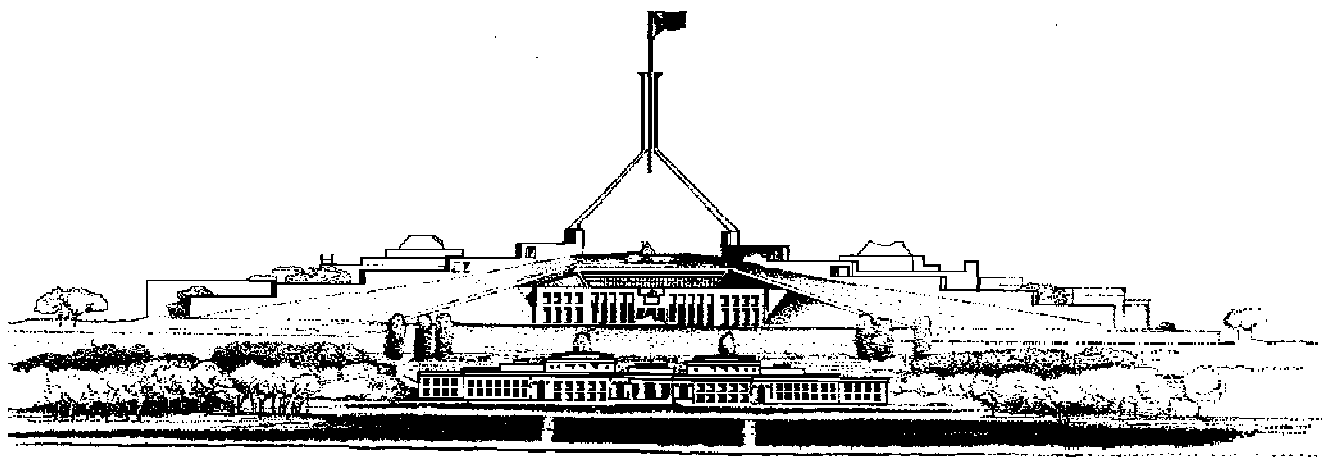




COMMONWEALTH OF AUSTRALIA  
PARLIAMENTARY DEBATES



**SENATE**

Official Hansard

**MONDAY, 24 FEBRUARY 1997**

THIRTY-EIGHTH PARLIAMENT  
FIRST SESSION—THIRD PERIOD

BY AUTHORITY OF THE SENATE  
CANBERRA

# THIRTY-EIGHTH PARLIAMENT

## FIRST SESSION—THIRD PERIOD

### Governor-General

His Excellency the Hon. Sir William Patrick Deane, Companion of the Order of Australia,  
Knight Commander of the Order of the British Empire

### Senate Officeholders

*President*—Senator the Hon. Margaret Elizabeth Reid

*Deputy President and Chairman of Committees*—Senator Malcolm Arthur Colston

*Temporary Chairmen of Committees*—Senators Paul Henry Calvert, Hedley Grant Pearson  
Chapman, Bruce Kenneth Childs, Hon. Rosemary Anne Crowley, Alan Baird Ferguson,  
Susan Christine Knowles, James Philip McKiernan, Shayne Michael Murphy,  
Kay Christine Lesley Patterson, Hon. Margaret Reynolds, John Odin Wentworth Watson and  
Suzanne Margaret West

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

*Deputy Leader of the Government in the Senate*—Senator the Hon.  
Richard Kenneth Robert Alston

*Leader of the Opposition*—Senator the Hon. John Philip Faulkner

*Deputy Leader of the Opposition*—Senator the Hon. Nicholas John Sherry

*Manager of Government Business in the Senate*—Senator the Hon. Charles Roderick Kemp  
*Manager of Opposition Business in the Senate*—Senator Kim John Carr

### Senate Party Leaders

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

*Deputy Leader of the Liberal Party of Australia*—Senator the Hon.  
Richard Kenneth Robert Alston

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

*Deputy Leader of the National Party of Australia*—Senator the Hon.  
David Gordon Cadell Brownhill

*Leader of the Australian Labor Party*—Senator the Hon. John Philip Faulkner

*Deputy Leader of the Australian Labor Party*—Senator the Hon.  
Nicholas John Sherry

*Leader of the Australian Democrats*—Senator Cheryl Kernot

*Deputy Leader of the Australian Democrats*—Senator Meg Heather Lees

## Members of the Senate

Senator	State or Territory	Term expires	Party
Abetz, Eric <sup>(3)</sup>	Tas.	30.6.1999	LP
Allison, Lynette Fay	Vic.	30.6.2002	AD
Alston, Hon. Richard Kenneth Robert	Vic.	30.6.2002	LP
Bishop, Thomas Mark	WA	30.6.2002	ALP
Bolkus, Hon. Nick	SA	30.6.1999	ALP
Boswell, Ronald Leslie Doyle	Qld	30.6.2002	NP
Bourne, Vicki Worrall	NSW	30.6.2002	AD
Brown, Robert James	Tas.	30.6.2002	AG
Brownhill, Hon. David Gordon Cadell	NSW	30.6.2002	NP
Calvert, Paul Henry	Tas.	30.6.2002	LP
Campbell, Hon. Ian Gordon	WA	30.6.1999	LP
Carr, Kim John	Vic.	30.6.1999	ALP
Chapman, Hedley Grant Pearson	SA	30.6.2002	LP
Childs, Bruce Kenneth	NSW	30.6.2002	ALP
Collins, Jacinta Mary Ann <sup>(6)</sup>	Vic.	30.6.1999	ALP
Collins, Hon. Robert Lindsay <sup>(1)</sup>	NT		ALP
Colston, Malcolm Arthur	Qld	30.6.1999	Ind.
Conroy, Stephen Michael <sup>(7)</sup>	Vic.	30.6.1999	ALP
Cook, Hon. Peter Francis Salmon	WA	30.6.1999	ALP
Coonan, Helen Lloyd	NSW	30.6.2002	LP
Cooney, Bernard Cornelius	Vic.	30.6.2002	ALP
Crane, Arthur Winston	WA	30.6.2002	LP
Crowley, Hon. Rosemary Anne	SA	30.6.2002	ALP
Denman, Kay Janet <sup>(2)</sup>	Tas.	30.6.1999	ALP
Eggleston, Alan	WA	30.6.2002	LP
Ellison, Christopher Martin	WA	30.6.1999	LP
Evans, Christopher Vaughan	WA	30.6.1999	ALP
Faulkner, Hon. John Philip	NSW	30.6.1999	ALP
Ferguson, Alan Baird	SA	30.6.1999	LP
Ferris, Jeannie Margaret <sup>(10)</sup>	SA	30.6.2002	LP
Foreman, Dominic John	SA	30.6.1999	ALP
Forshaw, Michael George <sup>(5)</sup>	NSW	30.6.1999	ALP
Gibbs, Brenda	Qld	30.6.2002	ALP
Gibson, Hon. Brian Francis	Tas.	30.6.1999	LP
Harradine, Brian	Tas.	30.6.1999	Ind.
Heffernan, William Daniel <sup>(9)</sup>	NSW	30.6.1999	LP
Herron, Hon. John Joseph	Qld	30.6.2002	LP
Hill, Hon. Robert Murray	SA	30.6.2002	LP
Hogg, John Joseph	Qld	30.6.2002	ALP
Kemp, Hon. Charles Roderick	Vic.	30.6.2002	LP
Kernot, Cheryl	Qld	30.6.2002	AD
Knowles, Susan Christine	WA	30.6.1999	LP
Lees, Meg Heather	SA	30.6.1999	AD
Lundy, Kate Alexandra <sup>(1)</sup>	ACT		ALP
Macdonald, Ian Douglas	Qld	30.6.2002	LP
Macdonald, John Alexander Lindsay (Sandy)	NSW	30.6.1999	NP
McGauran, Julian John James	Vic.	30.6.1999	NP
MacGibbon, David John	Qld	30.6.1999	LP
McKiernan, James Philip	WA	30.6.2002	ALP

## Members of the Senate—*continued*

Senator	State or Territory	Term expires	Party
Mackay, Susan Mary	Tas.	30.6.2002	ALP
Margetts, Diane Elizabeth (Dee)	WA	30.6.1999	G(WA)
Minchin, Hon. Nicholas Hugh	SA	30.6.1999	LP
Murphy, Shayne Michael	Tas.	30.6.1999	ALP
Murray, Andrew James Marshall	WA	30.6.2002	AD
Neal, Belinda Jane <sup>(4)</sup>	NSW	30.6.1999	ALP
Newman, Hon. Jocelyn Margaret	Tas.	30.6.2002	LP
O'Brien, Kerry Williams Kelso <sup>(8)</sup>	Tas.	30.6.1999	ALP
O'Chee, William George	Qld	30.6.1999	NP
Parer, Hon. Warwick Raymond	Qld	30.6.1999	LP
Patterson, Kay Christine Lesley	Vic.	30.6.2002	LP
Ray, Robert Francis	Vic.	30.6.2002	ALP
Reid, Hon. Margaret Elizabeth <sup>(1)</sup>	ACT		LP
Reynolds, Hon. Margaret	Qld	30.6.1999	ALP
Schacht, Hon. Christopher Cleland	SA	30.6.2002	ALP
Sherry, Hon. Nicholas John	Tas.	30.6.2002	ALP
Short, Hon. James Robert	Vic.	30.6.1999	LP
Stott Despoja, Natasha Jessica	SA	30.6.2002	AD
Tambling, Hon. Grant Ernest John <sup>(1)</sup>	NT		CLP
Tierney, John William	NSW	30.6.1999	LP
Troeth, Judith Mary	Vic.	30.6.1999	LP
Vanstone, Hon. Amanda Eloise	SA	30.6.1999	LP
Watson, John Odin Wentworth	Tas.	30.6.2002	LP
West, Suzanne Margaret	NSW	30.6.2002	ALP
Woodley, John	Qld	30.6.1999	AD
Woods, Hon. Robert Leslie	NSW	30.6.2002	LP

(1) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.

- (2) Chosen by the Parliament of Tasmania vice Hon. Michael Carter Tate, resigned.  
 (3) Chosen by the Parliament of Tasmania vice Brian Roper Archer, resigned.  
 (4) Chosen by the Parliament of New South Wales vice Hon. Kerry Walter Sibraa, resigned.  
 (5) Chosen by the Parliament of New South Wales vice Hon. Graham Frederick Richardson, resigned.  
 (6) Chosen by the Parliament of Victoria vice Alice Olive Zakharov, deceased.  
 (7) Chosen by the Parliament of Victoria vice Hon. Gareth John Evans, resigned.  
 (8) Chosen by the Parliament of Tasmania vice John Coates, resigned.  
 (9) Chosen by the Parliament of New South Wales vice Michael Ehrenfried Baume, resigned.  
 (10) Chosen by the Parliament of South Australia to fill a casual vacancy caused by her resignation.

### PARTY ABBREVIATIONS

AD—Australian Democrats; AG—Australian Greens; ALP—Australian Labor Party;  
 CLP—Country Liberal Party; G(WA)—Greens (WA); Ind.—Independent;  
 LP—Liberal Party of Australia; NP—National Party of Australia

### Heads of Parliamentary Departments

*Clerk of the Senate*—H. Evans  
*Clerk of the House of Representatives*—L. M. Barlin, AM  
*Parliamentary Librarian*—  
*Principal Parliamentary Reporter*—J. W. Templeton  
*Secretary, Joint House Department*—M. W. Bolton

## **FIRST HOWARD MINISTRY**

Prime Minister	The Hon. John Winston Howard MP
Minister for Trade and Deputy Prime Minister	The Hon. Timothy Andrew Fischer MP
Treasurer	The Hon. Peter Howard Costello MP
Minister for Primary Industries and Energy	The Hon. John Duncan Anderson MP
Minister for the Environment and Leader of the Government in the Senate	Senator the Hon. Robert Murray Hill
Minister for Communications and the Arts and Deputy Leader of the Government in the Senate	Senator the Hon. Richard Kenneth Robert Alston
Minister for Industrial Relations, Leader of the House and Minister Assisting the Prime Minister for the Public Service	The Hon. Peter Keaston Reith MP
Minister for Social Security and Minister Assisting the Prime Minister for the Status of Women	Senator the Hon. Jocelyn Margaret Newman
Minister for Foreign Affairs	The Hon. Alexander John Gosse Downer MP
Minister for Industry, Science and Tourism and Vice President of the Executive Council	The Hon. John Colinton Moore MP
Minister for Defence	The Hon. Ian Murray McLachlan AO, MP
Minister for Transport and Regional Development	The Hon. John Randall Sharp MP
Minister for Health and Family Services	The Hon. Michael Richard Lewis Wooldridge MP
Minister for Finance	The Hon. John Joseph Fahey MP
Minister for Employment, Education, Training and Youth Affairs	Senator the Hon. Amanda Eloise Vanstone

**(The above ministers constitute the cabinet)**

## First Howard Ministry—*continued*

Minister for Immigration and Multicultural Affairs	The Hon. Philip Maxwell Ruddock MP
Minister for Science and Technology and Deputy Leader of the House	The Hon. Peter John McGauran MP
Minister for Schools, Vocational Education and Training and Minister Assisting the Minister for Finance for Privatisation	The Hon. David Alistair Kemp, MP
Minister for Resources and Energy	Senator the Hon. Warwick Raymond Parer
Minister for Small Business and Consumer Affairs	The Hon. Geoffrey Daniel Prosser MP
Minister for Family Services	The Hon. Judith Eleanor Moylan MP
Minister for Defence Industry, Science and Personnel	The Hon. Bronwyn Kathleen Bishop MP
Attorney-General and Minister for Justice	The Hon. Daryl Robert Williams AM, QC, MP
Minister for Sport, Territories and Local Government and Minister Assisting the Prime Minister for the Sydney 2000 Games	The Hon. Warwick Leslie Smith MP
Minister for Veterans' Affairs	The Hon. Bruce Craig Scott MP
Minister for Aboriginal and Torres Strait Islander Affairs	Senator the Hon. John Joseph Herron
Minister for Administrative Services	The Hon. David Francis Jull MP
Assistant Treasurer	Senator the Hon. Charles Roderick Kemp
Parliamentary Secretary (Cabinet) to the Prime Minister	The Hon. Christopher Gordon Miles MP
Parliamentary Secretary to the Prime Minister	Senator the Hon. Nicholas Hugh Minchin
Parliamentary Secretary to the Minister for Trade and Parliamentary Secretary to the Minister for Primary Industries and Energy	Senator the Hon. David Gordon Cadell Brownhill
Parliamentary Secretary to the Treasurer and Manager of Government Business in the Senate	Senator the Hon. Ian Gordon Campbell
Parliamentary Secretary to the Minister for Foreign Affairs	The Hon. Andrew Peter Thomson MP
Parliamentary Secretary to the Minister for Social Security	Senator the Hon. Grant Ernest John Tambling
Parliamentary Secretary to the Minister for Health and Family Services and Parliamentary Secretary to the Attorney-General	Senator the Hon. Christopher Ellison
Parliamentary Secretary to the Minister for Employment, Education, Training and Youth Affairs	The Hon. Anthony John Abbott MP
Parliamentary Secretary to the Minister for Transport and Regional Development	The Hon. Michael John Clyde Ronaldson MP
Parliamentary Secretary to the Minister for the Environment	Senator the Hon. Ian Douglas Macdonald

## **SHADOW MINISTRY**

Leader of the Opposition	The Hon. Kim Christian Beazley MP
Deputy Leader of the Opposition and Shadow Treasurer	The Hon. Gareth John Evans QC, MP
Leader of the Opposition in the Senate and Shadow Minister for Social Security	Senator the Hon. John Philip Faulkner
Deputy Leader of the Opposition in the Senate and Shadow Minister for Finance and Superannuation	Senator the Hon. Nicholas John Sherry
Shadow Minister for Industry and Regional Development and Manager of Opposition Business	The Hon. Simon Findlay Crean MP
Shadow Minister for Industrial Relations and Assistant to the Leader of the Opposition on Public Service Matters	The Hon. Robert Francis McMullan MP
Shadow Minister for Health	The Hon. Michael John Lee MP
Shadow Minister for the Environment, Shadow Minister for the Arts and Assistant to the Leader of the Opposition on the Status of Women	The Hon. Carmen Mary Lawrence MP
Shadow Minister for Primary Industries and Northern Australia and Territories	Senator the Hon. Robert Lindsay Collins
Shadow Minister for Foreign Affairs	The Hon. Laurence John Brereton MP
Shadow Minister for Education and Youth Affairs	The Hon. Peter Jeremy Baldwin MP
Shadow Minister for Commerce and Small Business	Senator the Hon. Peter Francis Salmon Cook
Shadow Attorney-General and Minister for Justice	Senator the Hon. Nick Bolkus
Shadow Minister for Employment and Training	Mr Martin John Ferguson MP
Shadow Minister for Defence	The Hon. Archibald Ronald Bevis MP
Shadow Minister for Immigration and Assistant to the Leader of the Opposition on Multicultural Affairs	The Hon. Duncan James Colquhoun Kerr MP
Shadow Minister for Communications	Senator the Hon. Christopher Cleland Schacht
Shadow Minister for Veterans' Affairs and Shadow Minister for Sport and Tourism	The Hon. Stephen Paul Martin MP
Shadow Minister for Transport	Mr Lindsay James Tanner MP
Shadow Minister for Resources and Energy	The Hon. Neil Patrick O'Keefe MP
Shadow Minister for the Aged, Family and Community Services	Ms Jennifer Louise Macklin MP
Shadow Minister for Trade	Mr Stephen Francis Smith MP

### **Shadow Ministry—*continued***

Shadow Minister for Competition Policy, Assistant to the Shadow Treasurer and Shadow Minister for Local Government	Mr Mark William Latham MP
Shadow Minister for Aboriginal Affairs and Assistant to the Shadow Foreign Minister on Arms Control	Mr Daryl Melham MP
Shadow Minister for Science and Information Technology	Mr Martyn John Evans MP
Shadow Minister for Administrative Services	Mr Laurie Donald Thomas Ferguson MP
Shadow Minister for Consumer Affairs and Assistant to the Shadow Minister for Health	Senator Belinda Jane Neal



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*Monday, 24 February 1997*

The **PRESIDENT (Senator the Hon. Margaret Reid)** took the chair at 12.30 p.m., and read prayers.

#### STANDING ORDERS

The **PRESIDENT**—Honourable senators are reminded that the extensive amendments to the standing orders adopted on 13 February 1997 come into operation today. Copies of the paperbound version are available in senators' desks in the chamber today and hard bound versions will be available at a later date.

#### NATURAL HERITAGE TRUST OF AUSTRALIA BILL 1996

##### Second Reading

Debate resumed from 30 October 1996, on motion by **Senator Campbell**:

That this bill be now read a second time.

**Senator CAMPBELL** (Western Australia—Parliamentary Secretary to the Treasurer)—Before we get onto the legislation I need to table a correction to the explanatory memorandum of this bill. This correction was circulated in the chamber on 13 February 1997.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (12.32 p.m.)—The Natural Heritage Trust of Australia Bill establishes a trust fund of a billion dollars sourced from the partial sale of Telstra, with \$700 million directed to five environment and sustainable agriculture projects over the next five years, with the remaining \$300 million to be held in the fund in perpetuity. The funds provided from the partial sale of Telstra are to be devoted to five program areas: education, rivers, biodiversity, land care, coasts and clean seas.

The initiatives outlined in the bill are worthwhile and they have the support of the Labor opposition. In fact, most of these initiatives were contained in Labor's 'Our Land' environment policy announced prior to the 1996 election. Labor therefore supports the establishment of the Natural Heritage Trust but let me make it clear again that we

have never supported the linkage of the trust to the sale of Telstra. We also have grave concerns about the drafting of this bill, particularly its lack of appropriate accountability measures.

Over the past year the Prime Minister (Mr Howard), the Minister for the Environment (Senator Hill) and many other members of the coalition government have argued the need for substantially more money to be allocated to environment programs. The sale of Telstra and the establishment of this trust, they claim, would substantially address the major environmental problems facing our nation. But the Howard government's rhetoric is at odds with their action on the environment. The 13 per cent cut to the environment budget in the 1996-97 budget and the plethora of anti-environment decisions taken over the past year tell the real story of the Howard government's lack of concern for the environment. Since coming to office, the Howard government have shown no leadership on important environment matters of national significance. Instead of protecting our environment, their record has been one of disregard for the environment.

This is the government that has all but given the green light to the expansion of uranium mining in the Kakadu world heritage area; that has cut the environment budget by \$30 million; that has given the green light to aspects of Keith Williams's massive Hinchinbrook resort development, despite departmental and scientific advice concluding that it would have an adverse impact on the world heritage values of the adjacent Hinchinbrook channel; that has given state governments veto powers over the listing of world heritage areas; that has attempted to abolish its export control powers for minerals; that has approved the largest volume in Australia's history of native forest woodchips to be exported; that has abandoned the 15 per cent old growth conservation criterion for native forests; that has abolished the ethanol bounty scheme designed to assist in the development of cleaner fuels; that has cut labour market programs with significant environmental components, such as the LEAP program; and

that has diluted Australia's commitment to reducing greenhouse gas emissions.

The Natural Heritage Trust is a gimmick designed to disguise this government's massive cuts to environment spending and its appalling record of anti-environment decisions. The government's environment record and the history of this trust make it very clear that the protection and conservation of the environment are not the main purpose of this bill. In fact, the environment has always rated very low in terms of government priorities on this government's agenda.

The Natural Heritage Trust is the only commitment this government has made to the environment and it was a commitment contingent on the partial sale of Telstra. The government has made much of its commitment to spend a billion dollars on the environment. However, a careful analysis of the funding provided for the Natural Heritage Trust reveals that the much touted billion dollars translates into just \$84.3 million per year over and above what has already been committed by the former Labor government from consolidated revenue.

Despite promising with great fanfare that the fund would be 'additional to Labor's budgeted funding for the environment and sustainable agriculture elements of the Primary Industry portfolio', the reality is that cuts to both Environment Australia and DPIE in the recent budget mean that this year's funding on the environment and land management programs—landcare in the Murray-Darling Basin initiative—will be down by at least \$76 million. Even with the funds from the sale of Telstra, the extra funding per annum for the life of this government is just \$59 million—hardly the great bonanza that was promised from the \$10 billion sale of one of our most precious public assets.

After taking account of the funds exclusively allocated to Tasmania as a result of arrangements with Senator Harradine, the states and territories will share an extra \$42 million per year. When allocated on a proportional basis between the states, it becomes even clearer that the additional resources available for environment improvement are minimal.

The government's only argument for establishing a trust is, to use their own words:

... to provide assurance that there was a greater certainty of funding for nominated projects over a period of time than would be the case under the normal annual appropriations process.

The government, however, has provided no certainty of funding for the environment. The budgeted cuts to Environment Australia's forward estimates indicate that instead of providing 'certainty of funding' the trust is simply replacing consolidated revenue environment funds with Telstra money.

Removing environment funding from the normal budgeting process may actually weaken the capacity of the environment to secure important funding in the future. The environment-Telstra link sets a very bad precedent for environment funding. In five years' time when the trust's funds are depleted, Australia will still have major environment programs that need funding. What public asset will the government sell then? And what happens when we run out of public assets to sell? How then will the environment be funded?

The Natural Heritage Trust legislation is this government's only commitment to the environment and yet it offers no direction or philosophical commitment to the environment. Once again, the only conclusion you can reach is that this is a gimmick. This conclusion has been given some currency in a report in *Science Technology*, a monthly round-up of science and technology in Australia. An article—you should read this, Senator Hill—headed 'Natural Heritage Trust Fund a fraud admits coalition senior adviser' goes into some detail about precisely how that fraud was engineered and perpetrated on the Australian people. Perhaps Senator Hill does not have to read it because he knows all about the fraud. But I would like to put on the record exactly what this article says:

The Howard Government's proposed Natural Heritage Trust is a blatant and cynical fraud.

That phrase 'blatant and cynical fraud' is attributed to a senior government adviser. He says that the policy, the coalition's claimed answer to Australia's enormous environmental problems was, as he puts it, 'invented

overnight' as a means of attempting to soften public reaction against the planned sale of one-third of Telstra. The government's ruse has been revealed.

The plan has essentially been devised—and, again, I quote this adviser—'as a purely political exercise' by the Federal Director of the Liberal Party, Mr Andrew Robb, and had then been 'imposed'—that being the adviser's word—on the former shadow minister for the environment, Senator Rod Kemp, and subsequently, he says, on the current Minister for the Environment, Senator Robert Hill. These are all claims attributed to the senior adviser.

The senior adviser said that senior coalition MPs 'openly joked behind closed doors' about the policy and admitted to the fact that it 'couldn't possibly' in its current form or size make any serious impact on the nation's massive problems of land degradation, ailing rivers and loss of bio-diversity. He said that the extent of the deceit had 'sickened him' and a number of other coalition staffers were also sickened—and they were people apparently genuinely concerned about the national environment for the sake of the nation's long-term future.

In the same article this journal was told by the adviser:

We were appalled at the lies and deception involved in this issue. It's an exercise just based on one thing—finding a way to sell off Telstra.

He went on:

The linkage to the environment is just a sop designed to cloud the Telstra sale issue and to try to blackmail other parties and the general community into accepting it.

Anyone who looks at the figures can quickly see the Natural Heritage Trust is a blatant and cynical political fraud. There is simply no way the interest from the \$1 billion supposed to be diverted from the Telstra sale could possibly pay to rectify the enormous environmental problems confronting Australia.

The real motivation behind this bill is not the protection and conservation of the environment but rather a means to persuade a sufficient number of senators to support the Telstra legislation. The trust's first major purchase cost \$115 million, approximately 10 per cent of the total funds provided for the trust, and it guaranteed the vote of Senator

Harradine during the Telstra debate last year. Since last year's Telstra vote, I personally believe this bill should be renamed 'the natural heritage slush fund' because that is what it is, a natural heritage slush fund. That much more accurately reflects and represents the intentions of this fund.

This bill is a poorly drafted piece of legislation. The bill does not guarantee that there will be funding for the major environmental problems faced by Australia. For example, the loss of native vegetation, the loss of bio-diversity within Australia, is one of the major environmental issues facing this country. Whilst those issues are covered under the national vegetation initiative, there is no mechanism for ensuring that any money is spent on them. Similarly, the proposed subsection 21(3)(vi) talks of using 'cost-effective and flexible measures'; however, the bill is silent on what the costs are that are included in this.

The poor drafting of this bill and many other concerns were raised in the Senate legislative committee's report on the bill. Unfortunately, the committee's recommendations have been substantially ignored by the government and Senator Hill. The government's disregard for the committee's findings are extraordinary considering it was Senator Hill himself who actually referred the bill to the committee. But, of course, the minister has shown a real disregard for ensuring the trust is properly established.

All the evidence suggests that the government has cynically established this trust as a public relations tool to disguise its appalling environment record. Why else would Senator Hill send a Senate committee around the country holding public meetings up hill and down dale and then ignore its recommendations? We can only conclude that the Senate committee's hearings were a Howard government public relations exercise—a PR exercise to muddy the debate surrounding the partial sale of Telstra.

Premier Court understood the true Liberal Party purpose of the fund when he promised \$30 million a year for 10 years of the trust fund's money for a Western Australian salinity action program as part of his re-election

campaign. Mr Court's promise of \$300 million over 10 years was amazing considering the total allocation for vegetation associated initiatives under the Natural Heritage Trust is \$318 million over five years.

Last year the opposition could not ascertain the veracity of this promise when it asked the Prime Minister to confirm such a commitment, and I would appreciate it if the minister could clarify that issue for us as well as how much the Commonwealth government in fact did promise Richard Court for his salinity action plan. If you cannot do that, Minister, again, it will expose you and your government and it will expose this bill for what it is: another example of Liberal Party chicanery in the lead-up to the Western Australian poll last year and a further confirmation that the trust fund is actually a Liberal Party slush fund.

What we have learnt from these sorts of examples of vote buying with the trust's funds is that, unless very strong accountability mechanisms are included in this bill, the trust's funds will not be directed on a needs basis to address the very serious environmental problems facing Australia but rather allocated for political purposes. The need for greater accountability mechanisms to be included in the bill was constantly raised during the Senate committee's hearings.

The bill, as it is currently drafted, does not include measures to account for improvements as a result of expenditure programs against base level data and objectives, to ensure that no project receives funding where the existing regulations will work against achievements of the trust's goals, nor to ensure needs based funding. These concerns were all raised in the Senate committee's report.

The propensity for this government to use the trust fund for political rather than environmental objectives is a convincing argument in favour of amending the bill to include concrete mechanisms to ensure the trust can achieve its objectives. The poor drafting of the bill has created significant confusion about the role and composition of the trust's board. As the Senate report noted:

... the word 'Trust' appeared to imply that the fund would be outside the accountability process,

perhaps because of how the community perceives the operation of family and private Trusts.

The report also noted:

... the use of the name 'Board' to describe the partnership of administration between the Ministers for Primary Industries and Energy and Environment, Sport and Territories was also felt to convey the impression of a body less subject to parliamentary scrutiny ...

The committee called for greater explanation and clarity in the bill. I note the government's response was purely cosmetic—that is, to change the name of the board to the Natural Heritage Trust Ministerial Board. The opposition takes the issue of the board's composition a lot more seriously.

The bill provides for a board comprising the Minister for the Environment and the Minister for Primary Industries and Energy to be established. We are informed that the role of the board is to provide a forum for consultation between the two ministers. The opposition firmly believes that the composition of the board should be expanded to include people with expertise in environment and sustainable agriculture. An expanded board would guard against the trust's funds being allocated on purely political grounds and would ensure that the funds were allocated on the basis of need and properly distributed between the environment and primary industries portfolios. The bill, as it is now drafted, provides no such assurances. An expanded board could also provide the leadership and direction that is currently so lacking in this area.

The distribution of resources and the strong likelihood of primary industries dominating the allocation of the trust's funds were consistently raised during the Senate inquiry's hearings. It seems very few people have any confidence at all in Senator Hill's capacity to protect important environment programs when they are in competition with primary industries projects. The Senate committee seems to have very little confidence in Senator Hill's capacity to protect the environment. The committee actually recommended that the legislation be amended to make it clear that the environment minister was chair of the board. I note that the government has rejected this recommendation as well.

It is not surprising, Mr Acting Deputy President Chapman, that so few people like yourself have faith in Senator Hill. You are not disagreeing with that, are you! There has not been one issue in the time that he has been environment minister where he has actually had a victory for the environment.

Not only is he continually being rolled in the South Australian division of the Liberal Party but Senator Parer has also rolled him on the issue of mining exploration in forest reserves. Mr Anderson rolled him on the quantity of land allocated to dedicated forest reserves in the recently signed East Gippsland regional forest agreement. The Prime Minister has a tendency to pre-empt Senator Hill's decisions whether they be on the Port Hinchinbrook development or on the Point Lillias Ramsar listed wetlands. The minister's weakness and wimpiness is a very strong argument for expanding the board. Without some support from independent board members with a commitment to improving and protecting our environment, there is no guarantee that the trust will be dedicated to the most environmentally worthwhile and needy projects.

In conclusion, let me say the opposition supports the establishment of the Natural Heritage Trust. A properly constructed trust fund could provide the leadership and money needed to improve some of the environmental problems facing this nation. However, unless this bill is amended to ensure proper accountability mechanisms are included and the trust's board is expanded, it is highly probable that the trust fund will become a Liberal Party slush fund.

We have it in our power collectively to ensure that the fund is not abused in this way. I urge all senators to consider very carefully the various amendments which will come before the chamber and to support the incorporation of measures which will ensure decisions on disbursement of funds are informed by appropriate expertise and are fully accountable to the parliament and the public. (*Time expired*)

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (12.53 p.m.)—The Natural Heritage Trust Fund Bill

that we have before us today will not, as it stands, result in substantial improvements to the state of Australia's rivers and the health of our environment, be it our land or our coasts. It is fundamentally flawed from beginning to end. It fails to adequately define terms. It fails to adequately set out its objectives—what it is trying to do. It fails to establish performance measures. It has no time lines in it. It has no adequate accountability measures as far as either the environment or the money is concerned.

In line with the unanimous recommendations of the Environment, Recreation, Communications and the Arts Legislative Committee, I will be attempting to amend this bill. We are proposing 64 amendments. I stress here again that this committee was set up by the Minister for the Environment (Senator Hill). We went around the country telling people, 'We are listening to you. Here we are, recognising your expertise.' We had a range of environment groups before us and people with considerable expertise from one end of the environment spectrum to the other; that is, from those considered to be more conservative in their views through to those who have been very active and outspoken. We now have a unanimous committee report that did take on board a lot of what we heard. Indeed, we considered all the evidence, sifted it carefully and came up with what I thought was a very balanced report. By and large, the government has thrown this out.

I will be moving amendments to put in place an advisory committee which, I remind you again, was a unanimous recommendation of this committee. All of us on the committee agree that the minister would need good advice. I will be moving, as agreed unanimously by the committee, that the environment minister should take precedence. He should be the one who has the final say. After all, this is a bill about the environment. I cannot imagine the environment minister having carriage of a bill relating to primary industries.

The Senate committee unanimously agreed that the further definition of terms and programs was required. Our amendments seek to clarify and strengthen definitions and objec-

tives. Many sections in the bill are sloppily or inadequately worded and give insufficient regard to the protection and repair of our environment. The committee unanimously agreed that the bill needs measuring sticks. We must be able to judge whether we are making progress. Our amendments will make sure that we can sit back and look at what we are doing and work out whether we are achieving anything.

The committee agreed unanimously that the bill needs to ensure that trust money is not given to states, bodies or individuals that are degrading the environment. I will talk more about this in committee. What is the point of rewarding people and states who are obviously doing the wrong thing? Our amendments seek to stamp out rorts of the past and put in place some financial accountability to make sure that decisions are made in a way that is transparent and open and we are able to track where the money is going.

We seek to eliminate cost shifting by the states and individuals. I am sure that if Senator Hill would like some advice on cost shifting and what happens, he could talk to the Minister for Health and Family Services (Dr Wooldridge). The funds from the trust should be used to enhance environmental protection undertaken by the states, not substitute for it. Otherwise, the overall pool of money available in this country for the environment will not be increased. Indeed, we will run the risk of less money being available. We also want to see an end to the situation where, on the one hand, money is given for tree planting projects yet, on the other, a state is allowing wholesale land clearing to keep going. In short, as the committee agreed unanimously, this bill requires greater financial and environmental accountability.

I do not agree, as some have said, that we can work this out as we go and fix it up on the side. These people say, 'Don't worry about that, because it will all wash out in the end.' We cannot rely just on partnership agreements drawn up by the states later on. We have to see that in legislation. That would certainly give us the greatest level of accountability.

