide a cost benefit by extending the life of type of the vehicles beyond 2010.

18. Mulgara—Light Surveillance / Reconnaissance Vehicle

This project would involve the enhancement of the ADF's surveillance and reconnaissance capability through the acquisition of a light tactical vehicle. It is currently planned that the acquisition of the vehicles would commence by about 2000 and that the last vehicle would enter operational service by about 2003. If agreed, the acquisition of the vehicles would improve the ability of a range of units to conduct land surveillance and reconnaissance in identified areas of strategic importance in northern Australia.

Projects with estimated total cost between \$100 million and \$200 million

19. Shallow Water Anti-Submarine Warfare Weapon

This project would involve the acquisition of a replacement shallow-water anti-submarine torpedo for use by surface combatants against submarines. The current shallow-water torpedo is old, difficult to maintain and support, and is becoming ineffective. It is currently planned that acquisition and installation of a new torpedo would commence in about 1999 and that it would be complete by about 2002. If agreed, the acquisition of a more effective shallow water torpedo would provide surface combatants with an improved capability to counter submarines.

20. Towed Arrays for Surface Combatants

This project would involve the acquisition of low frequency active / passive towed array sonar systems for the Royal Australian Navy (RAN). If agreed, a fully developed ship-towed array system would provide continuous long range detection and classification of surface contacts, detection and localisation of submarines beyond torpedo firing range, and detection and tracking of torpedos after launch, and would have the potential for over-the-horizon detection of aircraft and anti-ship missiles.

An interim acquisition of two towed arrays, which would allow trials in FFGs, is currently planned in about 1997. Depending on the results of trials, a further phase of the project would seek additional towed arrays for use by RAN ships. It is currently planned that any follow-on acquisition and installation would be completed by about 2003.

US: Subcritical Nuclear Activities

(Question No. 110)

Senator Margetts asked the Minister representing the Minister for Foreign Affairs, upon notice, on 25 June 1996:

(1) (a) Is the Government aware of attempts by members of the United States (US) Congress to dissuade the US Government from planning hydronuclear tests at the Nevada test site; and (b) can these reports be confirmed.

(2) (a) Can the effects of hydronuclear and sophisticated virtual testing on future nuclear weapons development be detailed; and (b) does the Government believe that tests of this type, carried out by the US, France and Russia have the ability to negate the intent of the Comprehensive Test Ban Treaty; if not, why not.

(3) Will the Australian Government make representations to the US Government that it should abandon its program of 'subcritical tests'; if not, why not.

Senator Hill—The Minister for Foreign Affairs has provided the following answer to the honourable senator's question:

(1) I am aware of a debate in the United States (US) Senate on 4 August 1995 concerning an amount of US\$50 million authorised for preparation for hydronuclear testing in the 1995-96 fiscal year Defense Authorisation Bill. In the event, however, these funds were not called on by the US Administration following its declaration of support on 11 August 1995 for a zero-threshold Comprehensive Test Ban Treaty (CTBT). The US has explicitly stated that its support for a "true zero-yield" CTBT precludes the conducting of hydronuclear tests.

However, it is worth clarifying, for the purpose of answering the honourable senator's questions, that the types of activities which the United States has foreshadowed for its Nevada test site are known as hydrodynamic or subcritical experiments. Unlike hydronuclear tests, such experiments do not produce a nuclear explosive yield and are consistent with a zero-yield CTBT.

(2) (a) Australia, as a non-nuclear weapon state, does not have access to the details of nuclear weapons stockpile stewardship techniques.

Hydronuclear, hydrodynamic, subcritical and 'virtual' (I take this to be a reference to computer

simulation) procedures could each contribute to ensuring the safety and reliability of nuclear weapons as well as to making minor modifications to existing weapon systems. It is my understanding, however, that none of these would enable the development of new generations of nuclear weapon systems. Hydronuclear tests will be banned under a CTBT.

(b) Because hydronuclear tests produce some (usually very small) nuclear explosive yield, any party to a CTBT would be in violation if they conducted such a test. The other types of procedures referred to above would be consistent with a true zero-yield CTBT.

(3) No. The Australian Government recognises that, in conducting subcritical experiments, the US is not acting inconsistently with its commitment—which we have welcomed—to the earliest conclusion of a true zero-yield CTBT. The Government will continue to work with the US and others on a practical and realistic approach to nuclear disarmament.

Chinese Nuclear Testing

(Question No. 111)

Senator Margetts asked the Minister representing the Minister for Foreign Affairs, upon notice, on 25 June 1996:

(1) Is the Minister aware of demonstrations that have occurred outside Chinese embassies and consulates in response to the recent nuclear test conducted by China.

(2) Has the Minister responded to this Chinese test by immediately protesting to the Chinese Ambassador.

(3) (a) Is the Minister aware of statements by the Chinese Government that at least one and possibly more tests are planned by the Chinese Government before the Comprehensive Test Ban Treaty (CTBT) is signed and;

(b) What is the Australian Government's view of this matter.

(4) What effect will this testing have on the conclusion of the CTBT and agreement to a zero threshold level.

(5) What will be the effect of China's wish to include 'peaceful nuclear explosions' on the conclusion of the CTBT and agreement to a zero threshold level.

(6) What is the Australian Government's position on the inclusion of peaceful nuclear explosions in the treaty and any level of permitted explosions other than a zero threshold being included in the treaty.

(7) What concrete steps has the Australian Government taken, or will it take, to ensure that China does not conduct any further nuclear tests.