The Democrats propose amendments to this bill aimed to make conservation and the protection of the environment an integral part of the bill. As it stands, the bill is an expensive bandaid, and the focus is on restoration and repair. We need to prevent further destruction. We must also ensure that our environment is protected for future generations.

On behalf of the Democrats, I will be moving amendments to the bill that seek to remove the Telstra link. We have not given up on that one. I reiterate in this place today that we are opposed, we were always opposed and we will remain opposed to this link. We will see this thing through to its sorry end. While we will not be calling divisions, as the sale bill has already passed, we do not want this to quietly wash past us. I am not going to revisit the debate about the sale of Telstra except to say that I do not think the Australian people were fooled. The government's real agenda is about asset sales and privatisation, not the environment.

In this chamber, the minister has said that this government is intent on reinvesting large sums of money in the natural capital of Australia. He has said, rightly, that a lot of major damage has been done to the environment. He has also said, 'That is going to take very large sums of money to remedy.' The minister has pontificated loud and long in this place about how important it is to sell one public asset to put a major capital infusion, as he has called it, into our environment.

I argue that this is not such a major infusion of money as you would like to claim. It will certainly not be enough to protect what we have not yet damaged and rehabilitate what we have degraded. I will be moving an amendment which you, as the Minister for the Environment who has stressed the urgent need for major funding to fix our troubled land, should have no problems with. My amendment would guarantee that 12 per cent of the sale of any Commonwealth asset goes into this natural heritage trust fund. If you really regard the environment as critically important, you will support this amendment, which will ensure that the fund is extended to somewhere



near the amount of money that will be required to make a difference.

You have told us for ages that basically everything will be okay when we sell this public asset, Telstra. I have a few more quotes. You have said, 'We care about the environment. We will protect it, but we need to sell the phones to do it.' Senator Hill has had plenty of opportunities to protect the environment which were not dependent on the sale of anything. I will go through a few.

Here are a few examples of what you could have done if this government really cared about protecting our environment. You could have acted to protect the world heritage values of the Hinchinbrook Channel, but you neglected to do so. You could have acted to improve Australia's abysmal position at the international climate change negotiations, but you neglected to do so. You neglected Australia's forests by allowing the lifting of the export woodchip quotas. You have failed to protect threatened and endangered species. You have failed to protect Kakadu by not ruling out the Jabiluka mine. Despite your fine words, you have failed to guarantee the protection of our precious wetlands. I will just list a few: Point Lillias, Creery, d'Entrecasteaux and Coongie lakes. It would seem that the only thing you have succeeded in doing is selling Telstra.

It is time to ensure that the money actually goes where you say it should go. This bill was described by the *Courier-Mail* last week as a bonanza and as the biggest spending spree on the environment in Australia's history. Many of the Democrat amendments to this bill are aimed, firstly, at ensuring that any money goes where it should go, but if we look more closely at what we mean by 'bonanza' it is really a mirage. What we have is possibly as much as \$80 million a year extra. But there are a variety of things—and I will go over some of these in more detail at the committee stage—that are militating against even an extra \$80 million being available for the environment.

When you made your announcement we were looking at somewhere around \$260 million a year being available, but this was predicated on an eight per cent interest rate.

What we are looking at now is seven per cent and perhaps less. We have already lost at least \$32 million a year over four years. I will be asking at the committee stage how we are going to make that money up. In reality, Minister, there is very little extra money being spent compared to what the Labor Party had spent, and a lot less than some of the forecasts of what really should be spent if we are going to make a difference.

Let us deal with what money we have; we will argue later about exactly how much that is. We have to make sure that we do not see it disappearing into black or green or whatever coloured holes there are out there to absorb it. We cannot let this become a rampant unaccountable spending spree for those people who paint their pet project green and hope that it will then attract money. This legislation is heavily based on the Landcare model, yet no lessons have been learnt from the Landcare mistakes. Rorting can and does happen, and there are insufficient environmental outcomes. In fact, I understand the Australian National Audit Office has recently produced a report which is very critical of the capacity of the Landcare model to deliver its objectives.

Accountability is something we have heard a lot about from this government. You claim to be very concerned about it, so hopefully we will see our amendments supported. Yes, the protection of the environment requires money, but we must make sure it is well spent. I will just run through some of the amendments that I am planning to look at.

We will be moving an amendment designed to eliminate cost shifting by the states. Funds from this trust must be used to enhance environmental protection undertaken by the states—not substitute for it. We must be concentrating on protection, not just repair. We need to do more than repair the damage done to the environment; we need to stop damaging practices. Democrat amendments will seek to write the protection and conservation of the environment into this bill. They are concepts that are currently lacking. Indeed, I was amazed to see that the word 'environment' is largely absent from this bill. For a government that claims to be so con-

cerned about the environment I am surprised to find that you can hardly bring yourselves to say the word, and therefore a number of our amendments will tackle this problem.

One word that does creep in a lot is 'rural'. I cannot think why, but there it is, over and over again. I will be the first person to agree that the agricultural sector is sorely in need of some environment protection measures, but I find the emphasis placed on the rural sector in this bill a little disturbing. We have to look at where the influences are coming from to direct this money. Unless we can change the emphasis—in other words, move it from primary industries to the environment—we really should rename the bill and be done with it.

While the preamble of the bill as it stands talks about our rural heartland, it does not even mention the need to protect our seas and our coasts. Nowhere in the bill, for example, is the term 'sustainable fisheries' defined. We have totally ignored the impact that the degradation of our rivers has on our coasts and in turn on the seas around us. Perhaps the government may cry that it is just semantics—that it is just fooling around with definitions. I will argue very strongly that it is not semantics; it is crucially important that this bill is tightened up. Otherwise we will see the endless arguing by various state and federal bureaucrats about what this bill actually means. If you cannot clearly define the needs of the environment—I stress again the word 'environment' and not 'our rural heartland'—then how can we protect it? If you cannot clearly spell out the measuring sticks by which success or failure of this trust can be measured, then this bill has automatically failed.

I will be moving amendments which will clarify and tighten up many of the definitions in this bill, and which will put in place all of those measuring sticks that we need—measuring sticks against which this fund can be judged; measuring sticks which build on the good work that has already been done. I want to compliment those many individuals, organisations and landcare and conservation groups for the enormous amount of work and effort that has already gone into protecting the

environment. But they, like us, want to see that work progress and want to be able to stand up and say, 'This is what has been achieved; this is what has been done.'

This is how, for example, the aims and objectives contained in the national biodiversity strategy have been met. This is where—looking at the state of the environment report—we have actually made some progress. This is what we were trying to do with the fund and this is where we have actually had some success and really achieved something. I find it extraordinary that this bill does not use and include the good work which has already been done on identifying the needs of the environment. I find it extraordinary that, at a time when government is negotiating agreements with COAG on issues such as health or competition policy, where you are putting in place a system of sanctions and incentives linked to the achievement of performance measures, you have completely failed to put in a similar system here. A similar system must be put in place for the environment.

If competition policy is so important that you can threaten to withhold payments if progress is not made, then why not do that in relation to the environment? If the states do not make progress, why should they keep getting money? If the states are cutting down the trees faster than these programs are putting them up, why should the states be getting any money? If the states are degrading the rivers by failing to put in place other measures, such as sewage treatment works, why should they keep getting money? We have to have some performance measures to actually judge what the states are doing and, as I have said before, they are completely lacking in any clear form in this bill.

The Democrats have drawn on the unanimous report and recommendations from the Senate Environment, Recreation, Communications and the Arts Legislation Committee. I stress again here that this is a committee that the government set up, a committee that the government encouraged to travel around the country, a committee that was advised to inform the witnesses that the government would be listening to it. Yet here it seems that

very few, if any, of the recommendations—certainly not the major recommendations—made by this committee are being listened to. Not even the recommendations regarding the way in which the advisory board is to be structured have been taken up by this government. The amendments which we will be moving are very important, looking at how this minister can best draw on the expertise that is out there.

In closing, I have to ask the government: why is it that not even in the area of the advisory board has the government taken up the committee's recommendations? Here I draw the minister's attention particularly to table 1 on page 13 of the committee report, where a possible advisory structure for the Natural Heritage Trust board is set out. It is set out there for very good reason. All of us in this place should be drawing on the experiences of these groups, of experts from the CSIRO, research bodies, conservation groups, departments, land-holders, and state and territory governments. A formal system should be put into this bill.

We need to make sure that those people advising the minister are not just a handful of people from the federal department but people from across the country with a range of experiences—with expertise in biodiversity, water, soils, vegetation, coasts and marine habitats, atmospheric issues and so on. We could then clearly see the advice that has been given to the minister and look at the decisions that are being made, so that the minister could justify where this money is going, so that we have a transparent process that can track what is being done and what the specific intentions of this bill are. Perhaps these amendments, more than any others, will really signal whether or not this government is interested in protecting the environment.

**Senator BROWN** (Tasmania) (1.10 p.m.)—We live on a planet which is in the midst of the greatest environmental crisis since the dinosaurs went to extinction 65 million years ago. The difference between the cataclysm then and the one that the planet is undergoing at the moment is that we know the cause now—it is us—and we have a cure now: it is us. But the problem is awesome. It is not a

problem that we are facing in the future; it is a problem that we are in the midst of.

The planet which began with a little over one billion people at the start of this century will end up with six billion people at the end of this century, and faces 10 to 14 billion people aboard during the next century. On top of that is the insatiable human desire, it appears, for the acquisition of more goods, which can come only from one place: the environmental resources—the natural resources—of this planet. They are finite. If we put together this population growth with the expected three per cent increase in extraction of resources that this government and other governments around the world would subscribe to, along with everybody catching up with the average Australian's use of resources, by the middle of next century something like 100 times the resources being used now by the human community would have to be available. Well, they are not there.

Something has got to give. If we were to respond to the 1,500 or so world scientists, including 100 Nobel laureates, who warned the world of impending disaster in 1992, the 'give' would be being debated in this chamber today. Those scientists made it clear that within 30 or 40 years the planet will not be habitable for many species, and a little further down the line that may well include *Homo sapiens*—we human beings ourselves. But, as I have said earlier in this place, the world's attention was almost a yawn at that warning. Had it been a stock exchange collapse, it would have been horror; but since it was just collapse of the world's natural systems, there was a shaking of heads, and demeanour much the same as that of the Minister for the Environment (Senator Hill) has shown throughout this debate so far—a staring down at the table, a fiddling with papers and a getting on with other things, because the environment does not really matter.

The Australian people think differently. An opinion poll just last week showed that more Australians were concerned about the environment than they were about the economic welfare and direction of this country. But that will fall on deaf ears to the majority of senators, the majority of parliamentarians, and

certainly the massive majority of business people—I am talking in particular about the huge corporations, not least those involved in resource extraction, who have the lion's share of influence on ministers like the Minister for the Environment, who is sitting at the table at the moment.

Australia should be taking a lead to get us out of this cataclysmic situation. Instead of that, we have a fraud in terms of environmental direction and we have that fraud being piloted by none other than the Minister for the Environment, Senator Hill.

One only has to look again at some of the actions the minister has taken—or omitted to take—in the last 12 months, since he took up this prestigious position as leading environmentalist in the country, to see what a fraud he is and what a fraud his government's policy is. Firstly, let us look at the state of forests and the issue of biodiversity. This minister has been involved in issuing record woodchip licences for the destruction of our forests. I learned just in the last hour that, in the last week or so, his government issued export woodchip licences to some 20 forest destruction companies in Victoria, with no limit on them. How do you ascribe that to a minister for the environment who ought to be concerned about biodiversity, about the loss of species and about what is left of our ancient ecosystems?

The same minister has been involved in giving a tick to a go-ahead for the weir on the Queensland Burnett River which, amongst other things, threatens a 400 million-year-old living fossil—the Queensland lungfish—and the endangered elseya tortoise. He has allowed, because he has done nothing, the squalid destruction of native vegetation cover at record levels around this country. In states where there are no controls, like Queensland and Tasmania, this destruction goes on unabated.

It may well be that this fund—unregulated as it is—will actually add impetus to the destruction rather than help to turn it around, because while the fund is giving some \$250 million for replanting and fixing up the damage of the past, at the same time it is only setting aside some \$64 million to save what

we have left of the natural vegetation cover in this country. In Queensland, we know that last year alone 100 hectares of natural vegetation was licensed to be scalped off the face of the earth—with the intention of it being forever—under state government approval, with this minister for the environment and this Howard government doing nothing.

When it comes to Australia's pretty proud record on the protection of world heritage areas, what has happened with this minister? He has given the go-ahead for 'experimental fishing' on pristine coral reefs of the Great Barrier Reef. He is lining himself up through a process that is now under way to allow mining for more uranium in, amongst other places, the heartland of Kakadu—the Jabiluka valley. The personal gut reaction of the Prime Minister (Mr Howard) against uranium mining at Kakadu has not been enough to allow that process to stop; nor has it been enough for this minister for the environment to assert that it would not go ahead against the wishes of the traditional owners, who are dead set against Jabiluka but who have no power to stop the force and impetus of the process which this minister is driving.

The Minister for the Environment has also given the go-ahead for this obscene Williams resort at Hinchinbrook, with its threat to the dugong and to the natural systems of the Hinchinbrook Channel and beyond. The minister shakes his head because he does not believe that licensing 250 power boats in the channel threatens dugong at all.

**Senator Ian Macdonald**—No, we laugh at you.

**Senator BROWN**—Of course, they shake their little environment heads and laugh. We will try to excuse the action up there, which is being driven by this minister who is essentially a minister against the environment rather than for it.

We also have the massive increased exploitation of Antarctic fisheries. While we are speaking of that region, the minister's current attitude is to sit on his hands while a ship carrying a huge amount of high radiation dose nuclear waste is floating south of this continent. Australia is the only country in the region not uttering a word of protest and the

Australian government is the only one in the region that is not moving to track that ship. It was good enough for Portugal, Spain and South Africa to send out naval vessels and planes. This government is aiding and abetting that ship, knowing that in the future there will be dozens more ships with bigger cargoes of radioactive waste coming in this direction, because they do not want a public debate. The minister, who has now left the chamber, does not want a public debate on this matter.

When we look at this bill, we find that there is an allocation of some \$1.1 billion—or \$1.25 billion, if you add interest—over five years to the environment. But to put this allocation into some perspective, it has to be set against budget allocations over the same five years of some three-quarters of a trillion dollars. As Senator Faulkner, for Labor, said a little earlier, when you get down to a real analysis, you find that the majority of that money has already been left by the backstepping of this government in cutting funding to the department of the environment and in reducing the environmental wherewithal of the government over the whole spectrum.

What are the problems with the slush fund which this Natural Heritage Trust fund will become? The first and foremost problem is the so-called board. The board consists of this minister against the environment and, from another place, the Minister for Primary Industries and Energy, Mr Anderson, whose record on the environment is no better than Senator Hill's and whose record against the environment is no better. One cannot escape the reality that this money, which is in the hands of these two people for disbursement, is not going to match the cost to the environment and to the Australian nation of the decision making against the environment on a whole range of issues that we are engaged in at the moment.

But even if these ministers were competent environmentalists, there is a problem with a board consisting of two people looking at each other over a table and saying, 'Here is how we will cut it up.' As previous speakers have said, if this board is to function, we need environmental expertise, of which these ministers have shown they have none. I will

be moving some 20 amendments on behalf of the Australian Greens and supporting amendments from other parties—amendments which are going to help tighten up the disbursement of these funds.

We believe that this board should at least be made up of nine experts in the fields of biodiversity, Australian indigenous heritage issues, Aboriginal and Torres Strait Islander expertise, marine conservation, wilderness conservation, world heritage, arid lands, soil conservation, inland waters, community consultation and communications. The people appointed to the board ought to have a clear and apparent working knowledge of and expertise in those areas, with annual reports coming to the minister and a charter of responsibilities including the objectives of protecting and conserving Australia's natural environment and assisting the Australian government in implementing Australia's obligations under international conventions for the protection of the environment, including world heritage, Ramsar, climate change and biodiversity conventions.

Can you imagine this Minister for the Environment, Senator Hill, moving on this board to use the obligations of the country under international treaties such as world heritage or climate change? It goes against the whole tenor of his actions—his anti-environmental actions. The public can have no faith in he and the agriculture minister being the board. I hope that the Independents—Senator Harradine and Senator Colston—will, as a minimum safeguard on this money, be voting to support the very responsible concept of a board which is made up of environmental expertise to look at the disbursement of this money.

**Senator Ian Macdonald**—I suppose you'd like to appoint them, would you?

**Senator BROWN**—I would be happy to if you need assistance, because I know that you have no connections with anybody with environmental expertise. If the honourable senator opposite, who is the understudy of the minister, needs some networking into environmental expertise in this country, I would be

happy to help him and I will see him afterwards about that.

**Senator Ian Macdonald**—Don't bother.

**Senator BROWN**—I do not think you want to bother; you would not have such a thing on—because it is not going to help your big business mates, for one. The problem is compounded when we go to the next rung of decision making on this. While I have been sitting here today I have received another call which tells us what is going to happen at the Tasmanian level. Read 'other states' if you will, but I am going to tell you in two minutes about my home state. The advisory group set up to look at the disbursement of the so-called Harradine moneys and the so-called Telstra funding is not going to be set up in the Department of Environment and Land Management; it is being set up in the Premier's department. This is to disburse environmental funds.

Key to that group is Mr Ken Felton. He is being seconded from Forestry Tasmania. He has a long career with Forestry Tasmania, previously called the Forestry Commission of Tasmania, which is notorious around this country for its destruction of the natural heritage of our state, including world heritage forests, wildlife and national estate forests. Ken Felton, who is being appointed to this group, has been central to riding over environmental considerations. He was central to the Forestry Commission's push during the period of the Helsham inquiry at the end of the 1980s to destroy the campaigning of environmentalists so that he and the Forestry Commission could destroy key parts of Tasmania's internationally renowned forests, including, I reiterate, world heritage forests.

Here is a man who was not in favour of saving the Franklin River. Here is a man who fought to prevent the Great Western Tiers going into a world heritage area. Here is a man who fought to see that the world heritage east Picton forests and forests in the Huon Valley and the Well Valley went to the wood-chippers instead of into protection so that their wildlife and world heritage values could be there for the inestimable enjoyment of, and value to, not just us but also future generations and the plethora of our fellow species

which, until his imprimatur went on it, were safe in the fastness of those forests.

I say to you, Mr Acting Deputy President, that the whole fabric of the disbursement of these funds at federal and state levels is riddled with a growing edifice of anti-environmentalism—not just neutrality, but the face set against saving the environment. Under those circumstances, we are going to see those funds rorted. They are going to go to greenwashing. They are even going to go, under the current terms of this legislation, to resource management. What does that mean? It means to me mining, logging, super-fishing—it could mean anything. It simply means that the gates are open to whatever you like and the hands will be in the pockets. It is not enough for this fund to be subject to the influence at state and federal levels of people whose face is set against the environment, if you ask me.

This is a very telling test of the Senate. Is the Senate going to simply leave this situation, which we already know is going to come up with outcomes against the best interests of the environment and which is going to ensure that the dollars available are not spent in the best way possible; or is the Senate going to act as a house of review, and, dare I say, in the states' interests, to ensure that some mechanism is put in place as a safeguard against rorting occurring, against this money being wasted and against this money being put into pursuits which are against the interests of the environment?

There is a real test on this place in the next 24 hours. Are the Independent senators going to stand with the rest of this Senate to ensure that we do amend this fraught, fraudulent piece of legislation in terms of its potential outcome? Are they going to make sure that we put in place accountability? That is the least we can do, not just in the interests of the environment but in the interests of the Australian people to whose detriment this Telstra sale trust fund will have been.

The loss of Telstra will be a financial and service detriment which will be compounded by a massive wasting of money in an age where every dollar—few as they are—for the environment should go to servicing the

environment and not just to the lobbyists of business and industry. We have to ensure that misguided so-called environmental plans are not served to the detriment of the Australian people who, above all people on this planet, have shown in repeated opinion polls about how they feel about the environment a concern for the Australian environment which is second to none.

**Senator LUNDY** (Australian Capital Territory) (1.31 p.m.)—The passage of the Natural Heritage Trust of Australia Bill through parliament has been fraught with controversy, and justifiably so. This is primarily because of the link with the Telstra (Dilution of Public Ownership) Bill. As we have already heard from my colleagues on this side of the chamber, this bill has a number of significant flaws which need to be specifically addressed via amendment in the committee stage of this debate. Despite supporting this bill, we believe there is a need for quite a comprehensive series of amendments to ensure that there is adequate parliamentary scrutiny of the bill and government accountability.

It is necessary to put this bill into its political context. Leading up to the 1996 election, the Liberal Party, like all oppositions, was serious about winning. But they did have a serious credibility problem in a large number of policy areas—one such area being their environment policy. It seemed obvious that the Liberal coalition needed to be a bit clearer about the environment and many in the community, particularly those of younger voters, were looking very closely at what was on offer from both major parties during the election campaign.

There is no doubt that there was a lack of Liberal credibility in this area because under a coalition government there would have been mining at Coronation Hill, the wet tropics would have been logged and the Franklin River would have been flooded. Labor always led on the environment and the coalition in opposition either obstructed at worst or reluctantly followed Labor's lead at the best when new environment initiatives were being pursued.

The creation of the link between environment funding and the partial sale of Telstra was seen by the community at large as a blatant blackmail device—a gimmick that achieved much in muddying the waters and muddying the parameters of the public debate surrounding the partial sell-off of Australia's telecommunications infrastructure as well as creating the impression that the Liberals had at least considered the environment in policy terms. In an era where perception is crucial, the community could be forgiven for making the mental connection between the coalition's Natural Heritage Trust every time Telstra was mentioned, giving rise to the notion that the environment policy of the Liberals could in some way possibly be compared to Labor's record of commitment in this fundamental area of policy.

Sadly, but to the surprise of no-one on this side of the chamber, we all soon learned exactly how and why the link between the Telstra sale and the Natural Heritage Trust or environment policy was forged, thanks to a senior government adviser who was so disgusted with the cynicism of the exercise that he decided to speak out. As my colleague Senator Faulkner has already mentioned, in an article published in *SciTech* in October last year, this adviser is quoted as saying that the Natural Heritage Trust is a 'blatant fraud'. He goes on to say that it was indeed devised as a purely political exercise and was openly joked about in the ranks of the coalition, but behind closed doors of course. He went on to say:

We are appalled at the lies and deception involved with this issue, it is an exercise based on just one thing—finding a way to sell off Telstra.

This shows that even if there were merit in the funding outcomes of the deal, then the motivation certainly did not arise from any commitment to environment.

This point was reinforced by the Minister for the Environment, Senator Robert Hill. In the closing paragraph of his second reading speech on tabling of the Natural Heritage Trust of Australia Bill in this place he said:

The investment proposed in this Bill, which will be made possible by the partial privatisation of Telstra, will reverse the long term depreciation of natural capital.

The lack of commitment was exposed by the minister again in the mechanism used to refer the bill to the Senate Environment, Recreation, Communications and the Arts Legislation Committee. He referred the bill to that committee knowing that it had been put together hastily. The Selection of Bills Committee report of 25 June 1996 stated:

The Government wishes to put the provisions of the bill to those who have an interest in it as part of the consultative process during the Senate's consideration of the bill.

I will quote an extract from *Hansard* from a public hearing during the inquiry which sums up, I believe, exactly where the minister stood and where this legislation stood in coalition's legislation drafting priority list. The government chairperson said, in allowing a senator to pose a rhetorical question at the inquiry:

I think this is a little different from some legislation. The Minister has actually indicated in the reference to the committee that it was to be a form of public debate rather than set in concrete. The Minister has said that he is open to suggestions by the very way in which the bill was referred to this committee. All those issues you have raised and the suggestions obviously will be looked at and responded to, no doubt, when we write our report.

In essence, the government used the referral to the committee as a way of seeking substance to their policy, and the necessary adjustments to the bill would theoretically make the trust workable.

So it is an indictment of the government that it has not in fact chosen to acknowledge the recommendations of the committee despite the noble words of the chair at the time and despite the very inclusive reference that the minister made in the first place. Despite all the work with the witnesses and the very sincere words from many members of that committee, including government members, not one of these recommendations of substance have been considered by the government at this point. All we have is a token amendment put forward that changes the name of the proposed board. It is now a ministerial board as opposed to a board.

We need look no further than the government's current environmental record to dispel any doubt about their lack of commitment. During the election campaign the government

promised to match Labor's spending on the environment and that funding for the Natural Heritage Trust would come on top of this expenditure. They were very specific: they said that the funding would be additional to Labor's budgeted funding for the environment and sustainable agricultural elements of the primary industry portfolio, clearly defining both the environment and Australia's and DPIE's contributions to environment and land management programs. Instead, we find—just one of many broken promises—that funding to these environment programs was actually reduced overall by 13 per cent. On further analysis of the spread of the Natural Heritage Trust fund over the proposed five years of its operation, and taking into account this portfolio reduction, the coalition is offering a mere \$84.3 million over and above what the former Labor government had already committed from consolidated revenue.

This extraordinary figure highlights the extent to which the government has capitalised on the gimmick value of the \$1 billion Natural Heritage Trust, which implies a massive investment when, in fact, only a relatively modest increase has been supplied. To look at it another way, the partial sale of Telstra will cause a one-third reduction in the dividend payable by Telstra to the government each year. Last year that dividend, in real terms, was getting up towards \$1 billion. Putting aside the fact that the dividend will be likely to increase overall, simplistically the reduction in revenue to the federal government as a result of the partial sale of Telstra could be roughly one-third or \$300 million per annum. So, each year, additional funding for the environment of \$84.3 million is going to cost taxpayers \$300 million in revenue that would have come via the Telstra dividend.

Let us take an example of how these changes apply to just one program: revegetation. Given that to fence and revegetate a degraded area costs about \$600 a hectare—I have those figures from additional information to the Environment, Recreation and Community Affairs estimates of November 1996—and one-third of this under the government's proposal will be funded by the community, under the current project funding ratios this



additional funding will only cover the protection of 210,000 hectares of land. This is an absolutely minuscule proportion of the degraded land that needs urgent rehabilitation.

What we find again when we look a bit closer is that the cuts to this year's funding for that particular initiative—landcare in the Murray-Darling Basin—is down \$76 million. Is this right? Is it fair? I do not believe so. It is just the way this government does business. It makes a mockery of any words this government utters about their commitment to the environment and it exposes the gimmick that the Natural Heritage Trust is.

I support my colleagues who have spoken on this debate so far in labelling this particular Natural Heritage Trust as a Liberal slush fund. To change it will require quite significant amendments to improve accountability, parliamentary scrutiny and board structure. Unless those amendments occur then this Natural Heritage Trust will not get beyond being a gimmick and a fund set up to allow the Liberals to make the political appropriations to the environment programs that they see fit.

**Senator MARGETTS** (Western Australia) (1.41 p.m.)—What we are seeing here in terms of the actual commitment to what the coalition is calling environmental spending is going to be less than one week's defence expenditure. Senator Lundy has quite clearly pointed out the farce of the 'mirrors perception' that has been pulled off by the coalition in this sense. A lot of people swallowed it; a lot of people did not. There are two hands working here: one hand is pretending to put money into the environment, the other is pulling money out. There is certainly going to be a problem at the end of five years and there will be problems in between in relation to accountability. This is really interesting considering what the coalition said about accountability in relation to social security, to those people who may make technical errors on their forms and get taken off the dole with no means of support because of those technical errors. That is accountability.

But where is the accountability for hundreds of millions of dollars of taxpayers' money?

And it was taxpayers' money that was built up in the original Telstra. Perhaps that is going to be handled in an unaccountable way: not accountable to the environment, and not accountable to the areas where people are prepared for spending and believe the government should be spending taxpayers' money.

There is no reason why the environment should be singled out as an area which needs to be funded in a different way from other important areas. But the government has chosen the environment because they know a lot of people are concerned about it. They have also separated out the environment and said, 'We will be able to use the environment, perhaps at the end of five years, as a means of selling off something else.' That is, if there is anything left to sell.

What are the real national accounts saying? They are saying that we are creating environmental debt every year. What are the government doing about that environment debt? Very little, actually. When you think about it, their policies are tending to reward people who create environmental debt. We do not have to look very much further than income tax bill no. 2, which is coming up on the program and which says the government want to treat the construction of tailings dams as being in the same tax deductibility category as rehabilitation. Terrific! You only have to look at the goldfields around Laverton and Leonora to see what an environmental scourge many tailings dams continue to be. You have only to look around uranium mines to see what an incredible problem they are. There is hardly such a thing as a tailings dam which does not leak, resulting in problems for the water supply, community concern and problems for the animals that happen to go into areas which will perpetually be a lens for water to be evaporated into the environment. And the government is planning to make this tax deductible as rehabilitation. That is what this government is doing in relation to the environment. They are helping to create environmental debt. They are helping the situation, which I have mentioned on several occasions, where the environment and the community have been asked to subsidise resource extraction industries.

This report on subsidies for the use of natural resources has still not been tabled in the parliament—at least not that I have seen. Yet it was 'Environment economics research paper No. 2' which indicated that there was \$7.746 billion to \$8.866 billion per year in environmental subsidies—this does not even include mining—being paid by the community every year to subsidise industry. So, in relation to the relative amounts, we are talking about peanuts.

The government is allowing the community and the environment to build up environmental debt in order to subsidise the profits of, often, big industry. It is very interesting in that sense, because we just found out last week that the mining industry is having record profit levels. As far as the coalition is concerned, that is all right as long as the environment and the taxpayer continue to subsidise that profit.

We have to make sure that policies of ecological sustainability address the problem of the building up of environmental debt and reverse it, not just with band-aids but with tax, trade, industry and competition policies. We have to look at every single example so far where those issues have come up in legislation. Look at what the coalition have said in relation to tax policies. I have just mentioned income tax bill No. 2, where they are saying, 'Treat the construction of tailings dams as environmental rehabilitation.' What a farce!

Look at industry policy. Look at trade policy. Look at the fact that competition policy is sifting through every state law and local ordinance to see how they comply or do not comply with competition policy. I was shown a page on that—I am afraid I do not have it with me—which says that ordinances or laws which allow people to require that child-care facilities are not sited next to toxic waste dumps may be an infringement of competition policy. That is where we have got to at the moment: people do not even have the ability to choose that the siting of a child-care facility be not next to a chemical facility which might damage the health of small children, as this may be an interruption of competition. It is not good enough. We have to start looking at the general environmental

sustainability instead of building up this environmental debt. That is why this government has absolutely no credibility in relation to this fund.

What is the level of environmental debt now? We need look only at salinity and at the water quality of rivers and coasts. There are huge problems involved with water quality, environmental costs, land degradation, continued land clearance, and environmental debt involved with air pollution. You have only to look at the air quality of my capital city, Perth, in Western Australia to see what is happening with air pollution and the health problems associated with that. The problems of pollution include tailings dams, eutrophication of our river systems and the costs, present and future, of this continual damage to the environment.

We are being told that we are going to be looking at the real costs and addressing some of these problems. So what we have to be doing is building the solutions, building the way out into all policy areas. But, no, the government says, 'We do not want environment in trade. We do not want environment put into the Trade Practices Act.' We are in the middle of debate in the committee stage on the Trade Practices Amendment (Industry Access Codes) Bill. But, no, the government does not want ecological sustainability in the Trade Practices Act because that would be too prescriptive. Heavens no! It wants to be able to have the status quo; that is, whatever the government thinks it can get away with. It would like to think that that is all we need. This government has no credibility.

Competition policy was set up by the Labor Party. They have a lot to answer for in relation to what is happening on the ground both at the federal level and at the state and local levels in relation to competition policy, in terms of public interest and in terms of ecological sustainability.

On an annual basis, how can you compare the amount of money, this perception of environmental expenditure, which will in fact not be administered solely by the Minister for the Environment, will not be overseen by any independent sources and will not be accountable to the environment, but will only be

politically accountable—a whiteboard like you have never seen before!—to the annual damage that is happening and will continue to happen in the absence of any real industry policies on greenhouse? What is the cost now? What is the cost in the future? What are we doing about it? I will tell you what we are doing about it. We are pushing for coal sales not only in our country but across the world. We have a minister who thinks that gas is not a fossil fuel. We have people who think that, somehow or other, you can leave the word ‘ecologically’ out of ecologically sustainable development.

That is what we have at the moment and that is why this farce is unacceptable. It should be exposed. I am very much looking forward to the committee stage of the bill to see what changes can be brought to bear to make this part of the farce at least a little bit of an accountable farce rather than a total farce.

Debate (on motion by **Senator Ian Macdonald**) adjourned.

**Sitting suspended from 1.53 p.m. to 2 p.m..**

#### **QUESTIONS WITHOUT NOTICE**

##### **Austudy**

**Senator CARR**—My question is to the Minister for Employment, Education, Training and Youth Affairs. Minister, exactly how many students or potential students eligible for Austudy have been affected by your ill-thought out actual means test changes? Will you compensate students who are now considered eligible for Austudy and who have reconsidered their enrolment and therefore may have to pay late enrolment fees or will your department waive late enrolment fees? Will there be any other compensation for severe personal inconvenience caused by your bungling? Can you guarantee that your department will do a thorough job in revisiting all applications for Austudy.

**Senator VANSTONE**—In relation to your last question, Senator Carr, I can assure you that the new secretary to the department—the new FAS in that area—has been quite literally burning the midnight oil to try to remedy this

problem. It is very important to understand that the actual means test has not changed. The levels at which people will get Austudy remain the same and the amounts of Austudy people will get remain the same. Regrettably, in the implementation of the changes to the means test, one method in particular was used which I believe has turned out, as I indicated in my press release, to unfairly disadvantage applicants. The reason for that is that the applicants would have either been rejected completely for Austudy or had reduced Austudy and, nonetheless, been able to get it on review.

It seems to me quite inappropriate when it is clear that the administrative mechanisms for weeding out the cheats have also caught a number of genuine, needy applicants, to make those genuine, needy applicants wait for a review. For that reason I have instructed the department to change the arrangements by which they were assessing applicants—and to do so very quickly.

You asked me about the number who might be affected. It relates to the imputed expenditure aspect of the means test. I understand that as at the end of January just over 17,000 applicants have been processed. That number is quite small in relation to the total number of Austudy applicants. As you might know, Senator Carr, but a lot of other people would not, of over 520,000 people who are expected to apply for Austudy, over 400,000 or about 80 per cent would never do a means test in any event. Those people are simply not a part of this administrative difficulty.

Only about 120,000 will have to do a means test and 80 per cent of those are expected to be eligible for some or all Austudy in any event and only about 24,000, or 4.5 per cent of all Austudy applicants, are expected to be ineligible. Of those affected by the inappropriately high imputation figures, 7,307 of those 17,000—a number quite distant from the 83,000 you read about in the paper today—lost some benefit. Of those, only 2,817 lost more than \$1,000, including 58 who lost more than \$4,000.

With respect to the imputation the problem is a lot smaller than many people would imagine. I conclude by saying that I am very

pleased to see that some universities are advertising that they have additional places and indicating that they will waive late fees. We have no figures yet on how many people might have decided to discontinue study because they were getting, for example, \$20 a week less than they would otherwise have anticipated.

**Senator CARR**—Madam President, I ask a supplementary question. On numerous occasions now, Minister, you have blamed the department for this fiasco. You have indicated that an administrative mechanism was at fault and that there was administrative responsibility for this. Was it the case that the department was responsible for this fiasco or do you acknowledge that it is a failure of public policy directly attributable to you, Minister, not necessarily just your public servants?

**Senator VANSTONE**—I do understand and know what your dreams would have been about in the last couple of days and I just say to you, 'In your dreams!' Let's look at what some members opposite did. Senator, you should understand if you are plugged in and have been listening to the radio that unlike anybody on the other side who never apologises for anything that goes wrong, I have come straight out and apologised, said that this was a mistake and that people have been inconvenienced.

Senator Cook, did you do that when you got caught out with your regulation bungle? Two years later could you bring yourself to apologise? No, you certainly could not. Senator Faulkner, have you ever apologised for anything you have got wrong? No. Have any of you ever apologised for putting so many people out of work? No. The bottom line, Senator, is that I am the portfolio minister. Therefore, it is up to me to apologise to the community, whoever has caused this problem. That is how it works. You never took responsibility; we do. (*Time expired*)

### Economy

**Senator CALVERT**—My question is to the Leader of the Government in the Senate. Since the election of the Howard government, Australian families and small business have benefited from large reductions in interest

rates, lower inflation and strong business investment. What are the implications for the Australian economy as a result of the further good economic news last week and how does this reflect upon the Howard government's economic management in its first year in office?

**Senator HILL**—I am glad Senator Calvert is concentrating on the most important issues facing this nation, and that is how, through good economic management, both small business and Australian families can benefit. Yes, the good news does continue to come, and is that not heartening after 13 years of dismal Labor? Finally, we have a government in place which is putting the economy in a state where we can get good news week after week.

**Senator Cook**—You're joking!

**Senator HILL**—Yes, Senator Cook, there was good news on the interest rate front last week—that is very true—with two major banks, ANZ and Westpac, both following other banks and cutting interest rates. The standard variable home loan rate is now 7.55 per cent.

**Senator Cook**—Thanks to us.

**Senator HILL**—Senator Cook, this is the lowest rate in 23 years. There it is: 'Housing rate interest in Australia now lowest in 23 years'—not bad for less than 12 months in government. This means that the majority of Australian home buyers are saving \$246 in repayments on an average loan of \$100,000 over 25 years.

*Senator Cook interjecting—*

**Senator HILL**—Small businesses with loans of \$500,000 would be given \$7,500 in interest rate savings, Senator Cook. This is good news for small business under the Howard government. So we now have the lowest variable home loan rates in 23 years, low inflation, strong business investment and record company profits—good news for the Australian economy, good news for small business, good news for families.

What a stark contrast with the dismal record of Labor. Do you remember: home loan interest rates at 17 per cent under Labor; small business variable loans over 20 per

cent; credit cards over 25 per cent? That was Labor's record; that is what Labor left to the Australian community. Join with that the highest level of unemployment since the Great Depression, and it is not surprising they got thrown out.

But have they learnt a lesson? There is no sign yet that they have learnt any lessons at all. Honourable senators would have noted that the Labor Party is now reviewing its party platform. So where did it place the issue of the nation's finances on the priority list? First? Second? Third? No. Fifteenth was where it put the nation's finances. Is it therefore surprising that it left a \$10 billion black hole to the incoming government? Is it surprising that it increased debt from \$17 billion to \$96 billion?

*Senator Faulkner interjecting—*

**Senator HILL**—Senator Faulkner, you laugh at this record but most Australians suffered under it. Foreign debt was \$185 billion under you. No wonder the Australian people wanted a new chance and they took a new choice at the last election.

I said that interest rates continue to come down, the banks are factoring it in and that is good for small business, but the other good news of the last week is the strength in business profits, because those business profits will be reinvested in the Australian economy, providing jobs.

**Senator Schacht**—Ha, ha!

**Senator HILL**—Senator Schacht laughs, but in the last quarter, the December quarter, we had a record of \$12 billion of profits. That is good for the Australian economy. It means that Australian business will reinvest. It means jobs, and those jobs will build on the record of low inflation, low taxes and opportunity for the future.

We are already starting to get better news on the employment front. It logically follows. DEETYA's skilled vacancy survey rose for the fourth consecutive month in February by 0.7 per cent. It is small, but good news. The Morgan and Banks survey estimated that 35.6 per cent of businesses expect to put on more employees. More good news. So all Austral-

ians are benefiting from good government. *(Time expired)*

### Austudy

**Senator FAULKNER**—My question is directed to Senator Vanstone, the Minister for Employment, Education, Training and Youth Affairs. I refer you, Minister, to your humiliating backflip on the proposed changes to Austudy. Minister, you didn't really declare to coalition backbenchers, as Glenn Milne reported, that the changes you had announced would allow DEETYA to do constituency work for them, did you? Can you assure the Senate, Minister, that you did not grandly declare to the backbench that departmental staff increases to handle inquiries would enable them to go out and make big people of themselves? Minister, what will be the cost of re-examining and readjusting all affected Austudy applications as a result of your poor judgment?

**Senator VANSTONE**—It is a matter of interest that Senator Faulkner regards ever having to recognise that there has been a problem and fixing it as an embarrassing backdown—something, of course, he could never bring himself to do. Whenever he made mistake he swept it under the rug. Remember when you were bungling with Beddall? Who was Natalie, and what were her qualifications? Remember the coupes out in Bass Strait? You could never bring yourself to face up to a problem, and your problem, Senator, is symptomatic of the problem across there when you people were over here. You lacked the capacity to face up to the government's problems, absolutely lacked the capacity to face up to a problem and fix it. That is why you were kicked out, Senator Faulkner. That is why the Australian people did not re-elect you.

**Senator Faulkner**—I raise a point of order, Madam President. I asked Senator Vanstone a three-part question which related to claims that were made in an article by Glenn Milne last week in the *Australian* newspaper, particularly about comments that were made by her to her party meeting. I ask you to direct the minister to answer the question I asked.

**The PRESIDENT**—The minister still has three minutes and 12 seconds. It has been a long preliminary, but Senator Vanstone—

**Senator VANSTONE**—Thank you, Madam President, I appreciate that. Senator Faulkner, it has not been my practice to discuss publicly what happens in party rooms, but I am happy to tell you this. I have said to people that if they have constituent problems with it they should be passing them on to me. I say the same to people opposite. And just before you get carried away, remember that the degree to which you have been concerned about this, the degree to which any of you have written to me about this expressing the concerns of your constituents, is well known, because we have the copies of the letters you have sent—obviously we have.

So before you get yourself into too much of a boil, you might like to consider how little your side has done about this. But I do want to acknowledge there are a number of members on your side of politics who did in fact write to me raising concerns, a number of members who were in fact doing their jobs. Now what have I done with the letters from your members—

**Senator Faulkner**—Answer the question. Did you say those things or not?

**Senator VANSTONE**—I am coming to that. I am answering it now. What have I done with the letters that your people have written, the people here have written or any of the Democrats have written? What happens? They go to the department for a reply. Big deal! The point that was made to senators and members was that, if you have a significant number of inquiries about this, do not sit on them but give them to me so I can fix them. Sadly, not many of your people raised concerns with me about this problem, but the answer is the same whoever raises a concern.

**Senator Faulkner**—Madam President, I rise on a point of order. I asked Senator Vanstone a couple of specific questions—that is, whether she said to her own backbench, ‘You can go out and make big people of yourselves,’ and whether she also said to her own backbench that the changes would allow her department to ‘do the constituency work for you.’ I ask you, Madam President, again,

to direct this minister to answer the questions that have been asked in this chamber.

**Senator VANSTONE**—I am. Let’s get on with it then. Senator, you might not like the terms of the answer, but I regret to inform you that you are left with them.

**The PRESIDENT**—Senator Vanstone—

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

**The PRESIDENT**—I was attempting to do so. Are you speaking to the point of order?

**Senator VANSTONE**—No, I want to get on with answering the question.

**The PRESIDENT**—I am pleased to hear it, Senator, and invite you to do so.

**Senator VANSTONE**—The answer to the first question is that, if anybody said to me, ‘I’ve got a constituent problem,’ I would say to them, ‘Send it to me. We’ll get it down to the department and get an answer for you.’ I do that whether you people write to me—and not many of you do—whether the Democrats write to me or whether Senator Harradine writes to me. Senator Colston and Senator Harradine very wisely raised with me this matter very early on, so I see no difference in that respect.

If there were to be any changes to an actual means test delivery or to the administration of it, would I let my colleagues know? Yes, of course, I would. Would I tell them I would let them know? Yes, of course, I would. Would I expect, not give them the opportunity, that they would go out in the electorate and say there was a problem and it was being fixed? Yes, of course, I would.

**Senator FAULKNER**—Madam President, I ask a supplementary question. Minister, last Thursday you described your own performance in terms of administration of your portfolio as a five-gold star performance. Could you explain to the Senate why you said that?

**Senator VANSTONE**—Senator Faulkner, you might in fact have your days a bit muddled up, if you are referring to the conversation that I am referring to.

**Senator Faulkner**—Thursday’s doorstep. Five gold stars.

**Senator VANSTONE**—But I can tell you that, with respect to this portfolio, you might have noticed that the government was spectacularly successful in getting its budget changes through. Its budget changes were not simply cuts; they were very sensible and creative policy changes in higher education and in employment services delivery. I regret to say that you people started some reform in employment services delivery—and I have to give you some credit for that, and I have done my very best to not choke as I do it. You did start employment services reform; we are picking up where you left off, taking the best of Working Nation and building on it.

Do I think, therefore, that this portfolio has done an excellent job in delivering budget outcomes, in delivering creative policy changes to give better service to Australian students and better service to unemployed Australians? Yes, I do. If I said five, I am sorry I did not bump it up to nine. (*Time expired*)

#### **Cricket: Free to Air Television**

**Senator FERGUSON**—My question is directed to the Minister for Communications and the Arts. Minister, can you advise the Senate whether Australian cricket fans will be able to watch live free to air cricket coverage of the South African test series, given the Labor government's woefully inadequate anti-siphoning provisions that allow subscription television operators to acquire the live and exclusive rights to significant sporting events?

**Senator ALSTON**—That is a very timely question. I am indebted to Senator Ferguson. He is well aware that the first test starts this coming Friday. I am quite sure that Senator Ray will be tuning in, and I very much hope that many thousands of others around Australia who are very interested in this issue will also be on board.

The fact is that Channel 7 and Foxtel have agreed that the live rights—in other words, direct coverage, not the seven-day delay of one hour of highlights, which was the position we had until very recently—will be available during the second and third sessions.

**Senator Robert Ray**—Every night?

**Senator ALSTON**—Yes, every night, Senator Ray, and live. This is a massive win for all of those cricket lovers who were otherwise a bit apprehensive that, as a result of Labor's utterly flawed anti-siphoning rules, they may have missed out altogether. It is a great tragedy that Labor had to muck up the anti-siphoning regime. We have managed to fix it. What we are doing now is delivering.

It is very interesting that, in asking the last question, Senator Faulkner started off by putting to Senator Vanstone that she had to engage in a humiliating backflip. On 5 February last, when talking about Michael Lee, Senator Faulkner said that I claimed that:

Lee must act on Windies cricket deadlock.

He then said:

Lee did act and Lee delivered. That is the truth of the matter.

... ..  
The question to you, Senator Alston, is: will you deliver like you demanded Minister Lee deliver on the Windies tour in 1995?

All that jumping up and down cannot disguise the fact that, unfortunately, the chap down at the other end who had that boy Bradman tag has absolutely disappeared from sight.

**Senator Faulkner**—Are we getting the one-day internationals?

**Senator ALSTON**—One would have to say that his form on this issue, as on many others, has been worse than Mark Taylor's.

**Senator Faulkner**—Are we getting the one-day internationals?

**Senator ALSTON**—I would have to say that his post-election performance suggests that his loss of form is terminal, whereas I have no doubt that if you tune in on Friday you will see Mark Taylor delivering the goods. That is of course—

*Senator Faulkner interjecting—*

**The PRESIDENT**—Senator Faulkner!

**Senator ALSTON**—Your shout.

*Senator Faulkner interjecting—*

**The PRESIDENT**—Senator Faulkner, you are behaving in a totally disorderly manner.

**Senator ALSTON**—I think it is my shout, quite rightly. The fact is that what Senator

Faulkner is trying to do, as he always does, is cover up the fact that he is utterly embarrassed by the result that has occurred. I know the frustrations of opposition. You say to yourself, 'If we can get even one little run, it doesn't matter about tomorrow.' Well, tomorrows catch up with you. You might have thought you were getting a bit of a run when you got up and asked about this and suggested that it could not be done. It is being done. The fact is that if you are interested and prepared to stay up on Friday night and thereafter, you will be able to watch live test cricket.

**Senator West**—What time?

**Senator ALSTON**—It sounds to me as though no-one on the other side of the chamber even knows the detail of what has been in the newspapers now for some days. In other words, they really could not have cared less about this whole issue. All they were interested in doing is somehow putting up poor old Senator Faulkner as a fall guy to ask a question.

This is nearly as bad as Kim Beazley. Kim Beazley knew nothing about this until Ian Chappell took his middle stump. Here we have yet another example of the fact that this lot could not care less. The decision was made days ago and you still do not have yourselves organised. I very much hope that you will have a quiet week this week. Be prepared to stay up late at night. It will be a great series. I hope that, during the lunch-break, Senator Ray will be ringing in to Channel 7 and asking them to broadcast his thanks and gratitude to the government for making it all happen.

#### **Austudy**

**Senator BOLKUS**—My question is addressed to the Minister for Employment, Education, Training and Youth Affairs. Minister, you keep on claiming that your announced changes to Austudy are designed to crack down on roting. Can you advise on the Austudy entitlement, if there is one, in the following circumstances. A 24-year-old full-time student is living at home with his parents. His estranged partner and two children from their relationship live separately and

receive a sole parent benefit. His father is earning a salary of approximately \$100,000 per year plus a package of approximately \$30,000. Is it the government's intention that someone in these circumstances would be eligible for Austudy?

**Senator VANSTONE**—I do not know whether Senator Bolkus has ever found himself in this position and wondered whether he should have claimed Austudy at the time. I do not know whether there are any personal hints in this about his past. Let me remind him that in November or December last year, this government announced that we thought Austudy needed to be tightened and that it was inappropriate to give it to someone simply because he or she turned 22; that is, irrespective of the wealth of the parents, we would give them Austudy. We thought that was ridiculous and that the age of independence for Austudy should be shifted up to 25.

There are other mechanisms for getting Austudy under 25 as an independant, but we let them be. The point I want to make is that in November-December, when we wanted to tighten this up so that, for example, Melanie Howard would not be able to get Austudy, Senator Bolkus and the crew opposite opposed the change. The situation is that they refused to support a tightening up of the independence criteria for Austudy. That is on record. It was not done by the previous government; it was done by this government in this chamber only a few months ago. They refused to support the tightening up of the independence criteria for Austudy.

As Senator Bolkus may well know, one of the other independence criteria for Austudy is whether you have or have had a dependent child. On the example that you raise, therefore, this young man would fit into that category. According to you, he has or has had a dependent child. If I take it from your question that you are prepared to look at further tightening the independence criteria for Austudy—you might be able to answer this in your supplementary question—and you are prepared to say that someone under 25 who had a dependent child but no longer has that child dependent on them should not get Austudy, you should come and talk to me



very quickly and we will look at fixing that up.

#### National Health and Medical Research Council

**Senator KERNOT**—My question is directed to the Minister representing the Prime Minister. I refer the minister to media reports dealing with the decision not to appoint Professor John Funder as chair of the NHMRC. Will you confirm your science minister's assertion made over the weekend that Professor Funder's views on abortion had been part of a range of factors in cabinet's decision to reject him for the chair's position? Will you confirm the claim made in the *Weekend Australian* that the Prime Minister discussed certain matters with Senator Harradine earlier this month? If so, what was the date of those discussions? Was the issue of Professor Funder's appointment raised? Will you provide details of why and on what date the Attorney-General asked Professor Funder to provide a statement of his moral position on abortion? Will you give an assurance that cabinet's rejection of Professor Funder had nothing to do with representations made by Senator Harradine? If you can give that assurance, what were the reasons for cabinet's rejection of the health minister's recommendation?

**Senator HILL**—A whole series of questions was asked and being asked. I will probably get the last few in the supplementary question when I get it. This gives me the opportunity to congratulate Professor Larkins on his appointment and to recognise his very eminent qualifications for the job, in particular, as chairman of the Department of Medicine at the University of Melbourne; in fact, he was the James Stewart Professor of Medicine. He was a senior physician at the Royal Melbourne Hospital and head of diabetics and endocrinology at the Royal Melbourne Hospital. I note that his appointment has been widely applauded. I will simply pick up the comments of Professor Brian Campbell, the dean of medicine at the University of Queensland, who said:

Larkins is an outstanding and exceptional medical scientist.

There is no doubt—

**Senator Kernot**—Madam President, I raise a point of order. While we congratulate the appointment that has been made, my question is about the rejection of the health minister's recommended preference.

**Senator HILL**—I am answering it in terms of taking the opportunity to congratulate Professor Larkins. Let me conclude with the comment of Graeme Leech, the *Australian* science correspondent, who said:

The government has no reason to think Larkins will not be an excellent chair of the nation's top medical research body.

That is obviously our view also and that is why he was appointed.

**Senator KERNOT**—Senator Hill, I thank you for that incredibly evasive answer. My question goes to your rejection of the health minister's recommendation. My question was specifically: why did the Attorney-General ask Professor Funder to provide a statement of his moral position on abortion? How did that fit into the selection process? What about what the Prime Minister may have discussed with Senator Harradine earlier this month? I asked you for the date of that meeting and whether Professor Funder's appointment was raised at that meeting. I am asking you again: can you give us an assurance that Professor Funder's rejection had nothing to do with representations made by Senator Harradine?

**Senator HILL**—The assurance I can give—and I thought I had already given it—is that Professor Larkins was appointed on merit. These appointments are never easy and in fact in this area there are a number of eminently qualified people for the job. Cabinet has to make a decision and cabinet made the decision, and I am pleased that the decision of cabinet has been so widely applauded.

#### Search and Rescue Equipment

**Senator BOB COLLINS**—My question is to the minister representing the Minister for Transport and Regional Development. In relation to a question with notice last year relating to the purchase of search and rescue equipment known as precision aerial delivery system or PADS, you advised the Senate, on behalf of the minister for transport, that:

... the minister was in no way involved in the subsequent decision by Airservices to purchase PADS units.

Minister, are you aware that the chairman of Airservices Australia, Mr John Forsyth, who was appointed by Minister Sharp last July, told a Senate inquiry into this matter on 14 February that his understanding was that the minister had approved both the re-evaluation of the equipment and its subsequent purchase? Are you also aware that the committee was given a letter by the senior adviser to the minister, Mr Wallis, which clearly indicates the extent that both he and his minister were involved in this matter? In the face of this evidence, it is clear Minister that Minister Sharp has caused you to mislead the Senate. Why have you failed to correct the attempted cover-up by Mr Sharp of his direct involvement in the purchase of this defective equipment at the cost of over \$1 million to the taxpayer?

**Senator ALSTON**—I do not have a recollection of the precise words that I used in answering a question from Senator Collins—in fact, I think he asked me two questions on that issue. I am certainly not aware that Mr Forsyth said anything in particular to a Senate committee, nor am I aware of any letter that might have been provided by Mr Sharp's policy adviser. In those circumstances, the most I can do is refer the matter to the minister for further comment.

**Senator BOB COLLINS**—Minister, while you are doing that, could I remind you again of your answer on behalf of Minister Sharp that he 'was in no way involved' in this matter? Could I draw your attention to the text of the letter to the chairman of Airservices Australia from Mr Wallis which said, among other things, this:

For your information—

that is, for the information of the chairman—  
... in initial discussions with the Minister for Transport and Regional Development, the Hon. John Sharp MP, the chief executive officer of that company, Mr Laurie Gruzman QC, quoted the price per unit as \$4,500. This figure was consistently quoted in subsequent discussions between Mr Gruzman, the Minister and myself.

Clearly, Minister, this minister and his senior adviser had on-going negotiations with Mr

Gruzman about the purchase of this equipment, which even included price. Do you now accept that this completely puts the lie to the categorical statement you made in response to a question on behalf of the minister, that the minister was 'in no way involved' with the purchase of this defective equipment, which is currently lying idle in a Melbourne warehouse. (*Time expired*)

**Senator ALSTON**—I do not accept anything that Senator Collins might put to me at face value. It obviously does require further investigation. But might I say, the last time Senator Collins asked a similar question on this issue, about matters of which I could not possibly have been expected to be aware of the detail, he then proceeded to use it as a basis for a take note and the usual bagging of all concerned. I trust that on this occasion, if he is genuinely wanting to seek information, and if he really does want me to go back and ask Mr Sharp, then he will actually hold himself in reserve until he has got the answer, and not go off half-baked, in about 25 minutes time.

### Economy

**Senator EGGLESTON**—I would like to ask a question of the Assistant Treasurer. Minister, could you please elaborate on how last week's data showing record company profits and strong growth in capital imports have contributed to a better economic picture for Australia, and how will Australian families and small businesses benefit?

**Senator KEMP**—Thank you for that question which deals with some of the real issues which are facing the economy and are of major concern to Australians. Healthy profits in the business sector are a prerequisite for sustained, solid growth in jobs.

*Opposition senators interjecting—*

**Senator KEMP**—You would not know anything about healthy profits after your miserable performance. But with healthy profits, firms are more likely to take on employees including, of course, young employees.

The government is very pleased with the strong profit growth data released last week by the ABS. For the December quarter it

showed a 17.3 per cent increase in profits before tax and a through year increase of 8.4 per cent. Over the quarter, mining profits rose by a massive 23 per cent, manufacturing by 11 per cent, and wholesale and retail by 13 per cent. Thank you Senator Sherry for nodding and agreeing with that.

**Senator Sherry**—What was your forecast?

**Senator KEMP**—Profits before tax, interest and depreciation grew almost 10 per cent to—wait for it, Senator Sherry, because you will be interested in this—the highest level on record.

Also last week, the ABS released imports for January. They showed a very strong rise in imports of capital goods of some 29 per cent. Even assuming some lumpiness in the figures, the result is undoubtedly encouraging for growth and investment. These figures follow the excellent investment data we have seen recently. Investment expectations in business are very high, particularly in the mining sector. The mid-year review revised the business investment forecasts to 17 per cent.

What these figures and those for jobs and job vacancies show is that the economy is strengthening. Contrast this picture with the picture being painted by Mr Evans, the shadow Treasurer, and what he has been saying. On 7 November the shadow Treasurer said that the economy was 'as flat as the Nullarbor Plain'. Note the date on which he said that. It was in the middle of the very quarter when company profits rose 17 per cent before tax.

The shadow Treasurer said that he was coming back after Christmas full of inspiration and enthusiasm. Do honourable senators remember when he said? I regret to say that we have seen no evidence of that. The reality is that the good news flowing through on the economy only serves to depress Mr Evans and the Labor Party even more. We have had some very good news on the economy. The government's policies are bearing fruit.

#### **Search and Rescue Equipment**

**Senator CONROY**—My question is directed to the Minister representing the Minister for Transport and Regional Development. Is

it true that: the RAAF tested the PADS equipment in 1995 and found it too dangerous to even test; the minister for transport was advised by Airservices Australia of the RAAF findings but sanctioned the purchase of the equipment in the face of such evidence; all training in the use of the PADS equipment had to be suspended because of the danger to the aircrews caused by the same defects previously identified by the RAAF; and, that CASA has now suspended all use of the equipment? Instead of misleading the Senate, will the minister now publicly accept responsibility for this fiasco, which has put lives at risk and resulted in the expenditure of over \$1 million of taxpayers' money on equipment that is now lying idle in a Melbourne warehouse?

**Senator ALSTON**—I cannot add very much to the answer that I gave Senator Collins, simply to say that my information is that a contract was signed between Airservices Australia and Search and Rescue Pty Ltd in September 1996 for the purchase of PADS. This followed the independent evaluation of PADS, which had been developed by SAR, and the existing Airservices system. PADS was found to be significantly superior. Mr Laurie Gruzman, the Chairman of SAR, is associated with the development and marketing of PADS. The minister, Mr Sharp, is aware of ongoing discussions between him and Airservices Australia concerning the purchase and use of PADS. The minister has advised him to direct his concerns to Airservices, which is ultimately responsible for the safe operational use of PADS.

The question of what equipment is used in military aircraft, raised by Mr Gruzman after the recent rescue of two lone yachtsman, is a matter for the RAAF to determine.

**Senator CONROY**—Madam President, I ask a supplementary question. Does the government have to bear the cost of rectifying the defects in the equipment or do you believe that that is the responsibility of the manufacturer?

**Senator ALSTON**—I cannot believe that Senator Conroy would expect me to answer that question.

**Senator Bob Collins**—Why not?

**Senator ALSTON**—We all have our limitations, and one of mine is that I am not as comprehensively across the transport and regional development portfolio as I am across the communications portfolio. There might still be deficiencies in the latter, but I can assure you that I know more about that than I do about the former. The most I can say to you is that assessment of PADS started in January. It has been suspended following what I understand to have been several critical safety events occurring during flight testing. The acquisition of PADS by Airservices is currently being considered by the Senate Rural and Regional Affairs and Transport References Committee, which I presume is where Senator Collins gets his hot information from. It would not be appropriate for any further comment pending the outcome of that inquiry.

#### **Bougainville: Use of Mercenaries**

**Senator HARRADINE**—My question is directed to the Minister representing the Minister for Foreign Affairs. It deals with reports of Papua New Guinea hiring mercenaries to be engaged in the Bougainville dispute. Can the minister advise the Senate of further details on this particularly serious matter? What does the minister consider will be the result of the use of mercenaries in the Bougainville dispute? What actions is the government taking to let the government of Papua New Guinea know of its very grave concern about this precedent?

**Senator HILL**—The government is deeply concerned about reports that the PNG government may be considering using mercenaries in military operations on Bougainville. As Senator Harradine will be aware, at the moment the PNG government is denying such an intention, rather saying that these forces are being engaged in training PNG defence forces. Nevertheless, the reports have been received and are being treated seriously by the Australian government and are being acted upon.

In particular, the Prime Minister spoke with Sir Julius Chan last week on the issue, as did Mr Downer a little later in his visit to PNG

last week. We believe that there would be a very adverse reaction in Australia and in other countries to the use of mercenaries within our region. We would regard it as a most unwelcome development. We do not believe that it would assist in finding a resolution to the problems on Bougainville. The approach of the Australian government has been that a solution to the problem in Bougainville will be found only through non-violent means. All the use of mercenaries would be likely to do would be to further escalate the conflict.

Whilst detail remains sketchy, the Australian government is continuing to monitor development. The Prime Minister and the foreign minister have started discussions with the PNG government in which they put the Australian government's point of view strongly. They were also talking with the PNG government in an effort to persuade them from a course of using mercenaries on what we would regard as an ill-conceived operation.

#### **National Health and Medical Research Council**

**Senator NEAL**—My question is addressed to the Minister representing the Minister for Health and Family Services. I refer the minister to the decision of the cabinet to veto the appointment of Professor John Funder as the Chairman of the National Health and Medical Research Council. Is it not a fact that Dr Wooldridge was told prior to cabinet that Professor Funder's appointment was 'unacceptable'?

**A government senator**—Who by?

**Senator NEAL**—Very good question. Is it not also a fact that Dr Wooldridge approached Professor Larkins last weekend to see if he would fill the post instead of Professor Funder? Does this not make a mockery of the claim that cabinet vetoed Professor Funder's appointment?

**Senator NEWMAN**—Once again the opposition is trying to ask questions about what goes on in cabinet. I am not prepared to do that any more than their government was when they were in government. I am certainly not in a position to know what Dr Wooldridge may or may not have done for various people

at certain times. I do not know when he has a shower. I do not know when he puts his children to bed. There is an awful lot of his life for which I do not represent him.

**Senator NEAL**—Madam President, I ask a supplementary question. Senator Newman says that she does not know these things. I would ask that she refer the matters to the minister and obtain that information from him. While she is at it, could we also be told who told Dr Wooldridge that Professor Funder's appointment was unacceptable?

**Senator NEWMAN**—I will refer those additional questions to the minister and see if he wishes to provide an answer.

#### **National Health and Medical Research Council**

**Senator LEES**—My question is addressed to Senator Newman in her capacity as Minister Assisting the Prime Minister for the Status of Women. My question is also about cabinet's decision not to appoint Professor John Funder as chair of the NHMRC. Do you believe personal views and beliefs—Minister, I am asking for your beliefs—regarding the moral and ethical issues surrounding reproduction are a suitable basis for selecting the head of the NHMRC? Do you believe such personal views are a suitable basis for cabinet opting to overrule the recommendation that Professor Funder hold that position? Did you stand up in cabinet and fight for these issues not to form a part of the selection criteria? Finally, if you did not, does this mean that you and indeed your cabinet colleagues are prepared to trade off the rights of Australian women for perceived political advantage?

**Senator NEWMAN**—When the day comes, if it ever does, that the Democrats form a government in this country, they will perhaps then be in a position to understand that, first of all, cabinet decisions are not the subject of matters to be discussed and answered in the parliament of Australia; and, secondly, that decisions on appointments are made for a whole complex mass of matters. I am not prepared to discuss them here.

**Senator LEES**—Madam President, I will try again in a supplementary question: Minister, did you personally, as the minister

who has the responsibility for women and for putting the views of Australian women to cabinet, stand up in cabinet and fight for women when this matter came up? Do you agree therefore that there are only two inescapable conclusions: either that Senator Harradine does have a veto when it comes to these issues; or, secondly, the majority of your cabinet are in fact anti-choice and are prepared to make it harder for women to access abortion, family planning advice and contraceptive services?

**Senator NEWMAN**—I thought I made it quite clear in my previous answer that I will not discuss the cabinet. However, I will say by way of conclusion that, at every available opportunity as Minister Assisting the Prime Minister for the Status of Women, I bring matters of importance to Australian women to my colleagues' attention in whatever forum I am in.

#### **Legal Aid: Domestic Violence Cases**

**Senator COONEY**—My question is directed to Senator Newman in her capacity as Minister Assisting the Prime Minister for the Status of Women: are you aware of the statements made by Sue Walpole, the Commonwealth Sex Discrimination Commissioner, and by Judy Ryan, who manages that section of the New South Wales Legal Aid Commission dealing with family law, about the bad impact changes in federal funding for legal assistance will have on women? This is a preliminary to the next question: can matters involving domestic violence involve both Commonwealth and state courts? If so, do women—and children, for that matter—have to work out for themselves which proceedings might attract state funding and which ones might attract Commonwealth funding? Will this make things more difficult for women who are victims of domestic violence than was the case before the changes were announced?

**Senator NEWMAN**—The government is very mindful of the needs of women who suffer from domestic violence. As you would be aware, Senator Cooney, last year the Office of the Status of Women hosted a two-day forum on domestic violence, which brought together representatives from government and non-government throughout Austral-

ia for the provision of workshops and the drawing together of recommendations on domestic violence. It covered the whole area of domestic violence. Representatives came from the magistrates courts, from the Family Court, from people working with men overcoming their own violent emotions, from those who are providing refuge to women and counselling services and from those in the education area who want to prevent violence in the next generation.

The proposals that have come forward from that forum have been worked on by the various relevant federal government departments since then, including the Attorney-General's Department, and the purpose is to achieve a summit later this year for the heads of government. This summit will be with the Prime Minister and the heads of the state and territories governments. The area you are talking about, Senator Cooney, is clearly a crossover area between the two levels of government. It will be an important element, I am quite convinced, in the discussions that are held at that time. But they are only part of a huge effort being made between the levels of governments in Australia to achieve better results in the prevention of domestic violence.

**Senator COONEY**—Madam President, I ask a supplementary question. Minister, in relation to the people who are at that forum and who give counselling and provide other assistance to women who are victims of domestic violence, do you think that there is a risk that those very people themselves will be confused about what advice to give, given the fact that the basis of legal aid is changing?

**Senator NEWMAN**—I do not think that that is likely. After all, the Attorney-General made the announcements on legal aid last year. As I understand it, they are to take effect from September this year. We have heard a great deal of noise from the states—of course your government was accustomed to hearing noises from the states, too, whenever there was a proposal that changed the way they had been doing business in whatever policy area we were talking about. So one is

not surprised to find that the states may have objections.

What I believe is necessary, in this area as in others, is that the state and the federal attorneys work together to achieve satisfactory and certain outcomes. It is not a question of only domestic violence; it is across a range of family issues that this is important. It is not just an issue for women—I am answering this question as the Minister Assisting the Prime Minister on the Status of Women—it is a matter of concern to all members of the government that Australian citizens be considered fairly in the courts.

### Unemployment Benefits

**Senator ABETZ**—My question is to the Minister for Social Security, Senator Newman. Has the minister's attention been drawn to a Labor newsletter which claims the unemployed would be subjected to 'six months without unemployment benefit if a person moves to an area of lower employment prospects, even if they move there to look after a seriously ill parent'? Is this government policy, or is it yet another example of crass Labor politics?

**Senator NEWMAN**—I am afraid it is yet another example of crass Labor politics, Senator Abetz. I have seen a Labor senator's newsletter which was mailed out to his constituents in New South Wales last summer.

**Senator Alston**—Name names.

**Senator NEWMAN**—No I will not. It unfortunately reminds me of the last time that I stood up in the Senate to talk about a Labor senator's blatant inaccuracies in her newsletter. Do you remember that Senator Tierney asked me a question back in October about Senator Neal and the misleading comments that she had made? That was all about the fact that a nursing home on the central coast of New South Wales had complained to her about what she had actually put in her newsletter. The situation is that once again we have just got another newsletter as bad. One has to wonder: is this a campaign of dishonesty being run by Labor? As Senator Abetz said, the newsletter said that our social security system would subject the unemployed to:

. . . 6 months without unemployment benefit if a person moves to an area of lower unemployment prospects—

this is the bit—

even if they move there to look after a seriously ill parent.