Senator Hill—The Minister for Foreign Affairs has provided the following answer to the honourable senator's question:

(1) Yes.

(2) Yes. The Australian Government responded immediately to the Chinese test on 8 June and the subsequent test on 29 July. The Prime Minister and I have issued statements conveying the strong opposition of the Australian Government and people to nuclear testing. The Chinese Ambassador in Canberra was called in on both occasions. Australia's Ambassador to China conveyed our protest at senior levels in Beijing. Representations were also made to register our concerns in other capitals.

(3) (a) After the most recent test on 29 July, the Chinese Government announced that it would observe a moratorium on nuclear testing from 30 July 1996.

(b) The Australian Government has welcomed the Chinese announcement that it will observe a moratorium on nuclear testing. For the first time ever, this will mean that all five nuclear weapon states will be observing testing moratoria.

(4) The Australian Government has expressed concerns in the past that Chinese and other nuclear tests may complicate negotiations for the successful conclusion of a CTBT. China has now imposed a moratorium on nuclear testing from 30 July, before the conclusion of the CTBT negotiations. It has also agreed to a zero-threshold CTBT, in accordance with Australian-proposed language, which would ban 'any nuclear weapon test explosion or any other nuclear explosion'.

(5) China's long-standing position that the CTBT should unconditionally allow so-called peaceful nuclear explosions (PNEs) was vigorously opposed by Australia and the rest of the international community. China has significantly moderated its position on PNEs, as reflected in the Chair's text currently before the Conference on Disarmament (CD). Any proposal to allow PNEs under the Treaty in the future would require a consensus of states party to the CTBT, which we firmly believe would be unachievable.

(6) The Australian Government, and the rest of the international community, has long opposed provision for PNEs in the CTBT. The reference to PNEs in the draft treaty currently before the CD represents, in the view of the Chair of the negotiations, the best way to deal with this issue in the context of a final treaty package. The Government welcomes the adherence of CD negotiating parties to the principle of a zero-threshold CTBT, on the

basis of Australian-proposed language. See also answers to questions 4 and 5.

(7) See answer to question 2. The Australian Government welcomes the Chinese announcement of a moratorium on nuclear testing.

Ministerial Staff

(Question No. 117)

Senator Faulkner asked the Minister representing the Minister for Administrative Services, upon notice, on 1 July 1996:

How many ministerial staff does the Government currently employ and how many are employed under the Members of Parliaments (Staff) Act.

Senator Short—The Minister for Administrative Services has provided the following answer to the honourable senator's question:

As at 30 June 1996 there were 230 staff employed by Ministers. All were employed under the Members of Parliament (Staff) Act 1984. This figure does not include electorate staff employed by Ministers.

Oil Tankers

(Question No. 119)

Senator Margetts asked the Minister representing the Minister for Transport and Regional Development, upon notice, on 1 July 1996:

With reference to the provisions of the United States Oil Pollution Act of August 1990, which requires oil tankers operating in American waters to progressively have double hulls with an absolute time limitation of 2010:

Has the possibility of introducing similar legislation to assist in protecting the Australian coastline from oil spills due to damage to oil tankers been examined; if not, why not.

Senator Alston—The Minister for Transport and Regional Development has provided the following answer to the honourable senator's question:

As a signatory to the International Convention for the Prevention of Pollution from Ships, known as MARPOL 73/78, Australia introduced legislative amendments in 1993 to require all new tankers to be constructed with double hulls or an alternative design approved by the International Maritime Organization.

The requirement for double hulls that applies to new tankers has been applied to existing ships under a program that began in 1995. Under the MARPOL Convention, existing oil tankers must either be modified to meet double hull standard or

phased out by thirty years after their date of delivery.

At present only 251 of the world's 3,500 tankers have double hulls. Within the next few years the bulk of the world's tanker tonnage will have to be fitted with double hulls. This measure is being phased in over a number of years because shipyard capacity is limited and it would not be possible to convert all single hull tankers to double hulls without causing immense disruption to world trade and industry.

Minister for Social Security

(Question No. 125)

Senator Denman asked the Minister for Social Security, upon notice, on 9 July 1996:

(1) What amount was debited by the Minister to her taxpayer-funded credit card from the federal election in March 1996 to 30 June 1996.

(2) Would the Minister provide a breakdown by month and by category of expenditure, including for example meals, accommodation, flowers and gifts, for the debited amount.

Senator Newman—The answer to the honourable senator's question is as follows:

(1) and (2) I do not possess and have never used a taxpayer-funded credit card.

Disability Reform Package

(Question No. 130)

Senator Denman asked the Minister for Social Security, upon notice, on 15 July 1996:

(1) Since the Disability Reform Package was introduced in 1991, how many disability support pensioners in Tasmania, on the latest figures, have undertaken employment following rehabilitation, vocational training and job search assistance.

(2) Since the federal election in March 1996, how many disability support pensioners in Tasmania have been encouraged, under the Disability Reform Package, to undertake employment following rehabilitation, vocational training and job search assistance.

Senator Newman—The answer to the honourable senator's question is as follows:

The most recent data available cover the period from Disability Reform Package implementation on 12 November 1991 up to and including 28 June 1996. The answers below are based on those data.

(1) Since the Disability Reform Package was introduced on 12 November 1991, 397 Disability Support Pensioners from Tasmania have commenced work following assistance through the Disability Reform Package.

Wednesday, 21 August 1996

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