Well it is a pretty good line in that it makes the government sound mean and uncaring, et cetera, but the problem is that it is blatantly wrong. It is absolutely and totally untrue.

The Social Security Act says that if a person has a sufficient reason for moving to a new place of residence, if and only if the person satisfies the secretary that the move is necessary for the purposes of treating or alleviating a physical disease or illness suffered by the person or by a family member, then it is okay. You could not get anything much more blatantly wrong than that newsletter. If your Mum or Dad is sick, you can go home and look after them without breaching the activity test, even if they live in an area of low employment.

That is not the only mistake. It goes on to detail administrative detail about when debts are waived due to departmental errors. I am concerned that we are starting to see a pattern of dishonesty being put out to people and that they have no way of checking them, apart from my disclaiming them here.

What I suggest to Labor senators is, if they are so hell bent on putting out press releases in the social security area where, clearly, they do not have much understanding, perhaps they might like to fax a copy of an exposure draft to my office and we will check it out for them and verify whether they are right or wrong.

But if Senator Faulkner, as the Leader of the Opposition in this place, is concerned about probity in public office, as I hope he is—he says is—it is time for him to make sure that his troops practise what he preaches. He has to pull his troops into line. He said he would in the past, and I hope he will pull them into line now. It is important that we do not frighten people by dishonest tactics about aged care or social security entitlements. If that is the game you are playing as opposition spokesman and as opposition members, then

it is a disgrace, and the Australian people should know what you are up to.

#### Austudy

**Senator FAULKNER**—My question is directed to the Minister for Employment, Education, Training and Youth Affairs. Minister, what precisely was the mistake in the Austudy actual means test arrangements that you now claim to have fixed? Was it in the introduction of the original actual means test in January 1996, or was it in the tightening of the actual means test from January this year as a result of a Howard government budget measure?

**Senator VANSTONE**—Senator, I am glad you asked that question because it gives me the opportunity to reinforce a point that I made to you earlier—that is, that the actual means test was first introduced by Labor, supported by us and refined by us for a specific purpose. People who have companies, trusts, partnerships and small businesses have the opportunity, quite legally, to minimise their taxable income and have their sons and daughters at university on Austudy while the sons and daughters of PAYE earners, who were just above the Austudy cut-off limits, would not get Austudy. The purpose was to ensure that that situation was fixed. That was an unfair situation.

On both sides of the chamber we agreed that that needed to be fixed. You introduced a form of actual means test which basically calculated what someone's means were, if I can put it in short form, by imputing an income on the basis of assets held. We thought that was far too arbitrary and that it could be refined to give people the opportunity to declare what their expenditures were.

If Senator Faulkner had bothered to read the press release I put out he would have seen that I tried to go over every error that there possibly could be to maximise the opportunity for the needy, not the greedy, families to get Austudy. One of the problems was that the estimated expenditures put in by Austudy applicants were run passed ABS figures to check their expected expenditures. Where the claimed expenditures were lower than the ABS expenditures they were imputed up to

the ABS expenditure level. The error was that the ABS expenditures were set far too high. If the ABS expenditures had been set at reasonable levels for Austudy applicants that would have been a perfectly sensible check to run against self-declared assessments.

You were not prepared to go to self-declared assessments, but we were. The department instituted that mechanism as a test of whether people were lying. I am sure Senator Faulkner knows that if you give some people an opportunity to get Commonwealth money, they will take it and they will not always tell the truth. If, as I indicated to you, those ABS expenditure levels had been set at reasonable levels for Austudy applicants it would have been a reasonable check. They were not. They were set too high. Consequently, we were catching more people than we should have. I believe we were catching the needy. This gives me the opportunity to answer a question raised by Senator Stott Despoja in one of her press releases.

*Opposition senators interjecting—*

**Senator VANSTONE**—I have answered that question. If you could not follow it, I will give it to you in big letters later. Senator Stott Despoja asserted that this blew the budget out of the water. In fact, it does not. By easing the administration of the test because we were catching more people than we had intended we will simply come back to about the same budget savings.

The government wants to get its budget savings, yes, but where it is apparent that the implementation of a test is catching more people than intend, producing more savings than were budgeted for and causing unnecessary hardship to needy people, then it is sensible for a minister to say, 'This has to be turned around so that the needy people can get it.' We will stick with an actual means test because we want to give Austudy to the needy not the greedy. In that sense, we are the same as you.

**Senator FAULKNER**—Madam President, I ask a supplementary question. Minister, what steps did you take following last year's budget decision on the actual means test to ensure that the test was implemented in a practical, fair and equitable manner? Did you

receive any detailed briefings from your department on the implementation of the measure? Did any of those briefings point to any potential problems?

**Senator VANSTONE**—Yes, obviously I did receive briefings on this matter as did my parliamentary secretary. Yes, I believe at least one document did highlight a problem, which is why I put an annotation on the bottom of it. While I do not look forward to late nights this week, I imagine that you are gearing up to get an explanation of this in estimates, which I think is perfectly fair and reasonable and for which we will be prepared. All that I can reveal at that point will be revealed.

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

#### **Nuclear Waste Shipments**

**Senator HILL**—I want to qualify an answer that I gave to Senator Brown during the last sitting week concerning the ship *Pacific Teale* which is carrying hazardous waste to the south of Australia. I said that I thought the ship would pass to the west of New Zealand. I explained that my brief said that it would pass to the south of Australia and then into the south-west Pacific. My latest brief, which shows that people listen to my answers, says that the ship is travelling via the Cape of Good Hope, then south of Australia through the Tasman Sea and into the south-west Pacific, which I guess means that it is now expected that the ship will pass to the west of New Zealand and to the east of Australia.

#### **Austudy**

**Senator BOLKUS** (South Australia) (3.05 p.m.)—I move:

That the Senate take note of the answer given by the Minister for Employment, Education, Training and Youth Affairs (Senator Vanstone), to questions without notice asked today, relating to changes to the means test for eligibility to receive Austudy benefits.

In taking note of the answers given by the Minister for Employment, Education, Training and Youth Affairs, Senator Vanstone, I will start with a quote from Professor Fay Gale, the President of the Australian Vice-Chancel-



lors Committee. She said over the weekend, 'These changes have produced the worst start to a university year in all my time as an academic.' One thing she did not say is that this minister has had the worst start of any education minister in living history.

As this government goes from one bungle to another, this minister is at the forefront for her ineptness, her lack of application, her lack of attention to detail, her inadequate administration, her glibness and her incompetence. She wants to dismiss it all with a wave of the hand. Minister, it is all happening, you are responsible for it and you are the one who is messing up. In a Melbourne Cup field for incompetence, Minister Vanstone keeps on popping up at the head of the field. Already we have seen a number of incidents, but the Austudy one is the most recent and it does expose her incompetence and her lack of application to her job.

How does this minister respond? When found guilty of not applying herself sufficiently, of getting the policy wrong, of getting the structure wrong and of getting the implementation wrong she says, 'I'll give myself five stars for performance.' When told, 'Maybe that is a bit over the top, Minister, you have actually been caught messing up somewhat monumentally,' she says, 'Maybe I should have given myself nine stars.'

What sort of insensitivity is that? It is the sort of insensitivity that led her on the weekend to boast to Matt Denholme of the *Adelaide Advertiser* that at Christmas last year she got a bottle of Dom Perignon from the Prime Minister (Mr Howard) for doing a good job. Doesn't that say a lot about this government, this Prime Minister and this minister? While students, the sector and state schools are all suffering and being cut back enormously, the Prime Minister and his favoured minister for education indulge in French champagne at their expense. It is insensitivity of the highest order.

This is a Prime Minister who wants to depict students and the tertiary education sector as privileged, while at the same time ripping away enormously at opportunities not for the privileged in that sector but primarily for those sons and daughters of battling

Australians who want to give their kids the opportunity to go through the tertiary sector to get a tertiary education and a degree. It is those people in regional Australia on lower incomes who will be hit, while this Prime Minister, indulging in French champagne, tries to depict them as the children of the privileged.

It is not just the tertiary education sector which will be suffering as a consequence of this minister's actions and this government's policies last year; it is the public school sector as well. Some \$200 million has been ripped out of that sector by this government's deliberate policies, and the Prime Minister and his minister indulge in Dom Perignon champagne at its expense.

Spare one moment, Minister, to think about the impact your policies, your lack of administration and your bungling have had on 17- and 18-year-old children who are entering university this year. Spare a thought for how difficult it is for them to make an assessment about where they are studying and where they are going. Some of them have to make decisions to move from country areas into towns or from one town to another. All these decisions have been affected by your inept administration and your inept policy. They have made decisions on the basis of what they thought was government policy. Now that policy has changed but, because of the harsh and excessive effects of your cost-cutting and your policies in this area, so many of them have had to change their life decisions. The buck stops with this government and this minister. She cannot dismiss these problems as merely administrative problems, because they are policy problems which go to implementation of policy and for which she is the one person who will be responsible.

Whilst the sector suffers and Professor Fay Gale says this is the worst start by a minister in her academic experience, what do we have? We have this minister glibly dismissing it all, once again without paying attention to detail. It is too little, too late. There is no doubt about it being too little. She still has not addressed the critical issues, such as raising the age of independence for the means test which I drew her out on today, the

abolishment of the incidentals allowance which is something that has already been allowed to continue and the question of who pays for late fees. Minister, there has been too little application even to this last moment. But there has not just been too little application, there has been too little change. (*Time expired*)

**Senator TIERNEY** (New South Wales) (3.10 p.m.)—I was listening to Senator Bolkus with great interest and waiting for him to say something of substance. We were still waiting at the end of his speech. It is no wonder when you look at the history of the Labor Party in relation to Austudy and their maladministration of that scheme over 13 years. There were absolutely massive problems with the administration of Austudy under the Labor government.

There were so many problems that in 1993 there was an ombudsman inquiry into it. The previous government could not fix up the problems, and the ombudsman, who had received so many complaints about Austudy under the last Labor government, came up with 15 major problems in the administration of this scheme. Let me read from the introduction to the report of the Senate Employment, Education and Training References Committee on Austudy which was tabled two years ago. This is what the ombudsman found about Labor's administration of the scheme:

- . delays and errors in processing applications—fancy that one as the first point up—
- . delays in determining eligibility
- . provision of incorrect or ambiguous advice, exacerbated by lack of written records of oral advice
- . inconsistencies between DEET and DSS with respect to various income support eligibility criteria.

That was the problem under Labor two years ago. At the time, the Senate quite rightly agreed to set up a major inquiry into the Labor government's maladministration of Austudy after 13 years. I will read the first term of reference:

1(a) Assess the extent to which the problems identified in the 1993-94 Report of the Commonwealth Ombudsman, relating to questions of eligibility, inappropriate advice to applicants, and inconsistency between the Department of Employ-

ment, Education and Training (DEET) and the Department of Social Security (DSS) in the interpretation and application of rules, are reflected in the experience of students more generally;

Let us not pretend that what has happened this year is something out of the blue or something that is a result of this new government's administration. There is a deep bureaucratic culture in DEET which has led to these problems year after year.

**Senator Crowley**—Yes, it is new, Senator. Your minister said it today. It is all your own work.

**Senator TIERNEY**—Let me tell you the difference, Senator Crowley. The difference is that this government is prepared to do something about it. You were not. In the very dying days of the Labor government, they decided finally—after 13 years—that they might move away from a taxable income base eligibility which was creating enormous inconsistencies for eligibility to Austudy. Obviously, this problem is going to take a fair bit of time to bed down. We are, as mentioned by the minister in her answer, dealing with 500,000 students in the Austudy system, both at the secondary and tertiary levels. Eighty per cent of these go straight through, but 20 per cent come under scrutiny for eligibility. Twenty per cent is no mean number: we are talking about up to 100,000 people who might be examined, and there are obviously going to be problems.

Let me tell you the difference between this minister and previous ministers: she immediately worked out that there were problems in the system. She has set in train measures to fix up those problems, unlike some of your former ministers. We might just mention a few: Ms Kelly, who could never admit that she had a problem in the sports rorts affair; Dr Lawrence, who could never admit that she was telling a lie; and, of course, Senator Bob Collins, who mucked up the pay TV thing and never admitted that he had made a mistake.

We have, in this government, much greater honesty. We have a minister who has said, 'There are problems in the new administration of a new scheme' and she is moving very

quickly to fix those problems. The Senate should commend her for that action.

**Senator CARR** (Victoria) (3.15 p.m.)—There is absolutely no question whatsoever that there is great incompetence here when it comes to the employment, education, training and youth affairs portfolio. Is there anyone in the Senate who, on the evidence that has been put before us, would disagree with that proposition? Not one person in the Senate would be able to contest the idea that there has been great incompetence in the administration of this portfolio. The only issue is: who is responsible for that? Is it the Minister for Employment, Education, Training and Youth Affairs (Senator Vanstone) or, as she says, her public servants?

The minister today was trying to present to us the notion that, somehow or other, as a result of her actions in mitigating the actual means test there will be less impact on the people of this country. What must be understood by all those who actually take an interest in this matter is that this is, at core, a policy issue. It is a failure of policy as far as this government is concerned and no amount of blaming the victim and no amount of blaming officers in her department can detract from that simple proposition. This is a failure of public policy—her failure as the responsible minister in this government.

She tried to tell the Senate that this is a proposition that will affect fewer people—some 17,000 applicants, she said. Her own department provided to the estimates committees answers which indicated that some 13,100 persons would be directly affected by the measures taken in this budget—some 7,070 females and 6,030 males would be affected as a direct result of this government's actions in tightening the Austudy actual means test—and that there would be an attempt to raise some \$60 million in the first year of the operations of this particular budget measure.

This has to be seen in the context of government actions which are aimed at securing some \$527 million out of the student assistance programs which, as the minister knows, will affect one in five students. One in five students will be adversely affected by

the actions that this government has taken in terms of student assistance. The particular measures that relate to Austudy and the tightening of the actual means test involve some \$216 million of the total \$527 million that this government is seeking to secure.

Some 71,000 students will be directly affected in terms of loss of benefits or reduction in their benefits as a direct result of this government's action—not just the 17,000 that she suggested in the Senate today. That is of course on top of the 10,800 persons who were ineligible under the original 1996 actual means tested measures. This of course brings you to the figure of some 24,000 that the minister quoted in her answer.

The proposition that the minister put to the Senate—that her actions were actually lessening the impact of the decisions being taken by this government—needs to be seen in the context of the decisions being taken by this government. We have seen arrangements outlined in a 36-page booklet to applicants involving the filling out of a form some 17 pages long. These arrangements are so complex and so complicated that the minister was forced to employ an additional 60 people to staff the actual Austudy means test hotline.

It is so complicated that, as we all know, as a result of backbench pressure—engineered, I would put to the Senate, as a direct result of the rivalry from, and the undermining of her within her government by, her junior portfolio—and as a direct result of the action taken in the Senate and through the estimates committee process, she has been obliged to do a humiliating backflip. The essential policy in which she was operating has not changed. And that is the critical issue here. No matter how she masquerades around the Senate to suggest that her officers were responsible, the critical issue, the policy failure which is at the core of this problem, remains the same.

This is a government intent upon ripping out of the education system in this country some \$1.8 billion. These sorts of fiascos are direct results of the heartless, inhuman and philosophically flawed attitude that this government has embarked upon in an attempt to secure budgetary outcomes, not educational outcomes, that are designed to ensure that we

have a whole new system of higher education in this country in which fewer and fewer Australians can actually participate and to ensure that Australians who have advantages in terms of wealth, power and privilege get increased wealth, power and privilege as a result of their participation. Student assistance will be much more limited as a result of this action taken by this government.

**Senator KNOWLES** (Western Australia) (3.20 p.m.)—The Senate could be forgiven today for believing that the actual means test policy was implemented by this government. I think we need to be reminded that the very people who introduced the AMT were the former Labor government. The problem that has been associated with the actual means test is not of our creation; it is in fact of the former Labor government's creation. It is one of the problems that you just incessantly walked away from. There was no—

**Senator Crowley**—On a point of order, Mr Deputy President: I draw to the Senate's attention that the answer given by the minister today absolutely refuted what the honourable senator is saying. She is deliberately misleading the Senate. I believe that she should be reminded that she should not deliberately mislead the Senate.

**The DEPUTY PRESIDENT**—I am not aware of any misleading at this stage. Perhaps when you make your contribution you can refer to it.

**Senator KNOWLES**—It is typical of Senator Crowley to raise a red herring to try and get an inadequate former Labor government off the hook. The Labor Party cannot tolerate the fact that they were thrown out comprehensively almost one year ago. The fact is that when the Labor Party introduced the AMT, and we supported the principle, Senator Faulkner actually said:

... that the actual means test is a fair, equitable and cost effective method of ensuring that Austudy assistance is provided only to genuinely needy families.

Many families who were not genuinely needy were actually getting Austudy. One of the things that the Labor Party consistently failed to do was to stop people fraudulently claiming benefits from the taxpayer. Look at what

Senator Newman has been able to do in the Department of Social Security in 12 months, in stopping the fraudulent payments that the Labor Party failed to stop in 13 years. We are in a situation where the Labor Party introduced the AMT. They said it was to be properly directed. They did not ensure that it was properly directed. They did not ensure that people who were not entitled to receive Austudy did not obtain it. This government has taken on the principle of making sure that some changes are made to the policy behind the actual means test.

The major change to the policy was to base the assessment of an applicant's AMT on their actual means rather than on taxable income. This is required for comparative equity with PAYE taxpayers. Why didn't the Labor Party ensure that there was such equity? Why did they walk away from that responsibility? They did not care less that people getting this payment were not entitled to it. We would be forgiven for believing, from what we have heard from the Labor Party today, that the policy has been changed by the minister. That policy has not been changed by the minister. The changes purely and simply relate to administration and customer service.

Senator Carr stood up here a moment ago and talked about the fact that the minister had the temerity to appoint 60 extra staff within the department to deal with a lot of the inquiries. He should be congratulating the minister for making sure that people were actually getting service. A lot of the government departments prior to the change of government last year were understaffed. But what happened? The previous government did not recognise any of those problems. Minister Vanstone has ensured that those problems have been addressed and she should be congratulated. Instead, the Labor Party are in their typical negative mode: everything is wrong. They cannot find any merit in anything that this government is doing, and this is but another example.

The government has moved very swiftly to remove any anomalies that have been detected over the last few months by dispensing with the automatic imputation system. Once again,

you would think that the opposition would be pleased that anomalies such as this have been removed. You would think that the minister's swift movement in this area would be cause for congratulations. No, they want to abuse and accuse in their now traditional way.

I think it is a great shame that the Labor Party cannot accept that there are some things that need to be done in the national interest. They should have been able to identify the people previously getting Austudy who were not entitled to receive it. They should stand condemned for imposing heavier taxes on people in order to supply funds to others who did not need them.

**Senator STOTT DESPOJA** (South Australia) (3.25 p.m.)—You can tell it is orientation week this week as campuses are commencing the academic year. Everyone is suddenly very concerned about students and student assistance.

**Senator Campbell**—We had record enrolments in the Liberal clubs on campus in WA.

**Senator STOTT DESPOJA**—Unfortunately, there are not record enrolments on campuses this year. I wish there were but, unfortunately, we are experiencing a decline in enrolments, especially in areas such as science, engineering, maths, physics, education, Aboriginal and Islander studies and even business. That is a fact we should lament. Perhaps Senator Bolkus was correct when he stood up here and quoted Vice-Chancellor Gale and the fact that it probably is one of the worst years for higher education in this country for a number of reasons, not least of which is the Austudy scheme.

Senator Knowles has said that the Minister for Employment, Education, Training and Youth Affairs (Senator Vanstone) acted swiftly. What rot. Absolutely false. The Australian Democrats and, I believe, many other people in this place, including Senator Harradine, have been aware of the difficulties and have had concerns about the administration of the actual means test since last year. We raised them in estimates in November. We raised them with the department in briefings in December. We got to departments, welfare officers and the minister over the last few months. For the minister to have acted

swiftly would have meant getting in on the first round of enrolment offers, not the third round and after enrolments have closed on most campuses around the country.

Senator Carr failed to mention the actual costs of enrolment late fees and charges. Students who want to enrol now on university campuses around Australia—assuming they are even considered, let alone accepted—face late enrolment fees of at least \$60 on most campuses and up to \$100 on other campuses around this country.

I want to make the point very clearly that many people in this place, but specifically the Democrats, did not beat up this issue last year. We did not beat up this issue this year either. We have been working very quietly, constructively and cooperatively behind the scenes with departmental officials as well as with people from the minister's office and people from campuses and institutions around this nation. Unfortunately, that did not seem to work. The minister has acted, but it is too little too late. For the minister to say last week, 'Hang in there students, hang on,' when many have dropped out already, is not only lamentable but absolutely shameful.

Austudy in this country is characterised by stringent eligibility criteria—incredibly harsh—introduced not only by this government but by the former government. They are culpable too. When we talk about ineffective or incompetent education ministers, we should look back to the record of ALP too. We should examine the kind of changes introduced by people like former ministers Dawkins and Ryan. They introduced fees and charges. They are as culpable for creating a user pays education system in this country as the minister is today.

Not only are there problems with Austudy overall and the fact that average students who receive Austudy are living on 35 per cent of poverty line, but the actual means test system has been chaotic and ineffectual. Certainly, Senator Crowley is correct: the AMT that is operating now is different from the one suggested by the former government. Anyone who has any understanding of education issues in this parliament would know that. The other question I have for the minister is:

who chose the ABS figures? It had to be either the minister or her department who determined how the AMT would operate and what figures would be used to determine the imputations.

**Senator Harradine**—That's right.

**Senator STOTT DESPOJA**—Thank you for agreeing, Senator Harradine. I am very curious to know why the figures were chosen—they may have dispensed with it now. Why those particular figures? Is it not true that departmental advice to the minister was that those figures were too harsh to begin with? They should never have been selected. This government cares only about cutting and saving money and raising revenue—and they will do anything to get that, especially attack some of the least powerful—

**Senator Kernot**—And celebrate it with a bottle of champagne.

**Senator STOTT DESPOJA**—Yes, they will celebrate it with champagne. We have had difficulties not only with the AMT's operation, the selection of ABS figures, but also with the hotline which was a saga from day one: 15 people staffing a hotline around the entire country for limited hours when we know that \$60 million savings this year in this portfolio will mean 90,000 students being cut off benefits. The department—and I am sure they did—and certainly the minister, and I am sure she did not, should have anticipated the difficulties with the operation of the scheme and the need for many more people on the hotline to avoid such chaos. I also put to the minister the promise of her predecessor; that is, the former shadow minister, Senator Hill. When he was education spokesperson for the coalition he promised to review the AMT guidelines. I want to know whether the government is going to stick to that promise because that is what it promised to do. Will it make public, finally, the chapter in the Austudy guidelines which regulates the AMT? I call on it to do so.

**Senator CROWLEY** (South Australia) (3.30 p.m.)—I rise to add my thoughts to the taking note of this answer by the Minister for Employment, Education, Training and Youth Affairs, Senator Vanstone. The first thing that needs to be said is that the minister has

apologised for getting it wrong so it is beyond dispute that a gross error has been made—and the minister has owned that. In fact, she has boasted about her being able to apologise. That makes her better, apparently, than other people who did not apologise. Perhaps other people did not apologise because they had not made mistakes.

The one thing we can be clear about is that Minister Vanstone has apologised—and why? Because she got it grossly wrong. Thousands of youngsters and even not so young people lining up for university this year have been told that they are ineligible for Austudy or even part of Austudy. The figures for those who have been so appalling disadvantaged vary between 17,000, 24,000 and 90,000. But what we know is that all those people have now got terrible decisions to make in terms of whether they will be able to take university places this year, whether they will be able to make the necessary arrangements and whether they will be able to find the money to pay the late enrolment fee if their university does not waive that fee. What will happen to those people who now have to live on the smell of an oily rag for up to six weeks until these altered arrangements can be put in place?

**Senator Woodley**—They will have to go to Lifeline or St Vincent de Paul.

**Senator CROWLEY**—If they are lucky enough to be within cooe of those, that is exactly so, or they will fall back on family. Many of them cannot do that because they may have come from regional and remote Australia into cities in anticipation of university places and they have not got family or friends nearby. Thousands and thousands of people have been placed in terrible hardship all because of the minister's incompetence.

I do support Senator Stott Despoja's remarks that this minister acted very slowly and was loathe to act. As Senator Carr said, she did not act until the outrage on her own Liberal backbench forced her to act. The complaints have been coming through to the minister's office and to the department for many months now. We all know that you do not complain in January or February about Austudy for that year; you have to make sure that these situations are sorted out in Novem-

ber and December. What sort of defence is it to say that there have been problems in the past? The problem we are dealing with is this Minister Vanstone's incompetence in 1997; that is what we are dealing with. Thousands of Australians have been hideously disadvantaged because of it.

The other important thing is that this minister wants to boast she has been successful because she has removed \$4.5 billion—B for Betty billion dollars—from her portfolio. What a strange boast. What is more, her Prime Minister, Mr Howard, sent her French champagne to congratulate her. One of the reasons she has been able to cut that amount is that she has cut the Public Service staff numbers in the department. Her department's staff numbers have been savagely cut back. If there were problems there before, they will only be compounded by this minister's behaviour in terms of staffing. She said to us that when she heard that the problem was there she rushed some more staff out. Jolly good, Minister, where did you find them? Did they have to be brought into the department and retrained because you had sent most of them packing under Mr Howard's proposal to dramatically root out the Public Service? Savage cuts in the public sector and savage cuts in that department meant that when there were incompetencies or mistakes being made in Austudy, the departmental people were not even there to oversee and implement the changes.

The minister has apologised because she got it wrong and the only defence she can think of is that if she goes out and apologises perhaps people will say, 'At least she is not too bad; at least she admits it.' Let us not forget what is at issue: the minister admits that she got it wrong. She admits she was wrong in Austudy and the changes she introduced were too hard, too savage and too damaging for over 20,000—as a conservative estimate—young Australians who now may not find a place this year. It puts their whole lives on hold for 12 months.

Who supported her? It was the Prime Minister of this country who wants to make life easy, comfortable and relaxed for people. But what about all those students who are not

comfortable and relaxed but who are distraught, depressed and despairing because of this government's, this Prime Minister's and this minister's devotion to cutting back the bottom line? What we have is a Tory-Thatcher government that is committed to cutting back the public sector and services to the people of Australia. We now have Minister Vanstone, the minister for education, admitting she did it.

Question resolved in the affirmative.

#### **Australian Broadcasting Corporation**

**Senator ALSTON**—On 6 February last, in answer to a question in relation to the ABC, I volunteered that Price Waterhouse had been commissioned to provide some expert advice to the board. I have since been advised that, in fact, it was KPMG and not Price Waterhouse. On that basis, I seek to correct the record

#### **DEATH OF DENG XIAOPING**

**The DEPUTY PRESIDENT**—I inform the Senate of the death on 19 February 1997 of Deng Xiaoping, Paramount Leader of the People's Republic of China.

**Senator BROWN** (Tasmania) (3.36 p.m.)—I seek leave of the Senate to make a very brief statement on the death of Deng Xiaoping.

**Senator Campbell**—Mr Deputy President, there was agreement, I understand, at the whips meeting—that Senator Brown may not have been at—that any statements in relation to this announcement would be made on the adjournment tonight. That is what I was told.

**Senator Chris Evans**—Senator Campbell's recollection is a little incorrect—he was not at the meeting. The government suggested that that would be a good opportunity for senators. To term it an 'agreement' would be placing too high a construction on it. Also, Senator Brown was not there, so I do not think it really has any bearing on whether leave is granted or not.

**The DEPUTY PRESIDENT**—Senator Brown, do you wish to continue to seek leave?

**Senator BROWN**—I do.

Leave granted.

**Senator BROWN**—I thank the Senate. I wish to mark this occasion by expressing profound regret to the people of Tibet who have suffered under this period of leadership in China. During the last 40 years since the military occupation of Tibet, some one million people there have died—one in seven of the population. Currently, hundreds if not thousands remain imprisoned for political or cultural activity—basically, for their aspiration for freedom and the expression of their culture, which has been suppressed along with the environment of Tibet in a profoundly reprehensible manner.

I need also to express great regret at the death of the people in the Tiananmen Square massacre and elsewhere in China at that time under the leadership of Deng Xiaoping. It is a very sorry episode in human affairs, and one must hope that, following the death of this leader of China, a little of the breeze of freedom and the aspiration to self-determination by peoples in that country and in occupied Tibet will now blow through the corridors of power in China.

#### PETITIONS

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

##### Triple J

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

by **Senator Cooney** (from 499 citizens).

##### Euthanasia

We, the following petitioners strongly urge all senators to support Mr Kevin Andrews' bill to stop doctors being permitted to give lethal injections to their patients. Failure to support this bill will undermine the criminal code which protects all citizens. Voluntary Euthanasia, by targeting the sick and elderly, invariably progresses to involuntary euthanasia, (patient killing) permitting corruption and medical malpractice.

by **Senator Calvert** (from 21 citizens).

##### Commonwealth Dental Health Program

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

The humble petition of Citizens of the Nillumbik Shire and surrounds draws to the attention of the Senate that the closure of the Commonwealth Dental Health Program will result in considerable pain and suffering to those people who are Health Care Card holders and their dependents.

Your Petitioners therefore pray that the Senate restore the Commonwealth Dental Health Program for Health Care Card holders and their Dependents in the 1996/97 budget.

by **Senator Calvert** (from 57 citizens).

##### Repatriation Benefits

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

The petition of certain citizens of Australia, draws to the attention of the Senate the fact that members of the Royal Australian Navy who served in Malaya between 1955 and 1960 are the only Australians to be deliberately excluded from eligibility for repatriation benefits in the Veterans' Entitlements Act 1986 (the Act) for honourable 'active service'. Australian Archives records show that the only reason for the exclusion was to save money. Members of the Australian Army and Air Force serving in Malaya were not excluded, and the costs associated with the land forces was one of the main reasons for the exclusion of the Navy. An injustice was done which later events have compounded.

There are two forms of benefits for ex-service-men, Disability Pensions for war caused disabilities (denied the sailors referred to but introduced in 1972 for 'Defence Service' within Australia) and Service Pensions. Allied veterans of 55 nations involved in conflicts with Australian forces until the end of the Vietnam War can have qualifying eligibility for Service Pensions under the Act. Service by 5 countries in Vietnam was recognised after RAN service in Malaya was excluded. The Department of Veterans' Affairs confirms that 686 ex-members of the South Vietnamese Armed Forces are in receipt of Australian Service Pensions; 571 on married rate and 115 on single rate. In effect, 1,257 Service Pensions, denied to ex-members of the RAN, are being paid for serving alongside Australians in Vietnam.

It is claimed that:

(a) Naval personnel were engaged on operational duties that applied to all other Australian service personnel serving overseas on 'active service'. They bombarded enemy positions in Malaya and secretly intercepted enemy communications;



(b) Naval personnel were subject to similar dangers as all other Australian service personnel serving in Malaya and there were RAN casualties, none of which appear on the Roll of Honour at the Australian War Memorial;

(c) the Royal Australian Navy was 'allotted' for operational service from 1st July 1955 and this is documented in Navy Office Minute No. 011448 of 11 November 1955, signed by the Secretary to the Department of the Navy. The RAN was then apparently 'unallotted' secretly to enable the excluding legislation to be introduced;

(d) the Department of Veterans' Affairs has said it can find no written reason(s) for the RAN exclusion in the Act. In two independent Federal Court cases (Davis WA G130 of 1989 and Doessel Qld G62 of 1990) the courts found the two ex-members of the RAN had been 'allotted'. Davis had served in Malaya in 1956 and 57. As a result of these cases ex-members of the RAN who served in Malaya and who had, at that time, claims before the Department of Veterans' Affairs for benefits, had their claims accepted. Eight weeks after the Doessel decision the Act was amended to require allotment to have been by written instrument. In parliament, it was claimed the amendment was necessary to restore the intended purpose of the exclusion, reasons for which can not, allegedly, be found.

(e) Naval personnel were not, as claimed, bound by the 'Special Overseas Service' requirements, introduced in the Repatriation (Special Overseas Service) Act 1962. This Act became law some two years after the war in Malaya ended;

(f) as Australian citizens serving with the Royal Australian Navy they complied with three of the four requirements for 'active service'. The fourth, for 'military occupation of a foreign country' did not apply to Malaya.

Your petitioners therefore request the Senate to remove the discriminatory exclusion in the Act thereby restoring justice and recognition of honourable 'active service' with the Royal Australian Navy in direct support of British and Malayan forces during the Malayan Emergency between 1955 and 1960.

by **Senator Calvert** (from 17 citizens).

Petitions received.

## NOTICES OF MOTION

### Victorian Parklands and Open Spaces

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

That the Senate—

(a) notes that:

- (i) more than 100 community and conservation groups participated in a rally in Melbourne on 23 February 1997 to protest at the sustained attacks on Victorian parklands and public open spaces, and
- (ii) the parklands code adopted by these groups includes the following:

The public parks, gardens, bushland and open spaces of Melbourne are central to the cultural, recreational and sporting traditions of our city. They belong to the Community.

There must be legal safeguards against commercial interests and state and local government projects that threaten them;

- (b) congratulates the Assistant Treasurer (Senator Kemp) on his message of support to the rally; and
- (c) condemns the Victorian State Government for:
  - (i) alienating parkland at Princes Park, Albert Park, Yarra Bend and the Fitzroy Gardens for private and public development and uses not consistent with the enjoyment of public open space,
  - (ii) promoting private and inappropriate tourism development at Phillip Island, the Twelve Apostles, Herring Island, Wilson's Promontory, Mallee Parks, Mornington Peninsula and the Alpine National Parks, and
  - (iii) selling off land attached to school buildings and other public open space for the purposes of private development.

### Reproductive Technologies

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

That the Senate—

(a) notes:

- (i) the announcement that an embryologist at the Roslin Institute in Edinburgh, Scotland, has cloned an adult mammal and that the sheep's genetically identical offspring is now 7 months old, and
- (ii) the statement by Professor Lori Andrews, a specialist in reproductive technology issues, that these techniques are likely to be used to clone humans; and

(b) declares:

- (i) that these reproductive technologies, and those involving destructive experimentation on human embryos, pose grave problems for the whole of humankind, which include the genetic characteristics

of future humans, the introduction of new organisms into the environment, privacy, genetic discrimination, the status of the disabled, genetic screening work tests and, more immediately, the development of a system enabling the screening and elimination of those humans deemed to be imperfect, and

- (ii) that these issues should not be left to the dictates of the technological imperative and that to effectively deny to elected members of Parliament their right, indeed responsibility, to exercise their representative, audit and control functions in respect of the issues surrounding such reproductive technologies involving human genetic manipulation and destructive human embryo experimentation is to deny the relevance of Parliament to one of the most important and fundamental issues of our time.

#### **Falcon Air Crash**

**Senator BOURNE** (New South Wales)—On behalf of Senator Murray, I give notice that, on the next day of sitting, he will move:

That there be laid on the table by the Minister representing the Minister for Transport and Regional Development (Senator Alston), no later than 5 pm on 25 February 1997, a copy of the report by Mr Dennis Wheelan QC on the Falcon air crash.

#### **Employment, Education and Training References Committee**

**Senator CHRIS EVANS** (Western Australia)—On behalf of Senator Crowley, I give notice that, on the next day of sitting, she will move:

That the time for presentation of the report of the Employment, Education and Training References Committee on the private and commercial funding aspects of government schools be extended to 26 June 1997.

#### **Bougainville**

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

That the Senate—

(a) notes:

- (i) with grave concern, reports that the Papua New Guinea (PNG) Government has contracted a force of mercenaries to undertake covert military operations on the island of Bougainville,

(ii) that Australia is the largest provider of aid funds to PNG, including defence co-operation aid, totalling around \$320 million, and

(iii) that the war in Bougainville has cost as many as 10 000 lives, directly and indirectly; and

(b) calls on the Government to:

- (i) conduct a comprehensive review of Australia's aid program, including defence co-operation, to ensure that no further Australian aid funds go to support the continued war on Bougainville, and
- (ii) encourage the PNG Government to seek a just solution to the environmental and land justice problems on Bougainville.

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

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

That the time for the presentation of the report of the Legal and Constitutional Legislation Committee on the examination of annual reports tabled by 31 October 1996 be extended to the last sitting day in June 1997.

#### **Employment, Education and Training References Committee**

**Senator CHRIS EVANS** (Western Australia)—On behalf of Senator Crowley, I give notice that, on the next day of sitting, she will move:

That the time for the presentation of the report of the Employment, Education and Training References Committee on the status of teachers and the development of the teaching profession be extended to the last sitting day of the autumn session 1998.

#### **Operation Tandem Thrust**

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

That the Senate—

(a) notes that:

- (i) the joint United States of America (US)/Australia defence exercises, Operation Tandem Thrust, will be held between 1 March and 31 March 1997, at the Shoalwater Bay training area near Rockhampton in central Queensland,
- (ii) the exercises will involve 17 000 US military personnel, 5 000 Australian

- military personnel, 17 US navy vessels, including a nuclear submarine, and 5 000 US marines storming ashore in an amphibious invasion of Shoalwater Bay,
- (iii) the environmental risks of Operation Tandem Thrust, including the impact of the exercises on the local physical and marine environments, oil spills, toxic chemicals from live ammunition and the prospect of a nuclear accident in the vicinity of the Great Barrier Reef, have not been assessed by the Commonwealth Environment Protection Agency, and
- (iv) environment and peace groups oppose the Operation Tandem Thrust exercises on the basis of the environmental threats to the region, the high cost of the exercises to the taxpayer, the lack of military threats posed to Australia and the lack of necessity for the exercises; and
- (c) calls on the Australian and US Governments to cancel the Operation Tandem Thrust defence exercises.

#### **Uranium Mining and Milling Committee**

**Senator CALVERT** (Tasmania)—On behalf of Senator Chapman, I give notice that, on the next day of sitting, he will move:

That the Select Committee on Uranium Mining and Milling be authorised to hold a public hearing during the sitting of the Senate on 3 March 1997, from 8 pm, to take evidence for the committee's inquiry on the regulatory and environmental aspects of uranium mining and milling.

#### **Nuclear Waste**

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

That the Senate—

- (a) notes:
- (i) that the Australian Nuclear Science and Technology Organisation (ANSTO) is currently reaching the limits of its storage capacity for spent nuclear fuel rods at its Lucas Heights facility,
- (ii) the comments by the Minister for Science and Technology (Mr McGauran) that Australia may reprocess its spent nuclear fuel in Australia,
- (iii) that reprocessing is the most polluting stage of the nuclear fuel cycle and leads to massive discharges of radioactive waste, which can have serious impacts on human health and the environment,

- (iv) that reprocessing actually increases the volume of radioactive waste which must ultimately be dealt with up to 85 times,
- (v) that the establishment of a reprocessing facility in Australia would be extremely expensive, requiring enormous capital expenditure, and
- (vi) that the building of a reprocessing plant would take many years and is no solution to Australia's immediate spent nuclear fuel storage problem; and
- (b) calls on the Government to:
- (i) categorically rule out domestic reprocessing of Australian spent nuclear fuel, and
- (ii) commit to the maintenance of storage facilities in Australia for all nuclear waste produced in this country.

#### **ORDER OF BUSINESS**

##### **Euthanasia Laws Bill 1996**

Motion (by **Senator Chris Evans**, at the request of **Senator Bob Collins**) agreed to:

That general business notice of motion No. 412 standing in the name of Senator Bob Collins for today, relating to the Euthanasia Laws Bill 1996, be postponed till 18 March 1997.

##### **Ngawang Choephel**

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

That general business notice of motion No. 427 standing in the name of Senator Bourne for today, relating to human rights abuses in China and Tibet, be postponed till the next day of sitting.

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

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

That general business notice of motion No. 1 standing in the name of Senator Brown for today, relating to the disallowance of the Export Control (Unprocessed Wood) Regulations (Amendment), be postponed till 3 March 1997.

##### **Telecommunications National Code 1996**

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

That general business notice of motion No. 2 standing in the name of Senator Allison for today, relating to the disallowance of the Telecommunications National Code 1996, be postponed till 3 March 1997.

##### **Genetically Engineered Food**

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

That general business notices of motion Nos 451 and 452 standing in the name of Senator Margetts

for today, relating to genetically engineered foods, be postponed till the next day of sitting.

#### **Greater Beedelup National Park**

Motion (by **Senator Bourne**, at the request of **Senator Murray**) agreed to:

That general business notice of motion No. 431 standing in the name of Senator Murray for today, relating to the protection of old-growth forests, be postponed till the next day of sitting.

#### **Operation Tandem Thrust**

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

That general business notice of motion No. 454 standing in the name of Senator Reynolds for today, proposing an order for production of a document by the Minister for the Environment (Senator Hill), be postponed till the next day of sitting.

#### **DAYS AND HOURS OF MEETING AND ROUTINE OF BUSINESS**

Motion (by **Senator Campbell**, at the request of **Senator Parer**) agreed to:

That on 18 March, 19 March and 20 March 1997:

- (1) The hours of meeting shall be:

Tuesday, 18 March 1997: 2 pm to midnight

Wednesday, 19 March 1997: 9.30 am to 11 pm

Thursday, 20 March 1997: 9.30 am to 11 pm.

- (2) The routine of business be varied to provide that the general business order of the day no. 62 (Euthanasia Laws Bill 1996) be called on immediately after the conclusion of the following business on each day:

Tuesday, 18 March 1997: consideration of government documents

Wednesday, 19 March 1997: consideration of government documents

Thursday, 20 March 1997: consideration of committee reports and government responses.

**Senator BROWN** (Tasmania) (3.53 p.m.)—by leave—I voted against the motion because I oppose the way in which this debate on the euthanasia legislation is being fast forwarded. It is leap-frogging private members legislation that has been on the *Notice Paper* for months, if not years. It is also leap-frogging important government business. I cannot help thinking that that is because there is a very clear effort to give this precedence over other legislation and to clear it off the debating slate.

I agree that it is a monumentally important issue. It ought to have the maximum amount of time. It ought to not necessarily be put on at night when it is going to get least coverage. There ought to be more time after the delivery of the findings of the Senate committee into this matter for public discussion and feedback. I believe that the haste is unseemly. The matter ought to be given maximum consideration. It is not getting that under these provisions. I am opposed to it on those grounds.

I am in favour of this matter being debated. I am in favour of other private members legislation getting debated. I have been able to get nowhere in getting any guarantee that other private members legislation will be debated or at least brought to a conclusion. Singled out of all this legislation is this single piece of private members legislation. It is not government or party legislation. It is from another place and is getting precedence over the raft of private members legislation from senators themselves. I do not think the Senate should be a party to that. As I said, it is an emotional issue. There are obviously powerful voices in favour of ramrodding this legislation through the Senate as fast as possible. I do not like that process. I do not think it is a good one, and I am opposed to it.

#### **DEFENCE COOPERATION CONTROL AMENDMENT BILL 1997**

##### **First Reading**

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

That the following bill be introduced: a bill for an Act to prohibit transfer of military equipment or defence cooperation between the Australian Defence Forces and the armed forces of any State which uses its armed forces to suppress basic human rights, and for related purposes.

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

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

Bill read a first time.

##### **Second Reading**

**Senator WOODLEY** (Queensland) (3.57 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—*

### **Introduction**

In 1994 the Joint Standing Committee on Foreign Affairs, Defence and Trade published a report in which it wrote of "the debate over the conflict between the economic benefits of defence exports and the moral and strategic concerns at trade in arms". This was a critical debate, but one in which the major parties ensured that the economic benefits of the arms trade were given more weight than any consideration of human rights abuses. Following this Report, House of Representatives and Labor Party member Gary D. Gibson initiated a correction to what he (and I) believe to be an imbalance in the Report. We were concerned about the social effects of defence cooperation agreements and arms transfers. My legislation revises the Defence Cooperation Control Bill 1995 introduced by Gary Gibson in the House of Representatives on 24 August 1995. The original bill was concerned with consideration of human rights before Australia made defence cooperation agreements with other countries. My legislation will include those concerns and add others. A review of past Australian arm sales and Defence Cooperation agreements is pertinent.

### **The sale of Mirage III jet fighters to Pakistan**

Robert Ray, then Minister for Defence, on 24 April, 1990 announced the sale of all of the obsolete Mirage III fighters and ancillary equipment for \$36 million. After the sale announcement, the shadow minister for Foreign Affairs and Trade said, "India and Pakistan have already fought two wars over Kashmir, a well-known and on-going flash-point between the two countries. The sale at this time indicates either a failure to understand or an indifference to-regional sensitivities." Answering critics of the sale, Neal Blewett, then Australia's acting Foreign Affairs Minister pointed out on ABC radio that the contract would be reviewed if there were an outbreak of hostilities. Recognising that an outbreak of hostilities might occur and that the sale might contribute to such an outbreak made the sale questionable from the start.

In early October 1990 the United States government suspended both civilian aid to Pakistan and provision of military equipment because of the apparent Pakistan nuclear weapons program. In answer to a question without notice then Foreign Minister Evans said that the Mirages, "have not yet been shipped". Since the jets were being loaded on to the Pakistani ship MV Makran this was not so. Pressed, Evans 'frankly acknowledged' he was wrong. Members of the cabinet decided to sell death-dealing merchandise without even knowing the facts. In February 1991, the Defence Minister claimed weapons sales to Israel and the Middle

East were banned and the value of such exports was about \$300 million per year. Official statistics available at the time showed the trade was less than \$157 million per year and that Australia had exported military material to Bahrain, Oman and the United Arab Emirates.

India now saw Australia as a previously neutral power tilting to Pakistan. For \$36 million, Australia jeopardised an Indian trade of \$870 million per year, added to regional tensions, created problems between itself and its American ally and negated Prime Minister Hawke's initiatives to improve relations with India.

### **The Pacific patrol boat project (PPB)**

Defence cooperation agreements (DCA), funded by the Australian taxpayers, in addition to supplying arms, include training, advising and infrastructure support. The Pacific Patrol Boat Project (PPB) was a DCA announced by the Minister of Defence, on 29 August, 1983. The first contract was for \$8.4 million (November, 1984 prices) and grew to \$137.981 million (April 1991 prices). The Director of the Australian Defence Studies Centre wrote, "[The PPB program] is the centre-piece of Australian defence cooperation (DC) in the South Pacific, representing around 35 percent of Australia's overall DC for the South Pacific (not including Papua New Guinea [PNG]). From the viewpoint of the Defence Department the exercise [PPB] has been an outstanding success. The boats have been delivered on time and the complex project management has been handled well."

### **Impact on Recipients**

The island nations of the Pacific were the recipients of the Patrol Boats. One concern surfaced immediately. Operating costs for the boats were estimated at \$200,000 a year, and infrastructure was required. This is a significant amount in the budget of an island minstate. In December 1987 the Western Samoan Public Accounts Committee claimed the boat would use the same amount of fuel as the entire police force in Western Samoa. Kiribati, Tuvalu and the Solomon Islands also were bothered by the operating costs. Canberra responded by removing the requirement that the recipient country would provide for the infrastructure. The Australian taxpayers were burdened additionally for an aid program which never consulted the recipient countries about their most pressing needs. Australia would provide maintenance, infrastructure, training and Royal Australian Navy (RAN) advisers with patrol boat and marine engineering or electronic expertise.

### **Australian needs served by project**

Cooperation was a misnomer in this case because the primary needs served were those of Australia. Some of those needs were:

Maintain Australian presence in the Southwest Pacific,

Benefit the Australian shipbuilding industry,

Help elect parliamentarians.

On 2 March, 1996, Kim Beazley was narrowly reelected. As Defence Minister he had pushed the patrol boat project, and Australian Shipbuilding Industries (ASI), like Beazley from West Australia, had won the tender. Members should help their home areas, but not by compromising human needs or the national interest.

#### **PNG, patrol boats, helicopters and war crimes Bougainville Background**

Far more serious was the use of the patrol boats by PNG. From early in the project PNG pushed for more military capability for the boats. Some of these demands were met by arming the PNG boats with 20 mm guns and 50 calibre machine guns. These boats were and are used in the Bougainville war which has spilled over into the Solomon Islands. In March 1989 the PNG government sent troops to Bougainville to put down a rebellion on Bougainville precipitated by the rebels closing the Panguna mine. In June 1989 the Australian government gave the PNG government four Iroquois helicopters. Shortly after Australia gave PNG the helicopters the Commonwealth Gazette, a journal containing official notices of the Australian Government, published a document. The document contradicted the conditions placed on the use of the helicopters. Supposedly the helicopters were not to be used in offensive roles but only for "supply, troop transport, surveillance and medical evacuation".

#### **Suspension of the Crimes Act**

The Crimes (Foreign Incursions and Recruitment) Act 1978 forbids recruitment of military mercenaries in Australia. The Commonwealth Gazette published on 24 July 1989 a declaration that the government would "permit the recruitment in Australia by the Government of the Independent State of Papua New Guinea or its contractors or agents, of persons to serve in or with the Papua New Guinea Defence Force in any capacity, for the purpose of facilitating the use of four Iroquois helicopters supplied to that Government by the Australian Government, . . . "

#### **Comment on the Bowen Declaration**

There are several notable elements in this Declaration. There are no restrictions on the use of the helicopters, and the mercenaries may act "in any capacity". Since the only people trained to fly Iroquois helicopters in Australia are service personnel, the persons referred to in the declaration are Australian military personnel who have been released from active service or possibly New Zealand military. It is easy to release someone from

service at the request of Government. The most questionable aspect of this declaration is the phrase, "in the interests of the defence of Australia". The helicopters have allegedly been used to strafe villages and dump bodies of Bougainvillean civilians tortured to death into the sea. Father Bryan Leak, Marist brother, on 15 December, 1992 was on a boat carrying sick women and children from Bougainville to the Solomons. The boat was attacked from an Iroquois helicopter. How can this be in the interests of the defence of Australia?

#### **Australian denial of responsibility**

Amnesty reported human rights abuses committed by the Papua New Guinea Defence Force (PNGDF) on Bougainville. (Amnesty) Foreign Minister Gareth Evans responded that this was an internal affair for Papua New Guinea. The Amnesty Report states, "In June 1992 she (Gillespie) travelled by boat to Bougainville and collected numerous testimonies of human rights violations, some of which referred explicitly to the use of Australian helicopters. Some of these testimonies have since been independently corroborated by eyewitnesses; and separate testimonies have been provided by others who have left Bougainville."

#### **Blockade of Bougainville**

The PNGDF set up a blockade around the island. The blockade has not only prevented arms and ammunition from going to Bougainville but has also kept out humanitarian aid, international observers, the media and the Red Cross.

#### **UN resolutions on Bougainville**

Agenda item 12 in 1993 of the United Nations Resolution by the forty ninth session of the Commission on Human Rights urged PNG to allow "international fact-finding missions access to Papua New Guinea including Bougainville to assist with the resolution of the conflict with due consideration for the Universal Declaration of Human Rights, the Charter of the United Nations and other relevant international treaties to which the Government of Papua New Guinea is a party. . . ." Agenda item 12 in 1994 of the United Nations Resolution by the forty ninth session of the Commission on Human Rights contained equivalent clauses.

#### **Australia's responsibility**

Australia's assistance makes Australia a partner to the violation. Australia in continuing the Defence Cooperation Program without getting an accounting for past PNGDF atrocities would seem guilty of war crimes itself. The blockade is an Australian blockade. Australian mechanics maintain the boats. Pilots, mechanics and helicopters have been supplied by Horst Allmann, an Australian citizen, of Heli Niuguini since 1989. According to Liria who was an intelligence officer in the PNGDF the war and the blockade could not be carried on without the helicopters. The PNGDF shoot people

on sight. The testimony of Moresi Tua describes the murder of the six people with him in a motorised canoe on 26 January, 1993.

The Australian Government could end the blockade and the atrocities by the gunships if there are no PNG replacements trained. The maintenance personnel for the patrol boats could be ordered home and the Bowen declaration rescinded. Yet the slaughter continues after eight years.

#### **Other arms transfers**

In 1989 Australia sent aircraft engine parts to Myanmar where the murderous SLORC rules. On 7 November, 1989 the First Assistant Secretary, Industry and Policy Operations Division within the Department of Defence, approved the sale of jet aircraft to Somalia. The Department of Foreign Affairs and Trade quashed the deal because of the worsening situation in Somalia. The Minister's delegate approved the sale of aircraft engine parts to Iraq. After the Kuwait invasion the permits were rescinded. These incidents and the Mirage sale caused the export guidelines to be tightened. Even with the tightening, Australia has sold arms to desperately poor countries like Namibia and Bangladesh.

An Australian parliamentary report disclosed the sale of \$700,000 (7,000 rifles) of "nonmilitary" firearms to Singapore in one year. Singapore has tough gun laws, and no hunting is allowed there. On 2 March, 1996 there was an election in Australia and a change in government as a result of that election. The new government apparently wants to step back from the Bougainville conflict and has called for peace in Bougainville. It has accompanied the call by restrictions on aid to PNG. PNG has since then bought arms from Singapore.

A sample contingent of Steyr rifles was sent to Thailand to get a larger order of the rifles. Reportedly truckloads of weapons went from corrupt military in Thailand to Khmer Rouge in Cambodia. The annual value of the legalised gun running trade was estimated at \$7 million.

Currently Australia promotes the sale of arms, keeps the sales secret, does not allow for public discussion and does not consider the social or even military consequences of the trade.

#### **Contacts with the Department of Defence**

##### **Emerging markets**

The assistant to the Director of Asia and Emerging Markets which is part of the Acquisition and Logistics Organisation of the Department of Defence defined the Asia market as Indonesia, Thailand, Malaysia and Singapore and the emerging markets as Pakistan, the middle east, Vietnam and the Philippines. Questioned as to the means of determining Emerging markets, she said there were three criteria—countries who have had in the past

political problems, lack of money problems or were embargoed because of human rights problems. When asked if any consideration was given to the fact that arms sales may create future problems, she said she could not answer.

#### **Commercial-in-confidence**

The Department of Defence puts out a booklet specifying guidelines for arms transfers. The booklet specified that all transactions be commercial-in-confidence. The Assistant Director of Strategic Trade Policy and Operations, Department of Defence said commercial-in-confidence means:

That there is an application for an arms transfer is secret,

That it is granted or refused is secret,

Statistical information on arms transfers are not a matter of public record although the Minister of Defence may provide some information at question time in Parliament.

The Assistant Director justified the secrecy as he claimed the Department could not get the cooperation of the manufacturers otherwise. Australia is committed to transparency in international arms trading and supports the United Nations Conventional Arms Register. Commercial-in-confidence transactions violate that commitment.

#### **Political interference with controls**

On 11 April, 1996 the Defence Export Controls Outreach Seminar was held at Brisbane. This was a meeting of Defence Department bureaucrats where they discussed the controls on exports. The Department of Defence and customs people probably would follow any official policy. The talks mentioned the sale of rifles to Indonesia and the shipment of weaponry or equipment that could be used as weapons to PNG for possible use in Bougainville. In both cases department advice concerned human rights abuses. Ministerial decisions overrode concerns. The department bureaucracy follows all international conventions, control regimes and domestic legislation unless overridden by the minister. Political interference is the weak area in controls. There are no reports made on the degree of compliance. Without outside monitoring of the Minister of Defence any legislation will be ineffective. Pouring a sum of money into an electoral district by weapons sales may win an election. One can assume this will generally outweigh human rights or other concerns.

#### **Discussion of legislative aims**

##### **Criteria for approving arms sales**

One aim of the bill is to get some criteria for deciding whether the sale of arms to a country would be harmful. In the case that arms are genuinely for the defence of a country, would not likely be used against its own population and would not

significantly affect other needs, arms transfers seem legitimate.

To determine that arms are only for defence is a subjective judgement. Submarines and long range missiles are offensive weapons. The noxious landmines are defensive weapons. However, the definitions can fuzzle over in usage. Submarines used to sink the troopships in a fleet invading your country are defensive weapons. Landmines spread by air over the territory of another country become offensive weapons.

Human rights data only apply to the past. One can assume that armies abusing human rights in the past will probably do so in the future. The most commonly used indicator of human rights in current practice are embargoes due to United Nations resolutions. However, Libya is condemned and Syria is not mainly due to the desire of the United States to get Syria's support in the Gulf War and get Syria to make peace with Israel. It is useful to appeal to United Nations decisions, but it must be noted that it only applies to those violators who are official pariahs.

To scrutinise requests for arms transfers and defence cooperation agreements, applications for such arrangements must be made public. Decisions by the Department of Defence alone are not sufficient. Political reality indicates that the electoral effect of infusions of money into a district due to a military contract will often outweigh other considerations. They still may when such requests are made public, but at least the matter will be considered more thoroughly. Data to help consider the impact of such arrangements on the recipient nations must be supplied to aid in the consideration of the granting of arrangements for arms transfers. Data will be incomplete, but we can probably assume Australian weapons have already killed many times the thirty-five people slaughtered in Port Arthur.

Some countries should simply not be supplied with arms of any description. Any necessary peacekeeping should be done by United Nations forces. One essential element to surviving above a minimal level in the current world is access to health care. One sixth of the world's population, about 800 million people, have no access to health care. The poorest countries simply cannot spend more on health care. According to a report of "Save the Children" it costs at least \$12 dollars (American) a year to provide basic health care. Sixteen African countries, Bangladesh, Nepal, India, Vietnam and Pakistan spend less than that. Yet, India, Vietnam and Pakistan have significant military establishments. India and Pakistan even have nuclear capability. Those countries should get no more arms.

After a public hearing involving evaluation of economic effects and evidence of human rights

violations the request may be refused. Refusal of a request for arms transfers and defence cooperation will generally mean that the country seeking such a request will go elsewhere. That has been used as a reason for granting dubious requests. Granting dubious requests furthers oppression and the third world sinking deeper into debt. It is also possibly a criminal act. This will affect Australia and other developed countries. We will have to supply peacekeeping forces, and our trade will suffer.

#### **International reporting on refusal of arms**

Therefore, we recommend that when a request is denied the action be communicated to other possible arms suppliers. We recommend further that an international body be set up to evaluate such requests and joint action shall be determined. The IMF has attempted to deal with third world debt by demanding economic reforms. This is a doubtful method because the economic reforms cause social unrest which is dealt with by an increase in armaments to keep down protest driving countries deeper in debt. The armaments themselves are a cause of social unrest, debt and further oppression.

#### **Legislative recommendations**

Taking the above considerations and information into account, the proposed legislation provides that a social impact statement must be made with opportunity for public comment before granting an application for an arms transfer or finalising a defence cooperation agreement. The social impact statement should include but not be limited to:

- a report of the current status of human rights violations whether by the armed forces or other formations within the recipient nation,

- an estimate of the effect of the action on the level of human rights violation within the recipient nation,

- estimate of the effect of the action on the level of international tensions,

- possible breaching of international agreements,

- information on the level of health and welfare expenditures as opposed to military expenditures in the recipient country.

#### **Requirement of public discussion**

Only after the opportunity for debate in Parliament with the social impact statements available for public scrutiny and comment can arms transfers or DC agreements be approved.

#### **Conclusion**

In Australia decisions of war and peace are not subject to the regular political process in Parliament. Unlike the United States where the Senate debated before approving involvement in the Gulf War, there was no discussion when the Prime Minister sent ships to participate in the Gulf War.



Some time later the Australian Democrats forced a recall of Parliament to debate the issue after the fact. Most governmental actions are responses to crises or pressure groups. The pressure groups in regard to military expenditures and military exports are primarily those who make money from them. Little or no attempt is made to prevent foreign affairs crises. The bill provides a mechanism to question other aspects of the military trade and limit Australian contributions to future foreign crises.

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

### **MS NOMBINISO GASA**

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

That the Senate—

- (a) notes that:
- (i) Ms Nombiniso Gasa, the former head of the African National Congress (ANC) Commission for Women's Emancipation, was raped on 20 January 1997 on Robben Island, South Africa, while working to set up a museum on the island,
  - (ii) 3 days after the rape Ms Gasa returned to Robben Island and publicly revealed her identity, and 4 days after the rape addressed both houses of the South African Parliament,
  - (iii) Ms Gasa was in Australia in December 1996 with her husband, senior ANC MP, Raymond Suttner, and
  - (iv) the Western Cape province has the highest rape statistics in South Africa, which has the greatest incidence of rape in the world;
- (b) expresses sadness and outrage at the rape of Ms Gasa;
- (c) commends Ms Gasa for refusing to bear the burden of silence and courageously making her identity public to make the experience real for the people of South Africa and, in so doing, giving strength to women there, and elsewhere in the world, who have been raped;
- (d) urges the Western Cape provincial government to ensure that a proper and thorough investigation is conducted into this horrific crime and that the perpetrator is brought to justice; and
- (e) calls on the Western Cape provincial government and the Government of South Africa to act on the call by Ms Gasa and the women of the Western Cape for legal reforms in relation to sexual assault and to

promote greater understanding of the crime and its victims.

### **COMMITTEES**

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

##### **Extension of Time**

Motion (by **Senator Calvert**, at the request of **Senator Patterson**)—as amended 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 Australian Communications Authority Bill 1996 and 10 associated bills be extended to 5 March 1997.

### **DOCUMENTS**

#### **Wei Jingsheng**

**The DEPUTY PRESIDENT**—I present a letter from Mr Bo Ren, Director of the Human Rights Committee, Chinese Liberal and Democratic Party, Australia, to the resolution of the Senate of 13 December 1996 concerning Wei Jingsheng.

#### **Community Broadcasting**

**The DEPUTY PRESIDENT**—I present a response from the Minister for Communications and the Arts to the resolution of the Senate of 28 November 1996 concerning community broadcasting.

### **COMMITTEES**

#### **Community Affairs Legislation Committee**

##### **Report**

**Senator CALVERT** (Tasmania)—At the request of Senator Knowles, I present the report No. 1 of 1997 of the Community Affairs Legislation Committee on the examination of annual reports.

Ordered that the report be printed.

#### **National Crime Authority Committee Report**

**Senator CHRIS EVANS** (Western Australia)—At the request of Senator Conroy and the Joint Committee on the National Crime Authority, I present a report of the committee entitled *Law enforcement in Australia: an*

*international perspective* and seek leave to move a motion in relation to the report.

Leave granted.

**Senator CHRIS EVANS**—I move:

That the Senate take note of the report.

Question resolved in the affirmative.

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

**Report**

**Senator CALVERT** (Tasmania)—At the request of Senator Patterson, I present the report of the Environment, Recreation, Communications and the Arts Legislation Committee on the examination of annual reports 1995-96.

Ordered that the report be printed.

**BUDGET 1996-97**

**Consideration of Appropriation Bills by  
Legislation Committees**

**Additional Information**

**Senator CALVERT** (Tasmania)—At the request of Senator Troeth, I present additional information received by the Foreign Affairs, Defence and Trade Legislation Committee in response to the 1996-97 budget estimates hearings.

**COMMITTEES**

**Treaties Committee**

**Report**

**Senator CALVERT** (Tasmania) (4.02 p.m.)—At the request of Senator Abetz, I present the fifth report of the Joint Standing Committee on Treaties entitled *Restrictions on the use of blinding laser weapons and land mines*, together with the submissions, transcript of evidence and minutes of proceedings. I seek leave to move a motion in relation to the report.

Leave granted.

**Senator CALVERT**—I move:

That the Senate take note of the report.

I seek leave to incorporate a tabling statement in *Hansard*.

Leave granted.

*The tabling statement read as follows—*

The report I table today is an important one, domestically and internationally. It deals with two of the Protocols of the inhumane weapons convention: Protocol IV seeking to ban the use of blinding laser weapons and the amended Protocol II dealing with anti-personnel landmines. The committee recommends early ratification of both Protocols.

Protocol IV to the convention seeks to prohibit the use of laser weapons, the purpose of which is to cause permanent blindness to unenhanced vision. These weapons are still being developed. During our inquiry, we were told that this is the first occasion since 1868 that there has been an attempt to ban a weapon before it has been used on the battlefield. The committee is pleased to be at the vanguard of such initiatives.

Our attention was drawn also to some weaknesses in the Protocol. We have therefore recommended that Australia take every opportunity to ensure that these are corrected to make the document, and the prevention of the use of such weapons, more effective.

The amended Protocol II relates to the use on land of mines, booby-traps and other devices. While landmines are a defensive weapon used by armies, demonstrably they can kill and maim innocent people, particularly children, long after a conflict has ended.

The Australian government has been prominent in the international move towards a total global ban on the manufacture, use and transfer of these inhumane weapons. The foreign minister most recently spoke at the disarmament conference in Geneva last month about the practical measures that the government supports to tackle the humanitarian disaster they cause. We have a proud record in undertaking humanitarian clearance operations via the Australian Defence Force (ADF), and in looking after the victims of these weapons via our international aid agency.

Stemming from a joint statement by the ministers for foreign affairs and defence last April, Australia has suspended the operational use of its landmines. That statement indicated that our stockpile of landmines would be retained 'in case of a substantial deterioration in our strategic circumstances'.

We received persuasive evidence that to seek a total global ban on these awful weapons, but at the same time to retain the stockpile in its entirety, could be hypocritical. The committee's view is that there is some substance in this argument. We have recommended therefore that Australia destroy its stockpile, except for a modest residual stock to ensure that the ADF retains a defensive capability

to use landmines and including its important international humanitarian clearance operations.

Two of our senatorial colleagues do not agree on this point and have submitted a dissent.

We recommend also that Australia prepares a proposal for creation of an agreed international timetable for the destruction of the landmines of all nations when it attends the Ottawa conference later this year. Australia's international credibility will be enhanced as a result.

Other recommendations deal with:

Encouraging nations in our region to sign the inhumane weapons convention and all its Protocols,

The defence department assuming responsibility for all aspects of humanitarian mine clearing operations,

The defence department encouraging designers of mine detection equipment, and

Continued efforts by the government towards a total global ban on landmines.

Unfortunately, in the limited time available, neither the honourable member for Barton nor I will be able to deal with all of the issues in this report, but we hope that it will be referred to the Main Committee where I am sure many honourable members inside and outside the Treaties Committee will want to express their views.

I am sure I speak for all committee members when I say that we hope that this report will assist towards the goal of a total global ban on landmines. We hope that our recommendations will make a further contribution to that end.

I commend the report to the Senate.

**Senator BOURNE** (New South Wales) (4.03 p.m)—I am a member of the Joint Standing Committee on Treaties and I tried very hard to be at as many of the meetings as I could, as well as at the presentation at the school of engineers. I was at the majority of them. I did read the evidence and I think that we have come up with a report of which we can be proud. It recommends that we should agree to the banning of landmines, and that is a very good thing. It goes a bit further than the government has at the moment, but not very much further.

It is to the credit of those who have brought landmines and the problems associated with landmines to the notice of the public over the last several years—many years, in fact—that the committee has, with the exception of two members, agreed that we should get rid of the

stockpile of landmines. Most of the members of the government on the committee and all of the members of all non-government parties on the committee agreed that we should get rid of the stockpile of landmines. That was the one area where there was any disagreement, and only two members of the committee, as I said, disagreed with that—and even they thought we should get rid of the stockpile after everybody else had.

The rest of us believed that we should get rid of the stockpile as soon as possible, keeping only as many landmines as are necessary for training purposes and to enable Australia as a nation to maintain the very good record that we already have on the destruction and elimination of landmines throughout the world. Landmines are, as you will recognise if you read this report—I recommend it to all senators—one of the great blights on the face of the world today. They are only getting worse. We have very few in this country anyway, and our defence forces have in the past only used landmines when they were an accepted weapon of war. They are now becoming not an accepted weapon of war, I am very thankful to say. When they were, our defence forces used them responsibly as far as that could be done. They marked them and they picked them up when they had finished.

While our Defence Force is one of the very few in the world that actually does that—there are not that many—there are many more people who use these destructive, abhorrent weapons and then leave them in the ground after any fighting is finished. As we all know, the real problem with landmines is that they do not know when the war is over.

The vast majority of people who are killed or injured by landmines are civilians—they are not military people at all. They are civilians, mostly children or women in the fields. This situation will be maintained for a very long time to come; it costs an absolute fortune to get rid of landmines. They should be banned. They should be absolutely gone from the face of the earth. It will take many years for that to happen. It will take the destruction of many more children's limbs, and many more civilians and probably a few military

people as well, before these things are gone—as gone they should be.

I am very pleased to be associated with a report that recommends that Australia should lead the world in getting rid of landmines and that says we agree with the way the government has gone on this and that it should go a bit further. I think we should go a lot further, but I am very pleased to say that the rest of the committee, apart from those two members, have agreed that we should go that bit further right now.

**Senator MURPHY** (Tasmania) (4.06 p.m.)—Like Senator Bourne I would implore senators to read this report, in particular recommendation 3.137, that:

. . . Australia destroy its stockpile of anti-personnel landmines, except for a small number to be retained for training purposes to ensure that the Australian Defence Force retains its skills, and

Australia prepare for consideration at the December 1997 meeting in Canada a proposal for the creation of an agreed international timetable for the destruction of anti-personnel landmines of all nations.

I think that is what is very important. I hope the government will pursue that issue and take a lead. I found it rather interesting and disappointing that Senator Abetz and, in particular, Senator Ellison would take the position that they ultimately took. From memory, I do not think that Senator Ellison participated in the committee debate when we were formulating these recommendations.

By contrast, in the dissenting report, a replacement recommendation for that of the majority committee—which included all of the government members with the exception of Senator Abetz and Senator Ellison—is suggested. It reads:

That Australia should declare its willingness to destroy its land mines except for training stock. It should only destroy the rest of its land mines once a substantial number of significant nations in our region have committed themselves to this course, according to an agreed international timetable.

Given the position that the coalition took when we were in government and grappling with this issue and the statements of the Minister for Foreign Affairs (Mr Downer) on the issue, that recommendation is a somewhat significant backward step. I hope it will be ignored by the government.

As was pointed out, the evidence that was given to the committee—although I was not present—was that we could actually destroy the significant stocks that we have, with the exception of certain numbers for training purposes and for maintaining expertise in the field of demining. I find it very disappointing that two of the government members on this committee have chosen to take the course of action that they have, given that otherwise we would have had a unanimous report.

**Senator MARGETTS** (Western Australia) (4.09 p.m.)—I rise to speak briefly on this very important report of the Joint Standing Committee on Treaties entitled *Restrictions on the use of blinding laser weapons and land mines*. It is very important because, as Senator Bourne has mentioned, it is something which is of vast concern around the world. It is of vast concern because the civilian population is always the one which takes the brunt of this weapon. It is debilitating. It stops people from being able to produce the food that they need to survive. It is intimidatory. More importantly, it causes ghastly, horrendous deaths and debilitating injuries.

There is no real rationale for continuing to allow Australia to be involved in even thinking of using this horrific antipersonnel weapon. Therefore, if we cannot see any reason why we would use it in this country or anywhere else, we should be leading the world in pushing towards its total abolition.

It was not too long ago that then Senator Gareth Evans, in response to questions from me in this chamber, said that such a proposal was hopelessly utopian. I am very glad to see that 16 members of this committee are also hopelessly utopian; I believe they are realistic. It was suggested at that time by the former Labor government that the halfway step was a more achievable action; that is, to ban landmines that were detectable or self-destructive. That is not more achievable. It is more achievable to go for a total ban.

In the end, if there were a proper, funded challenge in the World Court, we would probably find that these weapons are not and never were legal under the international law, because of the fact that they are designed primarily to stop civilians from being able to

continue their lives, not just for the present but way into the future, by stopping people from being able to make their food. For years and years to come, even after hostilities have ceased, they continue to pay the price.

I am very pleased to see that there are steps being taken in relation to this matter. I am very keen to see what the response is from the government, and from Defence in particular, to this report of the Joint Standing Committee on Treaties. I do urge that the response be positive. I would assure the government that this is one issue where there is strong community support for Australia to take the 'hopelessly utopian' stand, the only just and right stand in relation to the total elimination of antipersonnel landmines.

Question resolved in the affirmative.

**Foreign Affairs, Defence and Trade  
Committee: Joint**

**Report**

**Senator MacGIBBON** (Queensland) (4.13 p.m.)—I present the report of the Joint Standing Committee on Foreign Affairs, Defence and Trade entitled *Papua New Guinea update—report on proceedings of a seminar 11 and 12 November 1996, Canberra*, together with minutes of the proceedings. I seek leave to move a motion in relation to this report.

Leave granted.

**Senator MacGIBBON**—I move:

That the Senate take note of the report.

I have pleasure in presenting this report of the Joint Standing Committee on Foreign Affairs, Defence and Trade on a seminar on Papua New Guinea held in November last year in Canberra. The seminar provided an opportunity for the committee to review developments in Papua New Guinea and the bilateral relationship with Australia.

It is five years since the committee tabled a very comprehensive report on Australia's relations with Papua New Guinea and in that time much has changed. As much as possible, people and organisations involved in the original inquiry were asked to attend and, all up, some 100 people with an interest in Papua New Guinea participated. I would like to thank, in particular, the Papua New Guinea High Commissioner, Brigadier General Ken-

neth Nogar and Vice Admiral David Leach, President of the Australia-Papua New Guinea Friendship Association for their support for the seminar and for the contribution they made.

The seminar examined political, economic, security and social issues, and this is reflected in the final report and its 14 recommendations. The seminar also devoted considerable time to the Bougainville situation, and, of course, the dreadful assassination of Theodore Miriung, Premier of the Bougainville transitional government, was still fresh in people's minds. The tragedy on Bougainville continues, and a number of recommendations regarding it are made in this report. Much has been said in the parliament about Bougainville and the continuing difficulties there.

The seminar report contains a time line showing the development of a crisis and it is instructive for those interested in the subject. The hope that existed in 1994 was, unfortunately, short lived and the violence has continued at an alarming rate with deaths not only amongst the BRA and the PNG defence force but increasingly among the population. In section 4 of the report, the committee notes:

Any examination of the ebb and flow of the conflict on Bougainville would suggest that the PNG Government should return to the strategies that were developed under Sir Julius Chan in 1994-95. This was not without its frustrations or its setbacks but it was the most peaceful period of the conflict so far and the time when most of the BRA support was whittled away.

It was apparent to all who attended the seminar that neither side in the conflict will be able to achieve a military solution. There needs to be a cease-fire and peace talks if any progress is to be made. The committee has recommended that international observers, such as the International Committee of the Red Cross or the International Commission of Jurists, be stationed on Bougainville to give greater protection to the population and encourage greater discipline in the defence forces.

Over the weekend we learned of the quite extraordinary and alarming situation of the hiring of between 50 to 150 mercenaries to assassinate people in Bougainville. This is not

the time to debate this matter here, but it would be remiss of me—on behalf of the committee—not to draw attention to it in public. This is entirely alien to the practices of this part of the world, particularly for New Guinea. Whatever problems Papua New Guinea has at the present time, it is basically and fundamentally a very democratic society. It might be a society based on tribalism and regional loyalties—and that has been one of the problems it has faced in forging a new nation state—but, basically, it is a very democratic society.

While there has been conflict between the different groups, the introduction of mercenaries in the form of something akin to the Executive Outcomes group and Sandline International is something that everyone in Australia would find quite extraordinary and quite alarming. Australia, of course, recognises that Papua New Guinea is a sovereign state and its affairs are its own matter, but we cannot stand idly by and see the employment of assassination groups to solve what are essentially political problems.

I have a very great respect for Sir Julius Chan whom I have known personally for probably 18 years. I am astonished that he could be party to an agreement like this. But he ought to be advised of the fact that people like Executive Outcomes or any of the mercenary armies have never achieved any satisfactory outcomes where they have been employed in Africa. Tragically, I have been in parts of Africa and seen the dreadful human rights abuses and the rest of it that mercenary armies do cause.

The details of what is going on in New Guinea at the present time are obscure to some degree, but it does seem to be beyond dispute that between \$35 million and \$50 million has been spent in recruiting these mercenaries. This is not something that happened overnight; they just did not get off a plane. The planning for that and the recruitment of them—signing them up to contracts—would have taken at least two months and probably quite a bit longer. It is clearly a premeditated move by the Papua New Guinea administration. A point not lost on Australia is that, given the desperate financial position

of New Guinea, the \$35 million to \$50 million obviously involves quite a large proportion of Australian aid money, which is a position that all of us would find quite intolerable. I do not wish to debate this much further, because it is something that we will certainly be returning to in the Senate to debate at length and in detail in the near future.

I would like to conclude by thanking all those involved in the seminar for their contributions: the member for Groom (Mr Taylor), who chaired the seminar so well; the members of the committee who were able to attend; government officials; academics; representatives of NGOs; business and community groups; and the many individuals in Australia who have an abiding interest in Papua New Guinea and its future welfare. I would also like to thank the secretariat of the committee, particularly Margaret Swieringa, Jan Fuhrman and Cliff Lawson, who arranged a very successful event and drafted the report. I commend the report to the Senate.

**Senator BOURNE** (New South Wales) (4.20 p.m.)—I find myself in the unique situation of agreeing with almost everything that Senator MacGibbon has said, which does not happen very often. But I think that what he said was very good and that people should take note of it. He is exactly right.

I attended the seminar and I was also a member of the delegation that Australia sent to Bougainville in 1994 to see what Australians could do to try to help solve the situation there. The one thing that we found everybody agreed on, after we had been to the island and travelled around the island as much as we could, was that there is no military solution to this problem; there has to be a negotiated solution where everybody has to sit down and talk about it; and they have to come to some agreement which is a non-military agreement.

I would have to agree absolutely with what Senator MacGibbon has said about mercenary armies. They just do not work. It does not solve anything. The government of Papua New Guinea—if this is truly the case—will have spent a great deal of money, an enormous amount of money. They will have created more problems for themselves through

human rights abuses which will inevitably occur when mercenary armies are involved and through the international outcry because this has happened. There will be murders; there will be deaths—not just of the people that the PNG government must want to see got rid of if they are employing a mercenary army, but also of many other people.

It seems almost inevitable that there has been a move such as this. The international condemnation that must follow this and must follow the results of this will be absolutely massive. It is in nobody's best interests, least of all those of the Papua New Guinea government. I was shocked when I heard it myself. I have known Sir Julius Chan only since 1994 when we were over there and I met him and spoke with him quite a bit. I was really quite shocked when I heard the rumours that this has happened. I have read today the press reports on what has happened. What Senator MacGibbon has said is pretty well what I have read as well.

I must say that I find this extraordinary. I just do not believe that any good can possibly come of it in any way whatsoever. The seminar came up with some very good conclusions and recommendations. I think I can say that the general feeling on Bougainville from the seminar was that no military solution is possible and that we have to look at ways that we can assist in finding a negotiated solution. That is still the case, and that will remain the case well and truly until a solution to the problem in Bougainville is found.

**Senator MARGETTS** (Western Australia) (4.22 p.m.)—If the mercenaries are called Executive Solutions, it is unfortunately very similar to the Holocaust being called the final solution. It is about killing. It is about people who are paid to kill—and they are very good at it. This is certainly not an issue that has been thought of only in the last few months. I asked questions on notice and questions without notice of then Senator Gareth Evans, as Minister for Foreign Affairs, back in 1994. There were already reports then that two Australians were involved in mercenary forces.

I asked questions last year as well in relation to mercenaries. In 1989 there was an

amendment to the Crimes Act which meant that it was no longer an offence under the Australian Crimes Act for Australian ex-military personnel to be involved with or recruited as mercenaries or for companies like Executive Solutions or any others to come to Australia and recruit Australians if necessary.

We do not know who this band of mercenaries are. What we do know is that the Australian government, of whichever type, has never been able to confirm or deny whether Australians are involved amongst the mercenaries, perhaps because of their knowledge of the Australian equipment used by the Papua New Guinean defence forces or captured equipment used by rebels, the BRA or so on.

It was in fact in 1994 that Sir Julius Chan made a statement about routing out the rebels in Papua New Guinea and elsewhere. I made statements about that. We kind of wondered whether or not there would mercenaries in other countries—countries seeking out members of the BRA, BIG or supporters of those people in Bougainville who were asking for a just solution.

I agree with those people who say, again and again, that there cannot be a military solution. I have spoken to the Senate before about my attending a conference of women last year, which was very important for me, who came from both sides of the blockade. They had not seen each other or spoken to each other for years. If there was a message that came out, it was that there will be no solution in Bougainville until there is justice—that is, justice in relation to land, to the environment and to the people.

Up to 10,000 lives—through various means such as starvation, lack of medical resources and deaths—through all sides in the conflict, is too big a price to pay if Australia's support is largely about the commercial support of a mining operation by CRA. That is not worth 10,000 lives. Nothing could be worth 10,000 lives.

The parties do speak of land justice. It is true that the majority of people in Bougainville want peace, but they also want self-determination. I am not just talking here about radical voices within Bougainville. The late Theodore Miriung came to Australia to give

that message to Australia. He spoke at a lecture at the Australian National University and said that peace is certainly desired, but self-determination is on and never has been off the agenda in Bougainville. There are two messages there: there will be no final peace without justice, and self-determination is on and never has been off the agenda in Bougainville.

Whatever the Australian government decides to do now, I urge that that be part of our presentation whenever we speak to the Papua New Guinean government. Australia is the largest donor of aid to Papua New Guinea. The concept that it is not possible for Australia to review the aid that we send on the basis of whether or not it is going to where it is specified to go is bizarre. It is well overdue that that review was made. If there are areas within Australia's aid which are going in the wrong direction—that are going in areas that have not been specified in the conditions by which that aid is given—then Australia must take action.

Much of Australia's aid is not going to poverty alleviation. One can only wonder whether the latest \$4 million does actually go for emergency relief. In the light of, perhaps, \$30 or \$60 million being spent in setting up paid guns to murder people for money, then I think it is certainly time for the Australian government to make a strong stand—not just to talk strongly but to say, 'Look, we're not funding this any more. We are not putting taxpayers' money into continuing murdering people on Bougainville.'

Question resolved in the affirmative.

**AUSTRALIAN PARLIAMENTARY  
DELEGATION TO THE FIFTH  
ANNUAL MEETING OF THE ASIA  
PACIFIC PARLIAMENTARY FORUM**

**Senator EGGLESTON** (Western Australia) (4.29 p.m.)—by leave—I table the report of the Australian parliamentary delegation to the fifth annual meeting of the Asia Pacific Parliamentary Forum held in Vancouver, Canada, between 1 and 10 January this year. I have a few remarks about the conference. In the interests of facilitating the procedures of

the Senate, I seek leave to have those remarks incorporated.

Leave granted.

*The document read as follows—*

The report I have just presented records the outcomes of the Fifth Annual Meeting of the Asia Pacific Parliamentary Forum, held in Vancouver, Canada in the period 7-10 January 1997. The Speaker of the House of Representatives led the Australian delegation, which included, as well as myself, the Honourable members for Moore, Throsby and Wills. In my view, the delegation made a strong contribution to debate during the meeting and to the activities of the Executive Committee and the Drafting Committee. As with earlier meetings of the APPF, the Australian delegation strongly supported the APPF process, providing four discussion papers and draft resolutions in advance of the meeting, and participating in a wide range of plenary debates during the meeting itself.

The Fifth Annual Meeting of the APPF consolidated the significant advances made at the Fourth Annual meeting in Thailand, in January 1996. The APPF is now an increasingly important regional association, with a strong corporate entity and an established set of sound procedures and practices. The growing importance of the APPF, and its loose association with the Asia Pacific Economic Cooperation (APEC) grouping of economies, indicates a continuing role of some significance for the APPF. This is reflected in the breadth and depth of the regional vision statement adopted by the fifth Annual Meeting of the Vancouver Declaration, which is discussed in the report, and in the wide variety of subjects covered by the 18 resolutions adopted by the meeting.

Among these were resolutions dealing with:  
the terrorist occupation of the Japanese Ambassador's residence in Lima, Peru,  
nuclear weapons,  
terrorism,  
anti-personnel mines,  
peace and stability on the Korean peninsula,  
APEC,  
trade liberalization and APPF,  
Asia-Europe cooperation,  
environmental issues,  
human resource development,  
education and literacy,  
cultural exchange programmes,  
youth exchanges,  
human rights and the exploitation of children and women,  
illicit drugs and money laundering, and  
legislative exchanges and the internet.



The Speaker of the House of Representatives, Bob Halverson was unavoidably delayed in attending the forum because of aircraft difficulties and so I represented him on the opening day at the meeting of the APPF Executive Committee. I also represented the Commonwealth on the Drafting Committee which worded resolutions and the final communique.

The arrangements made by the Parliament of Canada for the Fifth annual Meeting were excellent, and contributed significantly to the success of the meeting.

The delegation would wish to express its appreciation for the strong support provided by the Department of Foreign Affairs and Trade and the Department of the Parliamentary Library, in the form of detailed written briefings on all agenda items and the preparation of discussion papers and draft resolutions before departure.

Australia, a foundation member of the APPF Executive Committee, remains a member of that committee until the next annual meeting of the APPF, scheduled to be held in Pusan, the Republic of Korea in January 1998. This meeting will be preceded by a meeting of the Executive Committee in Seoul in September of this year, at which, among other issues, the question of the membership and means of election of the Executive committee will be discussed.

The delegation's experience in Vancouver confirmed its view that the APPF is an important regional forum, linking legislators from 24 countries of the region who represent some 44% of the world's population. We look forward to the continued support of the Australian parliament for the APPF in the years ahead.

I commend the report to the Senate.

**Senator EGGLESTON**—I move:

That the Senate take note of the document.

Question resolved in the affirmative.

## COMMITTEES

### Membership

**The ACTING DEPUTY PRESIDENT (Senator Chapman)**—Order! The President has received letters from party leaders seeking variations to the membership of committees.

Motion (by **Senator Ian Macdonald**)—by leave—agreed to:

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

Environment, Recreation, Communications and the Arts References Committee—

Discharged: Senator Carr as a substitute member for Senator Lundy.

Substitute Member: Senator Gibbs to replace Senator Lundy for the committee's inquiries into the management of water and biological nutrients in Australia and the maintenance of natural and cultural heritage assets.

Legal and Constitutional Legislation Committee—

Substitute members: Senator Ferris to replace Senator Abetz for the 1996-97 additional estimates hearings on 27 February 1997.

Senator McGauran to replace Senator Abetz for the 1996-97 additional estimates hearings on 4 March 1997.

## CRIMES AND OTHER LEGISLATION AMENDMENT BILL 1996

### CUSTOMS TARIFF AMENDMENT BILL (No. 2) 1996

### FARM HOUSEHOLD SUPPORT AMENDMENT BILL 1996

### PRIMARY INDUSTRIES AND ENERGY LEGISLATION AMENDMENT BILL (No. 3) 1996

### MULTILATERAL INVESTMENT GUARANTEE AGENCY BILL 1996

#### First Reading

Bills received from the House of Representatives.

**Senator IAN MACDONALD** (Queensland—Parliamentary Secretary to the Minister for the Environment)—I indicate to the Senate that those bills which have just been announced by the Acting Deputy President are being introduced together. After debate on the motion for the second reading has been adjourned, I will be moving a motion to have the bills listed separately on the *Notice Paper*. I move:

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

Question resolved in the affirmative.

Bills read a first time.

#### Second Reading

**Senator IAN MACDONALD** (Queensland—Parliamentary Secretary to the Minister for the Environment) (4.31 p.m.)—I move:

That these bills be now read a second time.

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

Leave granted.

*The speeches read as follows—*

CRIMES AND OTHER LEGISLATION  
AMENDMENT BILL 1996

This is a portfolio bill which contains a number of minor policy and technical amendments to portfolio legislation.

I will deal with the proposed amendments in the order in which they appear in the bill.

The first is amendments to correct anomalies in relation to the cancellation of employer funded superannuation benefits.

It is proposed to amend Part VA of the Australian Federal Police Act 1979 and Crimes (Superannuation Benefits) Act 1989, to deal with the situation where the manner of sentencing for multiple offences produces a result which fails to trigger the cancelling of employer-funded superannuation provisions where policy indicates that they should be triggered.

Both Acts provide for cancellation of employer funded superannuation benefits where a person is convicted of a corruption offence and sentenced to more than 12 months imprisonment.

Where a person has committed multiple offences, the court may impose a sentence in such a way that the sentences are cumulative, partly cumulative or concurrent.

For example, a person could be convicted of two counts of fraud and be sentenced to 12 months imprisonment for each count, with three months of the sentence on the second count to be cumulative to the sentence on the first count.

That means the head sentence is 15 months.

Similarly, a court might impose a single sentence which exceeds twelve months in relation to multiple offences, instead of imposing a sentence for each offence, any of which would not exceed twelve months.

In the example I just mentioned, the court may order a single sentence of 15 months for both offences.

In both those examples, the individual terms of imprisonment do not exceed twelve months, and therefore a superannuation order may not be made against the person.

The proposed amendments make a technical amendment to align Part VA of the Australian Federal Police Act 1979 and the Crimes (Superannuation Benefits) Act 1989 with current sentencing practice.

A superannuation order may be made if the single sentence in respect of multiple corruption offences or the aggregate of sentences in respect of multiple corruption offences, exceeds twelve months.

Further amendments to the Australian Federal Police Act 1979 and the Crimes (Superannuation Benefits) Act 1989 are proposed to exclude sentences that are an alternative to full time incarceration, from the scope of sentences that cancel employer funded superannuation benefits.

The effect of those amendments is that a superannuation order may not be made against a person who is convicted of a corruption offence and receives a sentence under subsection 20AB of the Crimes Act (for example, periodic detention), even if the sentence is for a period longer than 12 months.

The Crimes Act 1914 is to be amended to increase the value of a penalty unit.

In 1992 it was decided that all pecuniary penalty provisions in Commonwealth legislation were to be expressed in penalty units to enable penalties to be adjusted from time to time.

The penalty unit approach allows the real level of fines to be maintained on a uniform basis.

The legislation was designed in such terms that, by amendment of section 4AA of the Crimes Act 1914, the value of the penalty units applicable to an offence under any Commonwealth act or regulation could be varied to reflect current money value.

Since the enactment of the provision, inflation has diminished the value of penalties.

According to figures provided by the Australian Bureau of Statistics, the change in the Consumer Price Index numbers between June 1992 and September 1995 is calculated at approximately 9.6 per cent.

The penalty unit will be increased from \$100 to \$110.

The Customs Act 1901 is to be amended to permit cost recovery in relation to storage and maintenance of confiscated narcotic-related goods.

The amendment is aimed at enabling the Commonwealth to recover out of pocket expenses it incurs in relation to the transportation and storage of narcotic-related goods that are condemned and placed in commercial storage facilities, prior to the goods being transferred to the Official Trustee for disposal.

Narcotic-related goods are, generally speaking, vehicles or vessels used in drug trafficking.

The amendment will allow the Commonwealth to recover its costs just as the Official Trustee recovers similar costs under the Customs Act.

The amendment does not extend to full cost recovery for the Commonwealth.

The Commonwealth will not be entitled to recover its expenses such as the salary of staff, nor is it entitled to recover expenses that are an ordinary incident of its operation.

Ordinary everyday running costs such as office expenses, telephone or facsimile charges are not recoverable.

Rather, it is the extraordinary costs such as the costs of transportation of narcotic-related goods to a place of storage and the actual storage charges that will be recoverable.

The Extradition Act 1988 is to be amended in two minor ways to correct deficiencies in present provisions.

The first amendment will make it clear that if a person makes an application for bail on the merits and fails, the person is not able to make a further application unless there is evidence of a change in circumstances that might justify bail being granted.

Currently, where a magistrate remands a person in custody after the person has made an application for bail, the person is not entitled to apply to any other magistrate for release on bail during that remand.

That would be unfair if the person's circumstances change such that bail would be justified, but the original magistrate is no longer available, for example, if the original magistrate has resigned or retired.

The amendment will overcome this deficiency while still achieving the purpose of restricting 'magistrate-shopping'.

The second amendment to the Extradition act deals with the appropriate procedure following the arrest of persons who are believed to have escaped from custody.

The amendment will make it clear that the appropriate action following arrest is to take the person before a magistrate for testing of the arresting police officer's belief that the person has escaped from custody.

The magistrate will be required to be satisfied that the person has escaped from custody authorised by the act before issuing a warrant authorising return to custody.

Currently, a person who has been arrested by a police officer without warrant, when the officer has reasonable grounds to believe that the person has escaped from custody, can simply be returned to custody.

Several minor and technical amendments are made to the Proceeds of Crime Act 1987.

The first relates to applications for variation of restraining orders, and extensions of time.

The Proceeds of Crime Act allows a court to restrain property of defendants charged with serious offences.

The property that remains restrained six months after conviction is forfeited automatically to the Commonwealth.

A person may apply to the court to have the restraining order varied to release any or all of the property from the restraining order, but that application must be listed, heard and decided before the end of six months after conviction.

Because many defendants await the outcome of the trial before applying for a variation of restraining orders, applications need to be heard and determined within six months and that often places considerable pressure on court lists.

The amendments are designed to alleviate that pressure.

Where an application for a variation of a restraining order is made within the statutory six month period, the amendments will stay the forfeiture of restrained property until that application has been judicially determined.

Another amendment to the Proceeds of Crime Act relates to creating a defence of reasonable corporate precaution.

Under the Proceeds of Crime Act a body corporate is vicariously liable for the criminal conduct of its directors, servants or agents.

Other Commonwealth legislation establishes liability similarly, but at the same time, provides a defence of reasonable corporate precaution, for example, subsection 65(2) of the Ozone Protection Act 1989, a provision which is used as a model for this proposed amendment.

The proposed amendment prevents the criminal conduct of directors, servants or agents from being imputed to a body corporate where the body corporate can demonstrate that it took reasonable precautions and exercised due diligence to avoid the conduct of its directors servants and agents.

The final act amended by Schedule 1 of the bill is the Witness Protection Act 1994.

The integrity of the National Witness Protection Program established under the Witness Protection Act is of paramount consideration, not only for the witnesses on the Program but the Australian Federal Police members who carry out the protection.

Accordingly, section 22 of the Witness Protection Act creates various offences relating to unauthorised disclosure about the Program or witnesses.

Subsection 22(2) of the Witness Protection Act makes it an offence for a person who is or who has been a Commonwealth participant on the Program or a person who has been assessed for placement

to make certain disclosures, unless authorised to do so by the Commissioner of the Australian Federal Police. The Ombudsman may investigate complaints about the Program either on the complaint of a person or on her own initiative under the Complaints (Australian Federal Police) Act 1981.

The proposed amendment to subsection 22(2) will enable a Commonwealth participant, a former participant or a person who has undergone assessment to make disclosures, without obtaining the consent of the Commissioner, when making a complaint to the Ombudsman under either the Complaints (Australian Federal Police) Act 1981 or the Ombudsman Act 1976.

Schedule 2 of the bill removes the requirement in several Commonwealth Acts to obtain consent to prosecute.

The bill provides for the repeal of certain provisions requiring the consent of a Minister before a prosecution can be instituted against a person suspected of a Commonwealth offence.

Those provisions were originally enacted for the purpose of deterring private prosecutions brought in inappropriate circumstances, particularly for offences which related to national security or international treaty obligations.

However, since establishing the office of the Commonwealth Director of Public Prosecutions the retention of those provisions is difficult to justify.

That is particularly so now that the Director of Public Prosecutions has the power to take over and discontinue a private prosecution brought in relation to a Commonwealth offence.

Once the consent provisions which appear in the bill are repealed the Director will have the task of instituting proceedings for the relevant offences.

In relation to those offences it is appropriate that an independent office holder have the power to decide whether to prosecute.

The bill does not affect consent provisions which relate to sensitive issues of national security or international treaty obligations.

Further explanation is contained in the Explanatory memorandum.

I commend the bill to the Senate.

#### THE CUSTOMS TARIFF AMENDMENT BILL (No. 2) 1996

The Customs Tariff Amendment Bill (No. 2) 1996, which is now before the chamber, contains a number of amendments to the Customs Tariff Act 1995. I will briefly outline the changes of substance.

The Customs Tariff Act 1995 re-enacted legislation contained in the Customs Tariff Act 1987 and incorporates about 350 tariff classification amend-

ments recommended by the world customs organization (WCO) to which Australia is a contracting party. The overall aim of the Customs Tariff Act 1995 was to maintain levels of tariff assistance which would have been in existence on the first of July 1996 in the previous act.

Schedule one of this bill contains amendments which were made to ensure the correctness of detail in the new Customs Tariff Act before it became operative on the first of July 1996. Most of the changes are of an editorial nature correcting format and spelling anomalies. The more substantive changes are—

- The rates of duty for beer, spirits, tobacco products and certain petroleum products are the subject of half-yearly adjustments in line with movements in the Consumer Price Index (CPI). The rates of duty for these goods increased on the first of February 1996. Those increased rates of duty are being included in the new legislation. This is necessary to establish the correct commencement duty levels for future CPI duty adjustments;
- In the 1995 spring sittings the tariff treatment of topped crude oil was amended in the Customs Tariff Act 1987 but has not been incorporated in the new act. The same provisions are legislated in this act;
- One of the WCO changes amended the definition of newsprint. The initial interpretation of the meaning of the change was incorrect. In consultation with industry representatives, a new tariff structure for newsprint has been agreed and is included in this amendment. The new structure will preserve existing rates of duty; and
- There are minor drafting changes to vehicle alarm systems and passenger motor vehicle components of heading eighty four nineteen.

Schedule two of this bill is operative from the fifteenth of July 1996. Customs tariff amendment act (no. 1) 1996—act 32 of 1996—contained consequential changes as a result of amendments to the tariff concession system. Item 19 in part ii of schedule 4 allows the concessional entry of goods which have been sent overseas for repair that cannot be carried out in Australia. The amendments contained in Act 32 would have meant that importers would have paid duty on the value of the exported articles in addition to that on the repair cost. Administrative procedures were implemented to ensure that customs duty was only collected on the repair cost of the re-imported goods. This amendment gives legal effect to the administrative action taken on the fifteenth of July 1996.

Schedule three of this bill is operative from the first of September 1996. On the twentieth of August 1996, my colleague the minister for transport and regional development, John Sharp, announced a

reduction of 0.75 cents per litre on the duty on aviation gasoline and aviation kerosene.

The duty reductions stem from the over-recovery during 1995-96 of the aviation industry's contribution to the operating costs of the Civil Aviation Safety Authority. The industry contribution is collected by the commonwealth through a levy included in the customs and excise duty on aviation fuels.

This reduction will deliver savings of more than thirteen million dollars to the industry in 1996-97. This is consistent with the government's commitment to fair and equitable safety regulation cost recovery arrangements.

The other changes contained in this bill are of an administrative nature and have no duty implications.

I commend the bill.

#### FARM HOUSEHOLD SUPPORT AMENDMENT BILL 1996

The government announced the termination of the FHS scheme in the 1996-97 budget.

The effect of the bill will be to prevent people who are not entitled to receive FHS payments on the cut-off date from obtaining FHS support. The cut-off date will be 28 days after this bill receives royal assent.

For those people who are entitled to receive FHS payments on the cut-off date, transitional provisions will permit them to continue to receive support until such time as they are no longer eligible. Permitting continued access to FHS payments will require that the access be unbroken. Once a person becomes ineligible to receive FHS payments, that person cannot be paid FHS payments at a later date.

Other aspects of the FHS scheme remain unchanged.

The operation of the drought relief payment (DRP), administered under the Farm Household Support Act 1992, is unchanged by the termination of the FHS scheme in all but one regard. Those former FHS recipients who have transferred to the DRP and who are still receiving DRP support on the FHS cut-off date will not be able to transfer back to FHS after the cut-off date.

This amendment should be considered in the context of the government's announcement on 4 November 1996 of an \$81.5 million package of drought recovery assistance to help thousands of farmers to recover from drought.

A major element of the package is the extension of DRP support to 12 months for eligible farmers.

Farmers in regions where drought exceptional circumstances were revoked in June 1996 will be able to apply for DRP support to help meet their

day-to-day living expenses for a further 6 months to June 1997.

Special assessment for Austudy by the exclusion of on-farm assets from the assets test will also continue, as will special access to healthcare cards, family payments and parenting allowance.

Support also continues for farm families still in drought exceptional circumstances areas in Queensland and New South Wales. I am expecting a report soon from the rural adjustment scheme advisory council on these areas.

Farm families will be eligible for continued DRP support for a further 12 months after the date of revocation for their areas.

My colleague, the Minister for Social Security, Senator Newman, has convened a special rural task force to investigate the impact of the social security assets test on farmers. The task force will look at how the assets test affects farmers who cannot sell their property due to market conditions, who stay on small or non-viable land holdings which cannot generate income beyond the age pension limit, or who cannot subdivide and sell their land due to government restrictions.

I commend the bill to the honourable senators.

#### PRIMARY INDUSTRIES AND ENERGY LEGISLATION AMENDMENT BILL (No.3) 1996

The purpose of this bill is to introduce amendments to the Agricultural and Veterinary Chemicals Code Act 1994, the Farm Household Support Act 1992, the Australian Wool Research and Promotion Organisation Act 1965 and to repeal the Tobacco Marketing Act 1965.

The bill will also introduce minor technical amendments to the following portfolio acts to correct formal errors, omit a redundancy and to fix misdescribed amendments:

- Dried Vine Fruits Equalisation Act 1978
- Forestry and Timber Bureau Act 1930
- Primary Industries and Energy Research and Development Act 1989
- Primary Industries Levies and Charges Collection (Consequential Provisions) Act 1991

The proposed amendments to the Agricultural and Veterinary Chemicals Code Act 1994, when enacted, will ensure that information provided by an active constituent company, at the request of the National Registration Authority for agricultural and veterinary chemicals (NRA), is accorded the same level of compensatory protection as currently applies to information provided in respect of an agricultural or veterinary chemical product.

This action is in response to concerns expressed by some companies involved with the marketing of

active constituents. The active constituent compensation provisions, when enacted, will apply between the primary applicant with a protected active constituent and a secondary applicant seeking access to certain information relating to the protected active constituent.

Furthermore, the proposed amendments will facilitate the generation of information about active constituents for the review program of active constituents and existing chemical products. That review program, in part, provides information for assessing the implications of active constituent residues in export commodities.

There are also a number of consequential amendments, including a decision made by the NRA to use protected active constituent information for certain approval purposes to be appealable to the Administrative Appeals Tribunal for merits review of that decision.

The proposed amendment to the Farm Household Support Act 1992 will prevent recipients of the Drought Relief Payment (DRP) or their partners "double dipping" by receiving support in a couple-rate payment under this act while at the same time obtaining payments or allowances identified separately under the Social Security Act 1991 or the Veterans' Entitlement Act 1986. When DRP is calculated, an amount for the partner is included in the DRP payment. Hence if the partner were to claim a payment in his/her own right, such as partner allowance or parenting allowance, he/she would in effect receive the same support twice—once as a component of the DRP and again as a separate payment under the Social Security Act 1991 or the Veterans' Entitlements Act 1986. Following this amendment such a case will not be possible.

The amendment to the Australian Wool Research and Promotion Organisation Act 1993 will repeal the provision at subsection 79 (2) for wool industry funding to the Australian Animal Health Council by repealing the sunset date of 1 July 1997.

The repeal of the sunset date has the support of the Wool Council of Australia as it will enable the wool industry to continue its funding obligations to the Australian Animal Health Council while alternatives for longer term funding are considered.

The repeal of the Tobacco Marketing Act 1965 is designed to facilitate the adjustment of the Australian Tobacco Industry towards international competitiveness.

In July 1995 the activities of the Australian Tobacco Marketing Advisory Committee (ATMAC) were wound up in anticipation of the repeal of the Tobacco Marketing Act 1965 (the act) under which ATMAC operated. ATMAC was established primarily to recommend to the Minister for Primary Industries and Energy the annual price and quantity

for Australian tobacco leaf purchased by Australian cigarette manufacturers.

It has been agreed by all the industry organisations which contributed to ATMAC funding that all rights, assets, obligations and liabilities held by ATMAC would be transferred to the Tobacco Research and Development Corporation (TRDC) at the time the act was repealed.

I commend the bill to the honourable senators.

#### MULTILATERAL INVESTMENT GUARANTEE AGENCY BILL 1996

Madam President, the bill provides for appropriations and the issue of securities to effect Australia's membership of the Multilateral Investment Guarantee Agency (MIGA).

Honourable senators will be aware that MIGA is one of the World Bank institutions. MIGA's purpose is to foster foreign investment in developing countries by providing:

- insurance against the risks of currency transfer, expropriation, and war and civil disturbance; and
- advisory services to developing member countries on means of encouraging additional foreign investment.

The decision to join MIGA and to take up the remaining shares allocated to Australia in recent capital increases of the International Finance Corporation and the International Bank for Reconstruction and Development signal the government's strong interest in the World Bank and its desire to enhance Australia's relations with the Bank.

Membership of the World Bank institutions benefits Australia in a number of ways.

Australia's experience with PNG has clearly shown the benefits of World Bank involvement. The World Bank Group is able to attach policy conditions to its aid more effectively than can bilateral donors. It has the capacity to establish an effective policy dialogue and assist in the coordination of development assistance from multiple sources and, therefore, to maximise the development effectiveness of aid.

Membership of MIGA and other institutions of the World Bank also provides Australian firms with procurement opportunities.

Australian business has increasingly been interested in Australia becoming a member of MIGA. Some businesses believe they have been disadvantaged in competing for projects supported by MIGA guarantees because Australia has not been a member. In its report to the previous government, on 'Australia, the World Bank and the International Monetary Fund', the Joint Standing Committee on Foreign Affairs, Defence and Trade (JSCFADT) concluded that the benefits of joining MIGA outweighed the costs and recommended that Australia join.

Successive Australian governments have supported Australian exporters with their export credit risks through the Export Finance and Insurance Corporation (EFIC). MIGA's political risk insurance and other technical and advisory services will complement EFIC's political risk insurance facilities. Membership could allow EFIC to reduce its own exposure to high risk countries and where its exposure in a particular country is already at its limit. EFIC will also be able to use MIGA as a reinsurer and co-insurer. MIGA will also insure Australian investors in multinational joint ventures.

Australia will also benefit from MIGA's services in identifying investment opportunities marketed by developing member countries of MIGA. MIGA has advised that it has already received several preliminary applications for MIGA coverage for prospective Australian investments in developing countries. Once Australia is a member, MIGA will be able to process such applications. Membership will provide the additional support necessary to enhance Australian companies' growing trade and investment linkages with developing countries, particularly in the Asian region.

Apart from the commercial benefits to Australian business, Australia's membership of MIGA will acknowledge the role that MIGA plays in promoting economic development through facilitating private sector investment in developing countries.

Since its establishment, MIGA has facilitated more than \$US8.5 billion in foreign private investment. Of this, 26 per cent related to host countries in the Asia region, including Bangladesh, China, Indonesia, Pakistan, the Philippines and Vietnam.

The budget cost of Australia's membership to MIGA will be small.

To effect its membership, Australia will subscribe to the 1,713 shares allocated to it. The cost of each share is \$US10,820. The total cost is \$US18.5 million (\$A24.5 million). Of this amount, 10 per cent (equivalent to \$A2.45 million) will be paid in cash in a one-off payment, with a further 10 per cent covered by a promissory note. The remainder of the cost, \$A19.6 million, would be on-call. The promissory note and the amount on-call will be contingent liabilities of the Commonwealth, but are subject to call by MIGA only in the event that those amounts are needed to meet its obligations.

I commend the bill to honourable senators.

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

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

#### ASSENT TO LAWS

A message from His Excellency the Governor-General was reported informing the

Senate that His Excellency had, in the name of Her Majesty, assented to the following law:

Defence Legislation Amendment Bill (No. 1) 1996

#### NATURAL HERITAGE TRUST OF AUSTRALIA BILL 1996

##### Second Reading

Debate resumed.

**Senator COONEY** (Victoria) (4.34 p.m.)—The Natural Heritage Trust of Australia Bill indicates in its terms just how important this legislation is for Australia. Part 3 of the bill, entitled 'Purposes of the reserve', illustrates the point I am making. It states that the purposes of the reserve are: the national vegetation initiative, the Murray-Darling 2001 project, the national land and water resources audit, and so on. It goes on in clause 10 to deal with the primary objective of the national vegetation initiative and in clause 11 to deal with the primary objective of the Murray-Darling 2001 project. Another area it deals with is the coast and clean seas initiative.

It is quite clear from the terms of this bill that the renovation of Australia is urgent and necessary. It is for that reason that concern ought to be expressed about the funding of the reserve. I do not want to go into the Telstra debate again, because that has been fought and lost. The point I want to make is that the funding for the renewal of Australia's physical resources should be one of the first appropriations made out of consolidated revenue.

Accordingly, if you look at part 4, entitled 'Crediting of amounts to the reserve', and clause 22 in particular, you find that you are left with the impression that this provision is conditional upon something that might or might not have happened at one stage. That condition has been fulfilled. A third of Telstra is to be sold and the money from that sale will come into the reserve. In funding the environment in that way the message that goes out to Australian citizens is that the problem of the condition of Australia is not quite as enormous as in fact it is and that the need to do something about the environment is not quite as great as we think.

Clause 3 sets out a simplified outline of the act. It says:

This Act establishes a Natural Heritage Trust of Australia Reserve—

if that is a good thing. It goes on:

The major source of funds for the Reserve will be \$1 billion from the partial privatisation of Telstra.

That is a concern because it gives people the perception, as I said, that this fund is not as important as it is. It gives a basis for an attitude to be established amongst the people of Australia, for a perception to grow and for presuppositions to be developed which I think are very bad if we are going to do as much as we can do for Australia and for its environment. This act could be improved by simply saying, 'Yes, we are getting money out of Telstra but whether the money comes from Telstra or not it will be made available in greater quantities than \$1 billion,' and by saying, 'This is one of the great priorities in Australia at the moment.'

No doubt those who follow me will say that the previous government did not do as much as it should have. Whether or not that is correct seems to me to be irrelevant to the present debate because the present debate is about what we are going to do in the future. It is about what this government, and indeed this parliament, intends to do in the future. And that is where it ought to lie. The legislation can be improved considerably by taking away the link with Telstra—even now and even though money might come from Telstra. By taking away that link from the black-letter law in the bill it would become apparent to all that this is one of the primary tasks of the country—and of the community, acting through its parliament—and that it is not something that is subsidiary or something that depends on an event which at one point may or may not have taken place.

**Senator WEST** (New South Wales) (4.40 p.m.)—I rise to express some concerns about the Natural Heritage Trust of Australia Bill and some concerns in relation to the way people, the general public, were led to believe this was going to be the be-all and end-all for future environment funding and for looking after the environment.

I think a nasty sleight of hand has taken place because, while there has been much fanfare about the extra \$1 billion, there has not been any fanfare about—and I do not wonder why—cuts of something like \$76 million this year to the Landcare and the Murray-Darling Basin initiatives. Now, this is a little bit of a worry because when you actually sift through the figures and get to the point of everything you will find that, overall, the Natural Heritage Trust only provides \$84.3 million per year over and above what was promised by Labor—not the \$1 billion that was in the headlines that people all thought was going to be the additional expenditure on the environment. No, this year it is \$84.3 million, bearing in mind that we have cut out \$76 million for Landcare and for the Murray-Darling Basin system.

I do not know whether people—those who come from some of the other states; maybe the west—give a great deal of thought to the importance of work on the Murray-Darling Basin initiative, but that is the largest basin in Australia in terms of water catchment and drainage. It has some major problems across the whole of it. It affects some four states and one territory—I should probably say two territories because part of it goes very close to the Northern Territory as well—plus the Commonwealth government. It was only after the election of a Labor government in Queensland that we got Queensland to come on board and become a full member of the Murray-Darling Basin Commission. In the days of Sir Joh Bjelke-Petersen they were taking the attitude that the water that landed in Queensland was their water and they would do what they jolly well liked with it. It was with Queensland and the National Party there that we saw things like the Cubbie Station proposal—

**Senator Ian Macdonald**—The what?

**Senator WEST**—Cubbie Station, Senator Macdonald.

**Senator MacGibbon**—At least we didn't use it as a sewerage outlet the way they did in New South Wales.

**Senator WEST**—Well, we of course did not get the water. The problem with Cubbie Station was that we would not have got any



water down. The Narran lake system would have just evaporated and there would have been significant damage done to important wetlands up in that area. But this is the sort of thing that was going to be done under a National Party government in Queensland. I hope the current National Party government is not going to revisit a number of those sorts of proposals.

This proposal should not ever have been linked to the sale of Telstra. Many speakers in the Telstra debate outlined the reasons for that and I do not think I need to go into them here today. Senator Cooney has already very carefully and clearly outlined why this should not have been happening. I repeat: I think it is a very poor show that we have not got out to the general public that there is not an extra \$1 billion for the environment out of this heritage trust, because cuts have been made to Environment Australia and to the Department of Primary Industries and Energy.

I said earlier that the heritage trust will this year only provide an additional \$84.3 million over and above what we had promised. But when you take out the money for Tasmania, the rest of Australia will get \$42 million per year. This is a bit interesting. I come from New South Wales—the most populous state in the country and while not in the large category, it is certainly a lot larger than Tasmania—and I want to know why just about half of this additional funding is going to Tasmania. I have not got anything against Tasmanians, nor the land. I know that they have a significant number of very important environmental areas that need looking after, that need caring for, and so they should get some money. But I have concerns, when I am given these sorts of facts and figures, as to why we are seeing just about half of the additional funding hived off to one state.

Then of course there was the sale of Telstra and the additional infrastructure money that was going to be spent as a result of the sale of Telstra. Guess where the majority of that went. Tasmania. Poor old New South Wales missed out again. Something like \$15 or less a head extra we got and they were getting hundreds and hundreds of dollars a head. This is just not fair. This is not a government that

is dealing with or caring for the whole of Australia as equal people. We have copped the double whammy in New South Wales. It is not fair.

**Senator Neal**—What have you got against New South Wales?

**Senator WEST**—Yes; the two Queenslanders there—

**Senator MacGibbon**—You've used your muscle to get the major part of Commonwealth funding for years.

**Senator WEST**—We are the most populous state in this nation, Senator. I wish Senator Heffernan would turn around and explain to you fellows that New South Wales has a very significant population and it is important that we get our fair share. We are not asking for any more than that.

**Senator Neal**—We produce the most money and get the least.

**Senator WEST**—It is pretty terrible what happens. One of my other concerns in relation to this bill is that it is not clear about the guidelines or the rationale for setting up a trust. I have concerns that this has the potential to become a slush fund. I do not think the accountability mechanisms in this bill are adequate and that was certainly highlighted in the Senate committee's hearings. The bill does not include measures to account for improvements as a result of expenditure programs against base level data and objectives; to ensure that no project receives funding where the existing regulations will work against achievements of the trust's goals; and to ensure needs based funding.

If we have not got adequate and appropriate accountability, how in heavens name are we going to ensure that it does not become a slush fund? Mind you, I think it is a limited slush fund; I think it is only for about five years. What happens at the end of this? Who and what is going to fund the environment at the end of all of this?

There is also going to be a board to administer the trust fund. That board will comprise the Minister for the Environment and the Minister for Primary Industries and Energy, and the role of the board will be to provide a forum for consultation between the two

ministers. We have just seen in the last week the fun and games that this government has appointing people to boards and to chairs, and ministers' recommendations being rolled quite easily, it appears.

We have seen two positions that have now been extended for a further 12 months. The government knew before it even came to office when the terms of these people expired; it has been in government 12 months next week, and it has had to extend these positions because it cannot make decisions. One has to wonder how it will be able to come up with this board given the speed with which it has been able to reappoint some people and the problems the ministers seem to keep having when they go to cabinet to get their particular appointees nominated into positions.

We notice that it has been a pretty glossy marketing campaign. Very glossy documents have appeared in our offices. We have all been presented with a box so high, full of guidelines and application forms. I do not know how much they have cost. I presume someone at estimates is going to be able to ask that question, because it is not normal for us—for any government or any member of parliament—to receive such huge numbers of guidelines and applications for programs. Normally, it is done centrally out of the department's offices.

**Senator Ian Macdonald**—We want to involve you.

**Senator WEST**—You want to involve us. Let us just look at this involvement and what it might take. Normally, the procedure for making an application and using guidelines for the application for funding is controlled fairly well through the departmental officers, kept at arm's length from members of parliament and particularly from ministers. The information is available to be provided to people, and members certainly can seek that. But I have never known or experienced in the seven and a bit years that I have been in this game—nearly eight years now—such a large number of application forms to arrive on my desk for me to distribute. This sends to me messages about just how at arm's length this is going to be from the political process. I get a great deal of concern when I see and re-

ceive this number of applications, and then I hear a parliamentary secretary saying that it is so we can be involved.

I want the money from this program to be administered in such a fashion that those programs in greatest need, those programs with most merit, are the ones in receipt of the money. I do not want a program where somebody—it is not likely to be somebody from this side of the chamber, I would wager—from that side and from cockies corner, I suppose, is able to really agitate and put a lot of pressure on and use this like a slush fund. This is where accountability must be totally transparent and where there needs to be arm's-length dealing with this matter.

Departmental officers—good, unbiased and caring public servants—would be able to evaluate and assess these applications against strict criteria. By using well researched data, they would know what the needs are and would be able to address those needs. We cannot expect members of parliament to be able to follow all the way through 20 or 30 applications. The government would be asking for trouble if it followed this course. I warn them to be very careful about this issue.

I would also like to draw their attention to an article that appeared in the October 1996 edition of *Science Technology*, volume 16, No. 10—a monthly round-up of science and technology in Australia. Its headline is, 'Natural heritage trust fraud: admits senior coalition adviser'. The first paragraph says:

The Howard Government's proposed Natural Heritage Trust is a "blatant and cynical political fraud", a senior government adviser has admitted to Scitech.

These sorts of things indicate that the government obviously feel pretty pleased about what they have done. They think they will be able to have a nice little fund. These sorts of articles and comments make me use the word 'slush' fund; they make me very concerned about what will happen. When senior ministerial advisers brag to magazines that this is pretty good, then one has to wonder what the situation is. The article goes on to say:

The plan had been essentially devised—as a "purely political exercise"—by the Federal Director of the Liberal Party, Mr Andrew Robb, and had

then been "imposed" on the former shadow Minister for the Environment, Senator Rod Kemp, and, subsequently, on the current Minister for the Environment, Senator Robert Hill, he claimed.

This is the sort of stuff that one should be very much aware of. It also goes on to say:

Anybody who looks at the figures can quickly see that the Natural Heritage Trust is a blatant and cynical political fraud. There is simply no way the interest from the \$1 billion supposedly to be diverted from the Telstra sale could possibly pay to rectify the enormous environmental problems confronting Australia.

That was all a quote, not my words. They are the words of a senior government ministerial adviser. I do not think one can rest one's argument on things that are more soundly based than that—the braggings of what government ministers' staffers are saying.

I think it is a pity that, as a result of the demolition of Telstra, we are seeing \$1 billion being used to divert attention and to disguise the fact that in a number of areas there have actually been significant cuts to the Landcare program and Murray-Darling Basin initiatives. It was the Labor Party that instigated such programs as Landcare; it even pronounced the 1990s as a decade of landcare. It was Labor that set up important labour market programs with environmental benefits such as LEAP. It is the Liberal Party and the National Party that have slashed \$20 million from the expansion of Landcare and abolished LEAP. The rural communities of New South Wales certainly do not think these are the actions of a government serious about the environment.

**Senator MacGIBBON** (Queensland) (4.56 p.m.)—I would like to take a few minutes of the Senate's time today to speak briefly to this important piece of legislation, namely, the Natural Heritage Trust of Australia Bill 1996. Once upon time we could boast in the Senate that we had much better debates than in the House of Representatives. But I would have to say, having listened today to all the speakers from the Greens, the Democrats and the Labor Party—with the exception of Senator Cooney, who made a thoughtful contribution in his habitual way—that we can no longer claim that reputation.

We are not debating the sale of Telstra. I know that Senator West is always a long way

behind the action—probably 10 or 15 years—but, really, that bill has been passed. We are talking about the environment. I think the debate today has demonstrated clearly the way the environmental debate has moved on in Australia to what is now an informed and sophisticated level.

We listen to people like Senator Brown arguing in the most simplistic and childlike terms about the environment—what we had from the Greens and the Democrats. This is not what the public want to hear. They know that that sort of nonsense has passed, that these immature allegations were slung around 15 or 20 years ago. People are now genuinely concerned about improving the environment. They know there are no simple quick fixes. They know that most of the things that led us into trouble in the past were the consequence of a lack of education and ignorance as to what the long-term consequences were. But enough of the debate on that.

The purpose of this bill is to establish the Natural Heritage Trust of Australia. It is also designed to implement the Commonwealth government's policies with respect to expenditure of funds for the protection and rehabilitation of Australia's environment. In doing so, this bill establishes the Natural Heritage of Australia reserve. It provides for funds in the reserve to be invested and for the outcome from such investments to be returned to the reserve. It establishes a natural heritage ministerial board and provides for the tabling of an annual report to the parliament, and ensures accountability to the parliament.

An initial \$1 billion, which is to be sourced from the partial sale of Telstra, is to be invested in the trust. For those who complain about putting \$1 billion into the environment, I ask them: where else would we get \$1 billion from in the straitened circumstances in which the Labor Party has left us? It was really a very intelligent and creative move of the government to earmark part of the sale of Telstra for this environmental purpose. Quite clearly, if Labor had got it they would have gone off on some wild scheme that would have wasted the money.

Some \$700 million of this \$1 billion has been specifically earmarked for five projects

which are being conducted over the five-year period 1996-97 to 2001. These are: a major national vegetation initiative, the Murray Darling 2001 project, a national land and water resources audit, the national reserve system and a coast and clean seas initiative. Funding is also to be provided through the reserve for a number of other programs, including a national river care initiative, a national landcare program, an endangered species program, a national wetland program, a national weed strategy, a national feral animal control strategy, farm forestry, world heritage area management, waste management awareness and an air pollution in major cities program—all very worthy projects and of great value to the Australian community.

In any terms this is an important piece of legislation, establishing a vital mechanism for the repair, maintenance and sustainability of our natural heritage. These objectives can be achieved with major economic benefits to our nation, including the creation of employment for our fellow Australians, particularly in regional areas. I might interpose a comment at this time. The legislation will do something to remedy the mistakes of the past 20 years by both state and federal governments which has seen a belief in the centralisation of all activities in either the state capitals or the federal capital of Canberra. Australia simply cannot be run that way. It has been a grievous policy for all of Australia's country towns. Any program for the care and protection of our natural environment that we put in place must also reflect our role in the global village, for all environment issues are of concern to mankind. This then is a very positive way for the coalition to take this country into the new millennium.

I would like to take some time to refer to the coalition's environmental record. It is hardly surprising that a major initiative like this came from our side of politics because we have a very impressive record in environmental matters. Rather than the ongoing rhetoric we hear ad nauseam from the other side we have always chosen to act positively and decisively on environmental matters. It was a coalition government which established the first federal department to include over-

sight of the environment; it was a coalition government which made the first government grants to significant voluntary conservation organisations; it was a coalition government which pioneered the first listings under the world heritage convention: the Great Barrier Reef; Kakadu Stage I and the Willandra Lakes. Lord Howe Island and the Tasmanian wilderness were listed in 1982. It was a coalition government which stopped sandmining on Fraser Island and which led the charge to ban commercial whaling.

Legislation such as the Antarctic Treaty Act, the Antarctic Treaty (Environment Protection) Act, the Wildlife Protection (Regulation of Exports and Imports) Act, the Environment Protection (Sea Dumping) Act and the States Grants (Air Quality Monitoring) Act were moved by coalition governments. It was a coalition government which gave the Murray River Commission the power of water quality management back in 1982, the same year we initiated the national tree program and in which marine nature reserves were established. Our record, our credentials and, importantly, our leadership on these issues are a matter of historical record.

Once again, it is a coalition government which is taking the vital decisions here today to ensure that Australia is better placed to move into the new century. Like all Australians, we in the coalition are well aware that we need to make the care and restoration of our land, the restoration of our waterways, the maintenance of biodiversity, land care and the proper management of our coastal zone major priorities. We recognise that the extensive and continuing loss of Australia's vegetation cover is one of the most significant environmental and economic problems facing our nation.

My own state of Queensland has a high land clearance rate and since European settlement the Australian landscape has changed dramatically. Australia has lost much of its native vegetation. Some 50 per cent of tall forests and 30 per cent of woodlands have been cleared or severely modified. It is estimated that over 50 per cent of Australia's land is now in need of some form of repair. The direct annual cost of soil and water degradation is in excess of \$1.4 billion.

Pollution and erosion are threatening our rivers and coastlines. We are faced with the continuing degradation of riparian and riverine environments as evidenced by algal blooms, a decline in water quality, a deterioration of wetlands and river flora, bank erosion and declining fish stocks.

One of the most notable outbreaks of blue-green algal bloom in 1991 extended over a thousand kilometres along the Darling River from Mungindi on the Queensland-New South Wales border downstream to Wilcannia. The problems for the Murray-Darling basin alone are well known to all of us here. The cost of that is significant, in the area of hundreds of millions of dollars. Along our coastline which supports 85 per cent of the Australian population are areas which require vegetation. There are also too many areas known to be polluted too heavily, thus threatening our marine biodiversity, all of which will come under the spotlight of the coalition's environmental programs.

All Australians today are concerned about their environment yet after 13 years of the Labor government which was characterised by a neglect of the environment we still have these increasing areas of land and water degradation. Vast tracts of Australia are being affected by rising water tables, salinity, soil erosion, noxious weeds and feral animals. I would like to say something about noxious weeds because as a grazier I have a great concern about the spread of noxious weeds which is taking such a huge toll of good grazing land in Australia.

In my own state we have a major problem with rubbervine. It is estimated that over half a million square kilometres of Queensland pastoral land is covered by rubbervine at the present time. Rubbervine is a native of Madagascar. I find it quite an unattractive looking plant, maybe because I know what it does to good grazing land. It has a white and pink flower that looks a bit like an oleander. It was imported years ago and is spreading rapidly across the tropical parts of Queensland—and it is very hard to control.

Another great problem we have is parthenium which allegedly was brought in with stockfeed to the Northern Territory and has

now spread extensively into Queensland, particularly into the central highlands area around Emerald—and I am sorry to hear it has spread to New South Wales. It is a huge problem and, again, it is very expensive and difficult to clear. We are losing huge parts of good grazing land as a consequence. They are only two of the problems. It is estimated that the cost of weed infestation is about \$3.3 billion a year to Australian industry.

The situation has added poignancy at the present time because we have had a rural decline—the greatest in living memory. We have had a five- or six-year drought in the great cattle lands in Central Queensland. The wool industry is in desperate shape, and it has been for many years.

The point is that pastoralists simply do not have the income to cope with the very expensive business of weed eradication. The other thing is that, despite the droughts and the rest of it, weed infestation seems to propagate in harsh conditions. There really is an enormous problem out there which goes quite unrecognised in the greater part of Australia.

We come to the matter of national parks. Everyone supports national parks, but the people who own the national parks, the state governments, are very unconcerned about controlling weed or feral animal infestation in them. The Aboriginal community, which owns about 12 per cent of Australian lands, believes that all weed infestation is a matter for the state or the Commonwealth to deal with, not for themselves as landlords.

We are seeing a lot of these weeds now becoming herbicide resistant—the so-called super weeds—and we find that legislation on weed management between the states and the federal government is either inadequate or inefficient. For example, to revert to the rubbervine problem, it is banned in Queensland but it is sold in New South Wales and I think in all other Australian states as an ornamental flower.

It is estimated that of the approximately 1,900 plant species introduced into Australia since European settlement about half of that 1,900 are now regarded as weeds. Of that half, at least 220 species have been declared as noxious weeds. So we have a very serious

problem, and this bill will do something to address that.

While all of us have differing views on exactly what the priorities ought to be—and Senator West was very concerned about the priorities for the expenditure of this money in terms of the details—I think there is no-one in the parliament who would deny the importance of the trust and what the legislation sets out to do.

None of us can afford to be part of a generation which has passed on to the next an environment which is in far worse condition than was handed on to us when we were born. Our country's size, age and fragility impose very special conditions on all of us. In introducing this bill, the coalition recognises the obligation that is incumbent on all of us and has demonstrated the leadership and the determination required to tackle the environmental problems which plague Australia and which therefore impact on us internationally.

**Senator HILL** (South Australia—Minister for the Environment) (5.10 p.m.)—In closing the second reading debate on the Natural Heritage Trust of Australia Bill, I thank all of those who have contributed. I do not want to delay the committee stage, because I think it is at that stage that we will be moving into some new ground. Most of the contributions that I heard tended to cover the old issues: the funding base, the purpose of the trust and—dare I say it—a touch of domestic politics or two from Senator Faulkner. Having said that, I understand that that is part and parcel of this process.

We are obviously very committed to this bill. We think it is a wonderful chance and a unique opportunity to put in place a capital fund to reinvest in our natural heritage. It is possible to debate the detail but we have identified areas where we believe a capital replenishment is particularly in the national interests. We have committed ourselves to spend only the receipts of capital sale on capital projects, and thus we have structured the bill in that way.

In fact, the total quantum of the trust over a period of five years will consist not only of the capital but also of the interest that is

earned on that capital plus some further contribution from the current expenditure. Over the period of the trust that will total expenditure of \$1.249 billion, which will allow us to have \$300 million in reserve at the end of that period. So it is a large sum of money.

We do not quarrel with those who say that you could spend a lot more on Australia's natural heritage. We have done a lot of damage to it in the past. The Murray-Darling Basin itself could absorb that sum of money and you could still find good use for much more without having returned the environment to the state in which it was before we started to develop it for our economic benefit.

We have not well understood the state of Australia's natural environment, the consequences of the aged soils, the role our rivers and streams have played in cleansing the system of excess salt and so forth. So our interference—for good reason in terms of building an economy and creating wealth and providing opportunities for people—has caused inadvertent consequences that have done very significant damage.

What is good is that governments and communities are now prepared to work together to rebuild that natural environmental base, and that in turn will help sustain primary production in the future whilst at the same time enabling us to pass on to future generations a state of natural heritage which is better than that which we inherited.

We conceived the notion of the trust very proudly before the last election, and it is very much supported by the Australian community. We are pleased to have been able to establish a base from which we could obtain the capital necessary to set it up, and really that is a debate of the past, this parliament having agreed to the sale of one-third of Telstra, \$1.1 billion of which will be reinvested in this fund.

This bill is really about the administration of that fund, the purposes for which it is to be expended, the way in which it is to be administered, the structure of accountability and matters of that nature. So I look forward to the detail of the committee stage. I hope this parliament will support the bill and it will be

set up. Although we will start funding the trust from the beginning of the next financial year, we expect to be in a position to start investing much larger sums in programs and projects pursuant to the aims and objectives of the bill.

So time is running tight, but we have not been wasting time in the meantime. We have been getting the processes under way. We have been holding very constructive discussions with the states. We are in the process of working up the partnership agreements through which much of the proceeds of the trust will be disbursed. Relations with the states in that area have been very good. Relations with community organisations have been very good.

Not wanting to anticipate this parliament, we have nevertheless already advertised for community grants under the trust. Those advertisements were in last weekend's papers around Australia. The community that has been crying out to be part of this exciting project will now have a new opportunity to come on board and work with us to achieve these goals. So I thank honourable senators who have contributed to the debate and wish the bill a speedy passage.

Question resolved in the affirmative.

Bill read a second time.

### In Committee

The bill.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (5.17 p.m.)—by leave—I move:

- (1) Clause 1, page 2 (line 24), omit "*Heritage*", substitute "*Environment*".
- (2) Clause 3, page 3 (line 6), omit "*Heritage*", substitute "*Environment*".
- (6) Part 2, page 4 (line 2) to page 5 (line 6), omit "*Heritage*" (wherever occurring), substitute "*Environment*".

I will speak to these three amendments collectively, as they are all interrelated. Democrat amendment No. 1 puts the word 'environment' firmly into the bill. The term 'heritage' is used for a wide range of different things. We refer frequently to Aboriginal heritage. We talk about a range of different heritage buildings and heritage trusts, and I think that

up front we should make it very clear that we are talking about our natural environment. Therefore, this amendment is needed.

Some argue that the word 'natural' covers it. We argue strongly that it only goes part of the way, that it does not cover it fully. The Environment Protection (Impact of Proposals) Act is one example. The Environment Protection (Sea Dumping) Act is another one where we have the word 'environment' up front, and that is what we are seeking to do here. Amendment Nos 2 and 6 follow on from that and are subsequent amendments.

**Senator BROWN** (Tasmania) (5.18 p.m.)—I would support the amendments moved by the Democrats because I think there is a great deal of focusing required here. We have just listened to a second reading speech in which the minister totally failed to answer any of the concerns expressed elsewhere in this chamber. He totally ignored them. It was as though there was not any debate in here today at all.

He just got up and said what a good thing the bill will be, how people are looking forward to spending this money and it is a pity there have been 'inadvertent consequences' of activities of the past. When it comes to focusing his own mind on the environment, we might ask him about the 'inadvertent consequences' of his current actions such as licensing the flattening of world heritage forests in Tasmania and national estate forests elsewhere around the country, inevitably diminishing the biodiversity of this country as a result.

We might ask him about the consequences of moving, as he is, towards the establishment of uranium mining at Jabiluka. I suppose one day he will be talking about the 'inadvertent consequences' of that activity. It is as though there is no culpability in what he is doing to the environment in this country. It is as though nothing of the past is happening now. It is as though there is no damage to the environment coming out of his own actions, out of the actions of this government and out of the failure of this government to regulate to try to cut back greenhouse gas emissions, pollution of our cities, destruction of natural

cover, vegetation cover, of the country, export of uranium and so on.

So I would totally support the Democrats' move to try to focus his mind on the fact that this ought to be a bill not just about the heritage of this country but about the environment of this country. It might seem splitting hairs to him, but I think the more the word 'environment' actually comes before him in this committee stage the more it might remind him that he has responsibilities that he is selling out in this country. Spending money on trying to repair the damage of the past ought to be a reminder to him that we should be stopping the damage at the moment if we are not going to run up an even bigger need for spending like this in the future.

**Senator HILL** (South Australia—Minister for the Environment) (5.21 p.m.)—Senator Brown wants to use the opportunity of this committee debate to restate his very narrow and prejudiced views on a whole range of subjects. I will try to avoid being tempted. Just let me touch upon it by saying that the regional forest agreements that we are seeking to negotiate have the purpose of setting up a comprehensive, adequate and representative reserve system that will be the envy of most of the world and also of ensuring that forests that are harvested are harvested in an ecologically sustainable way. So most reasonable Australians would say the objectives are very sensible and worth applauding.

Leaving that to one side, I oppose the amendment of the Democrats, largely because the expression of the Natural Heritage Trust is now well appreciated and understood within the community. As I have said, we have started the process of engaging the community in this partnership with governments. To accept this amendment at the moment would simply be confusing. 'Natural heritage' is an expression that is clear to all Australians. It fits very well with the concept of reinvesting in that heritage, which is what we are seeking to do. We recognise the mistakes of the past and are putting in place a capital fund to reinvest in a particular aspect of our heritage. In this instance, it is not the built heritage—that is another project—but the natural heritage.

On that basis, the government would much prefer to leave the expression as it is. It is the expression that we took to the people at the election and have used ever since. It is the expression under which we have already been communicating to the Australian people. It will be the name pursuant to which the partnerships will be set up. They will have the opportunity to contribute to these very worthwhile goals.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (5.23 p.m.)—I have listened with interest to the debate, which is seeking to effectively rename the Natural Heritage Trust Fund to the natural environment trust fund. I accept part of the argument put forward by Senator Hill. The coalition did make clear its intention to establish a Natural Heritage Trust. It used that terminology throughout the election campaign.

Senators in the chamber are entitled to be surprised that this commitment is probably going to be defined as one of the core election commitments and that the government will stick with this one. But there is some substance to the argument that Senator Hill mounts. I might also say that there is some substance in the points that have been presented by others contributing to this debate.

As I made very clear in my speech on the second reading debate, from the opposition's perspective, we too are very concerned about the lack of environmental commitment by this government. There will be opportunities throughout this committee stage debate, in perhaps more substantive ways than by the title of the trust, to really have the government demonstrate that level of commitment. It is for those reasons that the opposition will oppose these amendments.

I do not want our opposition to these three amendments to be misunderstood in any way. As far as I am concerned, there are very serious questions over this government's commitment to the environment. I think the record of the Howard government's environment minister is, frankly, abysmal. That is probably as generous as I can be in these circumstances to describe Senator Hill's performance in a portfolio he never wanted. Later in the debate there will be opportunities



for us to examine this environmental commitment at greater length. On this occasion, I have been persuaded by Senator Hill and the opposition to oppose the amendments.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (5.26 p.m.)—I acknowledge that the numbers are not with us on this one. To some extent, I agree with Senator Faulkner that there will be later opportunities which will be very substantive and will really test this government's commitment. However, I cannot let this go without stressing again that if this government were serious about this being a piece of legislation which directly targets what we have done to our environment as well as protecting what we have managed to leave in a relatively pristine condition, they would have no qualms about putting the word 'environment' up front. As you read through the bill, it is surprising to note how few times the word 'environment' occurs. We have phrases like 'rural heartland' and a whole range of descriptions. As we will see when we get further into this committee process, unless we tie down some of these definitions so that they mean something and we can point to what the states and regions are or are not doing, it will be very difficult for us to see exactly where this money is going and what sort of an impact it is having. It is with great disappointment that I note the numbers here. We had better move on.

Amendments negatived.

**Senator HILL** (South Australia—Minister for the Environment) (5.28 p.m.)—The government's first request is in the following terms:

That the House of Representatives be requested to make the following amendment:

- (1) Clause 3, page 3 (line 8), omit "\$1 billion", substitute "\$1.1 billion".

I hope that there will not be any opposition to this request. We are increasing the capital contribution to the trust from the anticipated \$1 billion to \$1.1 billion. As everyone in this chamber tells me, we actually need to spend more. I do not necessarily disagree with that. I hope that this will be supported. I table the supplementary explanatory memorandum relating to the government amendments and

requests for amendments. The requests and amendments have been circulated but I have not tabled the supplementary explanatory memorandum. I therefore do.

**Senator Lees**—Is this the additional \$100 million that will be going to Tasmania?

**Senator HILL**—No. It is increasing the core of the fund by \$100 million.

**Senator BROWN** (Tasmania) (5.29 p.m.)—I want to follow up on Senator Lees's question. Could the minister say where that increase to the core is to be allocated? Is there any differentiation between the \$1 billion and the \$100 million that is being added to it? Is it simply an increased core with no difference at all brought about by that extra \$100 million? Is there no difference in the direction where that \$100 million will go? Are there no conditions on it whatever?

**Senator HARRADINE** (Tasmania) (5.30 p.m.)—Could I ask the minister, in responding, whether the 10 per cent disbursement from the fund to Tasmania will be from the total fund. The extra \$100 million that was referred to by Senator Lees will, in fact, be somewhat more. Ten per cent of \$1 billion is \$100 million, while 10 per cent of \$1.1 billion is obviously more than \$100 million. Could the minister indicate what is meant by the government's decision that there will be 10 per cent disbursement from the funds, in respect of Tasmania?

**Senator HILL** (South Australia—Minister for the Environment) (5.31 p.m.)—The core is a capital base of \$1.1 billion and, as I said, on our calculations, after you add to that interest during the term of the trust and certain commitments that we have given, the total expenditure, including the \$300 million reserve, which is left over at the end of the trust, is \$1.249 billion. The promise we made during the election was \$1.149 billion. Add another \$100 million and you get to the figure that I have just stated.

In relation to Tasmania, what Senator Alston said in summing up on the debate on the bill for the partial sale of Telstra was that we had been convinced that there was sufficient merit in the claims of Tasmania that warranted an expenditure of 10 per cent of the

total trust funds. That case had been developed largely out of the fact that Tasmania has committed a much greater part of its landmass to the preservation of natural heritage and that it had been at a significant cost to its economy. It is an economy that is not as strong as the economies of some other parts of Australia and there was more than ample opportunity to invest one-tenth of the total fund in very worthwhile capital projects within Tasmania. That was the basis on which that decision was made.

**Senator BROWN** (Tasmania) (5.33 p.m.)—Firstly, I would be interested to hear the minister say in what way there has been considerable cost to Tasmania in protecting its natural assets. The argument, as I see it, is that Tasmania has advanced greatly, as far as its future economic wellbeing is concerned, by, for example, forgoing an extra \$1 billion in debt which would have come out of building the Franklin Dam. If you look at the west coast of Tasmania, the one town that is going ahead there, in economic and employment terms, is Strahan, which gets value from the 100,000-plus a year tourists going through to see the world heritage area. I think it is just a lot of codswallop—it is a throw-off, cavalier statement—to say that if you are protecting the environment you are not working in the interests of the economy. I would have thought the Minister for the Environment would have got past that sixties or pre-sixties concept, which is no longer valid or accepted as valid by many of the most eminent economists in the world.

That being said, however, in answer to a specific question, the minister said that Tasmania had set aside more of its land area than any other state. That may well be the case but that is thanks to the enormous contribution from conservationists and the populace in general in Tasmania, even against prevailing governments. Does that mean that the money is going to be apportioned according to the land area that is protected for each state and could the minister, in particular, say what it was in Tasmania's favour that has led to this outcome? What specifically determined in the minister's mind that an extra \$100 million—

which I, as a Tasmanian, welcome, of course—ought to be coming to—

**Senator Harradine**—It's more than \$100 million; it is 10 per cent of the lot. Why don't you support it?

**Senator BROWN**—Why don't you listen? I just said that I support this extra coming to Tasmania. If Senator Harradine can increase on the amount through the leverage he has obviously got over the government, for not altogether clear reasons, then I will be very happy to see the money coming to Tasmania. But what I want the minister to do is to explain more precisely what these reasons are. What was it that changed his mind? What did Senator Harradine say that changed the minister's mind that was not already obvious to anybody who is observing environmental events in this country? Before Senator Harradine approached the government, it was quite clear that Tasmania had a prodigious amount of national park—vis-a-vis other states; it certainly has got a long way to go. I am not aware of any new areas having been declared between when this bill went through the House of Representatives and when the government added to this trust fund. What I would like to know is what was the new information that so compellingly changed the minds of the minister and the government.

**Senator HILL** (South Australia—Minister for the Environment) (5.37 p.m.)—It is interesting because, until now, all I have heard from Senator Brown is him knocking this expenditure in Tasmania. I would have thought that Senator Brown, who claims to be an environmentalist, would have been in here applauding this expenditure in Tasmania, telling us how much more should be spent in Tasmania, recognising the values of its natural heritage. All we have heard to date from Senator Brown is an attempt to knock it, which is very disappointing. There was no effort from Senator Brown to sell the natural attributes of Tasmania, the special needs of Tasmania in this regard. But there was that effort from others, in particular, the Tasmanian state government.

**Senator O'Chee**—He has been sucking on a green lemon!

**Senator HILL**—He is very sour about this, because he has never been able to contribute anything worthwhile to preserving the natural heritage in Tasmania, and now he sees others being part of a project that can make a tremendous difference. He is not in the loop, so to speak. But that was his choice. He has knocked this from day one. He continues to knock it. You can see it in his attitude when he says to me, 'Don't you understand that Tasmania has not locked up any economic advantage through protecting its natural heritage?'

I would have thought that Senator Brown, of all people, would have recognised the need to preserve the forests that are currently within the world heritage area, for example, in Tasmania, and would understand that they do have an economic value that is being forgone for the benefit of not only all Tasmanians but all Australians and, I would say, for the international community. I would have thought that the fact we are putting in more money to enable us to properly preserve and care for that area was something that ought to have been applauded.

Yes, Senator Brown, people other than you did approach the government and press the merits of the Tasmanian case. The Tasmanian government did produce a list of indicative projects. In consultation with the Tasmanian government, that list was further refined. I had to satisfy myself that the money could be well spent on capital projects within Tasmania before I was prepared to agree. I was so convinced. Senator Brown may not be able to see how that money can be spent in Tasmania, but the government is satisfied that it can be, and it is the government's intention to so do.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (5.39 p.m.)—Senator Hill, are you seriously suggesting that this proposal comes about as a result of representations from the Tasmanian government only?

**Senator HILL** (South Australia—Minister for the Environment) (5.40 p.m.)—No, I received representations from a number of sources. I was making the point that I did not receive them from Senator Brown. Senator

Brown did not come and argue the Tasmanian case, but others did. I particularly made mention of the Tasmanian government because they produced the list of indicative projects. They were, Senator Faulkner—although you would not take much interest in these things—the only government that put an indicative list to the Senate committee. They were keen on this from the start because they were convinced of the merits of their arguments and they wanted to convince the national government of the merits of their arguments and, in the end, they did.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (5.40 p.m.)—I thank Senator Hill for that explanation. Perhaps he could indicate, apart from the Tasmanian government, what other representations he had.

**Senator HILL** (South Australia—Minister for the Environment) (5.41 p.m.)—Many from this side of the chamber, I have to say. I think every Tasmanian member of parliament from the Liberal Party was on my doorstep arguing the case for Tasmania's special interest.

**Senator BROWN** (Tasmania) (5.41 p.m.)—Through you, Mr Temporary Chairman, I would ask the minister to table the indicative list from the Tasmanian government. That said, of course I understand that there is an economic value, in dollar terms, to world heritage forests that the woodchip industry wanted to get at. But that is about where it stopped. What the minister apparently does not know—or chooses to ignore—is that this has been of precious little good to the average Tasmanian.

For example, between 1970 and 1990—the first 20 years of the export woodchip operation—the Forestry Commission in Tasmania ran up a debt approaching half a billion dollars. In effect, what was happening was that the Tasmanian people were paying to have a natural resource, the wild forests, cut down and exported to the paper mills of the northern hemisphere, while these out-of-state corporations like North Broken Hill and Northern Woodchips, as it was—it is Boral nowadays—made a fat profit, which they also repatriated north of Bass Strait. In the meantime they were shedding some 5,000 jobs out

of the industry as they cut the trees faster. If that is the sort of economic benefit that the minister supports, he and I do have a difference of opinion. They were downing the great job prospects to the state of these forests left vertical by paying people to knock them down and take them horizontal to the wood-chip mills around the state.

I do not swallow for one minute this paternalistic attitude that comes from the industry—which has obviously twiggged the minister's ear—that logging of wild forests is per se a good economic activity, because it is not. But beyond that there are other values which future generations ought to be afforded—the minister may well look down when I speak of those—like beauty, diversity, inspiration and adventure in these grand, wild forests. We also gain something as human beings if we leave space on this planet for some of our 30 million fellow species to be able to persist into the future. Those are values that are left out of the equation.

I am very surprised that the minister has not risen to extol the virtues of having forests kept, because that is his bailiwick. The fault is that he has not been able to go into cabinet and defend that bailiwick. He is no doubt going to monotonously reiterate that I think it is a bad thing that money be spent on the environment. I have said at the outset—and I will continue to repeat it—that that is a good thing. But the problem with this money is that it was not money that the government had said would go to the environment. It was blackmail. It was greenmail, if you like. The minister might remember a conversation we had about this last year in Hobart in which this was discussed—he was nodding his head then, as he is now—and where it was said that the two things, the sale of Telstra and putting the money out to the environment, might have been better not linked together.

The sad thing is that, it was straight after that meeting we had, that he flew out and stood in the middle of world heritage value forest outside the world heritage area which has been flattened and he flew back here after that. So far as I know, it did not impress him at all because it has made no difference. He has been one of the arbiters of even more

rapid destruction of world heritage value forests since.

I think it is a great idea to be spending money on the environment. But you do it because the environment deserves it; you do not do it because you want to get one more vote in the Senate to get through the sale of a public asset like Telstra. That is the reason this extra money has gone to Tasmania. Let us not pussyfoot around: it was in the form of a hand across to get a vote through this Senate; it was not because the environment deserved it.

Do not try to kid me, environment minister—through you, Mr Temporary Chair—that it was your bleeding heart for the environment that stirred you to give extra money to Tasmania because that is patently untrue. You ought to be ashamed of yourself that you could get up and even imply that that is the case. Of course it is not. There is hardly a person who has been watching the progress of this event in this country who would be fooled by you implying that it was your environmental concern for Tasmania that got this extra money.

Certainly, Senator Harradine acted as an arbiter in this and that meant you got your Telstra legislation through. But it is a pretty sad situation that it had to be the flogging off of a great national institution that got this money that has this bill before us. Indeed, in securing that outcome was what got Tasmania the extra money. It had nothing to do with the environment whatsoever.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (5.46 p.m.)—This amendment is the same as a Democrat amendment we were planning to circulate. Indeed, I will still circulate it because there is a second part to our amendment that I will discuss when we get to clause 29. We will certainly be supporting this Greens amendment. We are pleased to note that the minister is putting this additional money in.

We had targeted it specifically to make sure that the commitments made to Tasmania could indeed be kept. However, if I interpret the minister correctly, he is saying that, as this is not directed specifically to Tasmania,

what we are looking at is the entire fund enlarging but still we will be in a situation where other states will be losing as Tasmania gains. Is that right? What the Democrats had hoped that the government would be doing is putting all additional moneys that Tasmania had been promised into this bill now. Is that what you are doing or are we still seeing more needed from what everybody else was going to get?

**Senator HILL** (South Australia—Minister for the Environment) (5.47 p.m.)—I am puzzled by that. It is the third time that I have said it but I will say it again. The core capital is \$1.1 billion and upon that there will be earned interest. There will also be some contribution from normal recurrent expenditure of government which will contribute to a total expenditure during the term of the trust of \$1.249 billion, including the \$300 million which is left in reserve. We have said that, from that total trust fund, 10 per cent will be expended on projects in Tasmania. So in actual fact all states do better rather than worse.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (5.48 p.m.)—I thank the minister for his answer. I am not quite sure how all states are going to do better. I welcome the additional money for Tasmania. But just looking at our own state and some of the urgent needs there—whether it is the Coongie Lakes or along the Murray Darling Basin, particularly what is happening in the Coorong—I wish to make the point that any additional promises for Tasmania should have been additional moneys put into the fund above and beyond what you had originally promised.

**Senator HILL** (South Australia—Minister for the Environment) (5.49 p.m.)—You can look at it that way, if you like. We started off with a \$1 billion capital infusion; we decided that the case nationally merited \$1.1 billion; and we also decided that Tasmania would get 10 per cent of the total funds. So we built up the quantum. You can calculate Tasmania's share through a number of different ways and then try to work back what the consequences are. The reason I say that all states do better is that, if Tasmania is getting about \$125

million out of a total of \$1.25 billion, it means there is a lot left over for elsewhere. I recognise your invitation to spend on the Coorong because I could not think of many areas in Australia that are more deserving than that.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (5.50 p.m.)—Let me just make the opposition's position on this clear to the committee. If I were asked the question: do I believe that the cost of the partial privatisation of Telstra should be this extra \$100 million for Tasmania, the answer is no. If I were asked: do I believe that environment funding in this country should be held hostage to the sale of Telstra, the answer to that question is no. If I were asked the question: do I believe this is the way a government should do business, the answer is no. But, of course, what we face now is a *fait accompli*.

Senator Alston made it very clear—I was pleased that at least the minister at the table, the Minister for the Environment (Senator Hill), was gracious enough to acknowledge as this was outlined as Senator Alston made his arrangements public at the conclusion of the debate in relation to the partial privatisation of Telstra and I acknowledge that Senator Hill made that clear in an earlier contribution in debate on this amendment. But, as I have said, it is not the way the opposition would ever do business. It is not something we accept.

We are now faced with a *fait accompli*. We have two choices: we either support this extra \$100 million in funding or we oppose it. So, in the context of that decision, there is no choice. We believe this amendment should be supported. But I do place on record our very clear view in relation to why we are dealing now with this amendment. I think the record should be very clear on that. Certainly, the opposition's position has been made clear now for a very long period in relation to this particular proposal and the cost of it—the cost being the partial privatisation of Telstra.

The way the government has done business in relation to the deals and the trade-offs in this matter has left a stain on the parliamentary process in this country. That, in my

view, is very clear. The record stands for itself. But faced with the decision to vote on this particular amendment, the opposition will support the amendment, and hopes that the money will be put to good use in Tasmania.

**Senator HARRADINE** (Tasmania) (5.53 p.m.)—I, too, support the amendment and congratulate the government for its high principled stand in recognising Tasmania's pre-eminence in the area of the natural heritage.

Amendment agreed to.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (5.55 p.m.)—by leave—I move:

Clause 3, page 3 (lines 8 and 9), omit the dot point.

Clause 9, page 6 (line 25) to page 7 (line 10), omit the clause and note, substitute:

**9 Debits of proceeds from the Reserve**

Money in the Reserve may be debited for any purpose of the Reserve identified in section 8.

Page 13 (lines 3 to 9), omit clause 22, substitute:

**22 Initial credit to the Reserve**

- (1) An initial credit is to be transferred to the Reserve from the Consolidated Revenue Fund in accordance with an appropriation made by the Parliament for the purpose.
- (2) The total amount transferred to the Reserve under this section is not to be less than \$1 billion.

Clause 44, page 24 (lines 12 to 24), omit the definition of *proceeds of the sales of shares in Telstra*.

Clause 44, page 25 (lines 2 and 3), omit the definition of *Telstra*.

I will speak to these amendments collectively. I rise to make the point yet again that the Australian Democrats do not believe that it is in either the economic interests or the social interests of this country to sell this public asset. We continue to be completely opposed to it and we will not let this bill go through without making these comments yet again. While, obviously, the numbers are against us in this place, and we will not be calling a division, we believe we should again make the point that this is not in the national interest and that the environment should be funded as everything else is—straight out of consolidated revenue.

Indeed, even after we have put all of this in place today, we will see a few million dollars, perhaps \$30 million or \$40 million, a year extra when the dice finally stop rolling, that is if we can stop the states cost shifting. But to have to sell a valuable public asset in order to get these programs off the ground is a disgrace. I think future generations will condemn us for what we have done.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (5.56 p.m.)—Let me say very clearly that the opposition has had a very clear position in relation to the link of the sale of Telstra to environment funding in this country. We do not accept that the environment in Australia should be held hostage to the partial privatisation of Telstra. What I think, however, the Senate needs to do is acknowledge the fact that the partial privatisation of Telstra is a reality. So I absolutely agree with the principle that Senator Lees outlined.

As far as the opposition, the Labor Party, is concerned, we fought this. We took it to the wire. We fought it in the election campaign. We fought it in the Senate right down to the line, but we lost. This is now a fait accompli. The horse has bolted, Senator Lees. That is the problem with this. While I acknowledge absolutely what you say, I think it needs to be put on the record that this is a debate that has been had. It was a very hard fought debate, but it has been won by the government and lost by the opposition.

It is for that reason, Senator Lees, I believe it is now really pointless to take this one to the wire, having made our position so clear over such a long period. I absolutely accept the principle that you have enunciated, but sometimes in politics you have to acknowledge when you lose. We lost this one and the link to Telstra. We lost, even though we are right.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (5.58 p.m.)—I acknowledge the comments by Senator Faulkner that we have lost this one. That has led me to foreshadow—although we may not be able to get to it tonight because it goes in after clause 22—an amendment in case we lose any other battles on the sale of

assets in this place. What this will do is make sure that a percentage of all future sales, if they go ahead, if they get through this place, goes towards the environment. As I said before, we will not be calling a division on this. I simply wish to make the point again that the sale of Telstra is not in the national interest.

Amendments negated.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (5.59 p.m.)—I move:

- (1) Clause 3, page 3 (line 11), omit "capital infrastructure", substitute "environment".

I point out to the committee very briefly that, in the opposition's view, this amendment would improve the wording of the bill by removing the reference to 'capital infrastructure' and inserting the word 'environment'. This reflects our opposition to the government's argument that the environment funding is capital expenditure when clearly the initiatives contained in this bill are of a recurrent nature. I commend this amendment to the Senate.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (6.00 p.m.)—This amendment is very similar to Democrat amendment No. 5. Obviously, we will have to await the fate of this amendment before we know where we are going with ours. I will generally address what I think we are both trying to do—that is, take the focus away from economic considerations and back on to the environment.

The terminology used in this bill, 'capital infrastructure', basically tries to put in economic terms particular issues that affect the environment and pave the way for a philosophy which attempts to quantify everything we are doing on the environment in economic terms. As Senator Faulkner has just said, there are so many things on which we cannot neatly put a dollar value. Therefore, how are we ever going to get to the point of putting them up the list of priorities and doing something about them. This comes back to the basic problem with this bill—that is, working out exactly where this money has to go.

The terminology 'capital infrastructure' suggests the projects that will get the green light, the projects that will get the go ahead, are those that can easily have a dollar value attached to them. Our amendment takes out 'capital infrastructure' and replaces it with 'environment and prevents its degradation'. We will wait to see what happens to the Labor Party amendment. If it is not successful, then we will try yet again to make the environment rather than the dollars the focus of this bill.

**Senator BROWN** (Tasmania) (6.02 p.m.)—I would like to ask the minister what the government means by the term 'natural capital infrastructure'. It is a polyglot of terms. It obviously has some deep economic implications mixed up with ecological implications. I can see the good sense in what the opposition is doing. They are simply saying that we should be ensuring that the whole point is to enhance the natural environment. Why the term 'natural capital infrastructure' has been thought up for this piece of legislation is not quite clear. It would be good if the minister could give us his definition of 'natural capital infrastructure'.

**Senator HILL** (South Australia—Minister for the Environment) (6.03 p.m.)—I do not know that there is a lot of difference between these various expressions. We chose to do it this way to bring it home to the community that preserving our natural capital is essential to maintain the life systems, such as sustainable agriculture, to which other aspects of the bill relate. One of the problems facing Australian primary production is that the natural capital has been utilised and the life systems broken down and simply pouring on more fertiliser has not resolved the problem. The need to preserve that natural capital is essential if we are going to be able to maintain sustainable material benefits—I am talking about material benefits; do not get me wrong, the benefits of the heart are important also—and the material benefits will only be maintained if the natural capital infrastructure that we inherited in this country is not run down but rather maintained.

I do not think the Australian community as a whole has appreciated that point. That is

why we chose to use that language in this bill. It meshed well with the justification, which those on the other side of this chamber do not accept, that we have capital in different forms. We have capital in the form of our corporate base. It is legitimate to sell down part of that capital—in this instance, capital in a telecommunications company—and reinvest it in another, what we would say is more important in terms of government responsibility, area, that being natural capital. We deliberately chose these words to bring home this message. We think that it is still the best way to express what we are really seeking to do.

**Senator BROWN** (Tasmania) (6.05 p.m.)—The problem with that is that it reveals that the government's thinking on this is that the environment is there simply to be used in the best way possible and that is what the planet was created for. The modern materialist society and the economic rationalist push of this age says that we should use the environment. It has the implication that if you cannot use it it is not of any value.

Senator Lees asked during the last delivery whether a river or forests are infrastructure. Of course they are. They are being lined up to be used for factories, office buildings, roads or other forms of what we have conventionally known as infrastructure. Nature is of no greater significance. Occasionally you can put your hand on the left side of your chest and say, 'We have to remember the values of the heart as well,' so that you cover that territory. From my beliefs and the Australian Greens' point of view, referring to the natural environment as capital infrastructure reveals just how far off line this government is when it comes to the environment.

Nature is more than that. It is something that gives us life, gives us everything we have got, without which we could not exist, without which we would not be here. It is our origins, our future, our wellbeing and our potential fulfilment. It is not just capital infrastructure. To have the minister—on a key piece of environmental legislation—equating nature with some other economically dispensable unit is pretty sad. That is the trouble with this terminology. You either see that or you

do not. Sadly, the government does not. I support the opposition's move to call the natural environment 'the natural environment' and not abuse it by calling it 'the natural capital infrastructure'.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (6.08 p.m.)—I ask the minister for clarification. Are you saying, Minister, that a river that flows through an agricultural area and can be used for a purpose that generates a cash flow is capital infrastructure but a river that flows through, say, a forest area and is not tapped for any purpose—not used by agriculture or by a community for its water supply—is not capital infrastructure?

**Senator HILL** (South Australia—Minister for the Environment) (6.08 p.m.)—No, I am not saying that at all and, as per usual, Senator Brown misrepresents what we say to suit his purposes. I interrupted my own thought specifically to make clear to him that environment for the heart is just as important as environment for the maintenance of sustainable agriculture. But what Senator Brown refuses to understand is that both cost money. To maintain the vertical trees that Senator Brown talks about—to keep the weeds out and otherwise preserve and protect them—costs money which has to be raised by governments. As it has turned out, to protect the stream which at the moment is pumping salt onto the adjoining agricultural property costs money as well. We see all that as part of Australia's natural capital infrastructure for both the heart and material wellbeing. The distinction between us and Senator Brown is that we face up to the reality that the heart alone is not going to sustain the Australian community with the benefits it is entitled to expect.

**Senator BROWN** (Tasmania) (6.10 p.m.)—In the opinion poll which came out last week—which the minister would do well to read—more Australians thought the environment was of supreme concern rather than the economy per se. For the minister to say that to keep a forest costs money is to show how limited his ability to understand wider environmental issues is. I did say that the minister put his hand to his heart and had one phrase



in the middle of a lot of other explanation about capital infrastructure, but the terminology gives him away. It is an economic rationalist's and a user's piece of terminology, and it is at the heart of the problem that I foresee in the expenditure of this money. Ultimately, it is going to go where you can show there is an economic benefit—that is, money in somebody's pocket—coming out of its expenditure. It is not going to go to the enhancement and protection, as such, of the natural environment of this great country of ours.

There is an irreconcilable difference between the Greens point of view and the coalition point of view on the matter. The minister can warm it up a little by making occasional reference to other values, but the terminology is gross and it quite clearly means what it says: the environment is there to be used, to be valued in dollar terms. It brings to mind that captain of the Canadian logging industry who wanted to invest through Noranda in the Wesley Vale pulp mill in Tasmania back in 1989. He said that the only time a tree had a value was when it was lying flat on the ground and could be measured in dollars. That is approximately the philosophy we are hearing from the other side at this juncture.

Amendment negated.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (6.13 p.m.)—by leave—I move:

- (1) Clause 3, page 3 (line 10), after "to", insert "conserve,".
- (2) Clause 3, page 3 (line 11), omit "capital infrastructure", substitute "environment and prevent its degradation".

I will go over amendment 2 again in a moment. It basically relates to the debate we have just had, and I will be brief. As far as amendment 1 is concerned, we want to insert the word 'conserve' in this clause, to make it clear that this bill is not just about repairing the damage we have inflicted but is also about hanging on to what we still have in relatively good through to pristine condition. The reserve system and the coast and seas sections are clearly about protecting what we already have.

The minister may argue: 'It is already there, do not worry about it'—even if it is there, let us put it in very succinctly and clearly. All we are asking, Minister, is that the word 'conserve' be put in up front. As well as repairing the damage and trying to hold the line and bring us back to the point where our lands and our seas are in reasonable condition, let us also make sure that we conserve what is there. One of the great dangers with your forestry policy is that people will be flattening the forests remaining on their private land to plant plantations of Eucalyptus nitans and blue gums—using Tasmania as an example. As we deal with this bill, we need to make sure that we conserve what is already there, as well as trying to repair the damage that is done. Amendment 2 concerns the same argument we have just had. It takes out the term 'capital infrastructure' and replaces it with 'environment and prevent its degradation'.

**Senator HILL** (South Australia—Minister for the Environment) (6.14 p.m.)—With regard to the second half, we have just had that debate and the vote. With regard to the first half, I would be prepared to concede that and insert the word 'conserve'. There is no reason at all why that should not be there in my view. A significant part of this fund, although Senator Brown will never believe it, will actually go into conservation.

**The CHAIRMAN**—Under those circumstances, I will put the two amendments separately. The question is that amendment No. 1 be agreed to.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (6.15 p.m.)—The opposition, too, will support amendment No. 1—I am pleased that the government has seen fit to support that—and, on the strength of the argument of Senator Lees, will also support amendment No. 2, whose fate I think is sealed.

**Senator BROWN** (Tasmania) (6.15 p.m.)—I also support the amendment.

Amendment No. 1 agreed to.

Amendment No. 2 negated.

**Senator HILL** (South Australia—Minister for the Environment) (6.16 p.m.)—I move:

The the House of Representatives be requested to make the following amendment:

- (2) Clause 9, page 7 (after line 2), insert:
- (ea) environmental protection (as defined by section 15), being environmental protection that involves the carrying out of a project, or a program, the primary objective of which is to maintain or replenish Australia's environmental infrastructure;
  - (eb) supporting sustainable agriculture (as defined by section 16), being support that involves the carrying out of a project, or a program, the primary objective of which is to maintain or replenish Australia's environmental infrastructure;
  - (ec) natural resources management (as defined by section 17), being natural resources management that involves the carrying out of a project, or a program, the primary objective of which is to maintain or replenish Australia's environmental infrastructure;

This is a request to clause 9, which broadens a little the definition of—I hesitate to say this, because Senator Lees will start shaking again—the valid expenditure of the proceeds from the partial privatisation of Telstra. This is to include—I will not read it all out—areas of environmental protection where the purpose is to maintain or replenish environmental infrastructure; supporting sustainable agriculture where the object is to maintain or replenish environmental infrastructure; and natural resources management where the purpose is to maintain or replenish Australia's environmental infrastructure.

It is to give a little further flexibility in expenditure of the fund. Deliberately, this bill has been drafted in somewhat restrictive terms, but we think that the little extra flexibility that is proposed by virtue of this request is warranted.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (6.18 p.m.)—Perhaps Senator Hill could explain to the committee what caused the government to rethink this issue and why this particular proposal was not included in the first place. I would just be interested to know this.

**Senator HILL** (South Australia—Minister for the Environment) (6.18 p.m.)—To be frank, out of the process of the last debate on

the partial sale of Telstra, we managed to increase the fund somewhat. Therefore, in those circumstances of a larger fund, we believed that some further flexibility in expenditure—although within the specified bounds—was warranted.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (6.19 p.m.)—I will just indicate that the opposition will support this request. It does appear rather self-explanatory; it is rather obvious. It is not at all clear to me why it was not included in the first place. But, given the strength of the minister's arguments, I have been absolutely convinced by him.

Request agreed to.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (6.20 p.m.)—by leave—I move:

- (1) Clause 9, page 6 (line 25), after "Telstra", insert "**and interest earned from the Trust**".
- (2) Clause 9, page 7 (line 3), after "ancillary to", insert ", but in strict accordance with,".
- (3) Clause 9, page 7 (lines 7 to 10), omit the note, substitute:
  - (2) Money in the Reserve that represents interest earned by the Trust may be debited for any purpose of the Reserve.

Amendments Nos 2 and 4 are drawn from the Senate committee's report, which indicated that there was no reference in the bill to the interest earned from the trust and recommended that the bill include a specific reference to interest earned by the trust being used only for purposes of the trust. Amendment No. 3 also tightens up the eligibility criteria for the allocation of the funds to ensure that funds are only directed to the five listed initiatives. I think this improves the drafting of the bill and I commend these three amendments to the Senate.

**Senator BROWN** (Tasmania) (6.21 p.m.)—I support these amendments.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (6.21 p.m.)—I will also be supporting the amendments. I just make the point that these are extensions of something that we are trying to do throughout the bill; that is, make it more accountable. In particular, I note the amend-

ment that brings the trust back before parliament in five years and gives us a chance to have another look at it. Therefore, we will be supporting these amendments.

**Senator HILL** (South Australia—Minister for the Environment) (6.22 p.m.)—I have only just seen these amendments.

**Senator Faulkner**—What have you been doing all day?

**Senator HILL**—They were handed to me 15 minutes ago at the start of this committee stage debate. I am not sure when they became available.

**Senator Faulkner**—I tell you what, they were available before the government amendments.

**Senator HILL**—I suspect that is when they became available. I have always been very cautious of anything the opposition advocates. On the run, I do not see any problems with opposition amendment No. 2.

**Senator Ian Macdonald**—I don't think we have seen these before at all.

**Senator HILL**—No, we have not. We are seeing them for the first time. Clause 9, page 7, line 3—

**Senator Faulkner**—Ha, ha.

**Senator HILL**—How do you expect me to do it if I just get handed these for the first time?

**Senator Faulkner**—Would you like me to help? If you would like to leave them over the dinner break, if you have a problem, I would be more than happy—

**Senator HILL**—I do not know that I have a problem. I am just reading them for the first time.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (6.24 p.m.)—If you are suggesting that you need a little more time, let me assist you by suggesting that if it requires the dinner break to look at this amendment or any other amendment that has been circulated—I am surprised that you have not been able to—

**Senator Hill**—Pick it up quite as quickly as you would expect.

**Senator FAULKNER**—I understand that, Senator Hill. You cannot expect to be as on the ball as I am. I would be happy to facilitate the work of the committee to allow the government time to consider that and perhaps, with leave of the committee, move on to a few of the other amendments.

**Senator HILL** (South Australia—Minister for the Environment) (6.24 p.m.)—I have to say that, having now read the amendments, I really have a lot trouble seeing their purpose. The heading in clause 9 would be changed so that there would be debits of proceeds from the partial privatisation of Telstra and 'interest earned from the trust'. That is self-evident. But, nevertheless, if it makes it clearer I cannot see any reason why that change could not be accepted.

I think the next change is a nonsense because it then provides that it will be a purpose incidental and ancillary to 'but in strict accordance with'—these are words that are being added. They are totally superfluous words that Senator Faulkner, in my respectful view, is suggesting be added. The provision that we have included in the bill is quite clear and unambiguous. If it is not one of the specific purposes as outlined, it is a purpose incidental or ancillary to any of the other purposes. I do not think anything would be gained by adding Senator Faulkner's extra words.

In relation to his amendment No. 3, again, they seem to me to be superfluous words. They are:

Money in the Reserve that represents interest earned by the Trust may be debited for any purpose of the Reserve.

However, if we do not have some compromise, we will be here until Christmas. I would be prepared to accept amendments Nos 1 and 3, but not amendment No. 4.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (6.26 p.m.)—Let me say that is most—

**Senator Hill**—Two out of three.

**Senator FAULKNER**—That is terrific arithmetic, Senator Hill—two out of three. That is most generous of Senator Hill to accept amendments that were recommended

by the Senate Environment, Recreation, Communication and the Arts Legislation Committee on which there is a government majority to which he referred the bill. Most generous, Senator Hill. I am sure we all take note of your generosity.

Amendments 1 and 3 agreed to.

Amendment 2 negatived.

**Senator BROWN** (Tasmania) (6.27 p.m.)—  
I move:

(1) Page 5 (after line 6), after Part 2, insert:

**Part 2A—The Natural Heritage Board**

**7A Natural Heritage Board**

- (1) There is to be a Natural Heritage Board, which, subject to subsection (3), is to consist of 7 members, including the Chairperson.
- (2) The members of the Board, including the Chairperson, are to be appointed by the Minister.
- (3) In appointing members of the Board, the Minister must ensure that the Board's membership has an established interest in and demonstrated concern for environmental matters and has expertise and experience relevant to the proper discharge of the responsibilities of the Board.
- (4) The members of the Board, including the Chairperson, hold office on a part-time basis.
- (5) Subject to subsection 7I(3), the performance of the functions or the exercise of the powers of the Board is not affected by reason only of there being a vacancy or vacancies in the membership of the Board.

**7B Responsibilities of Chairperson**

The Chairperson of the Board is responsible to the Minister for:

- (a) reporting to the Minister; and
- (b) the efficient and orderly operation of the Board.

**7C Responsibilities of Board**

The Board is responsible for the disbursement of funds from the Reserve in accordance with the objectives set out in its charter (see section 8).

**7D Term of office**

- (1) Subject to this Act, a member of the Board appointed under section 7A holds office for such period not exceeding 3 years as is specified in the instrument of

appointment, but is eligible for re-appointment.

- (2) A person shall not hold office for a continuous period exceeding 6 years.
- (3) A person who has held office for a continuous period of 6 years is not eligible to be again appointed for a term of office commencing within 2 years after the expiration of that period.

**7E Remuneration**

- (1) A member of the Board is to be paid such remuneration and allowances as the Remuneration Tribunal determines [but, if no determination of that remuneration by the Tribunal is in operation, a member, including the Chairperson, is to be paid such remuneration as the Minister determines in writing].
- (2) This section has effect subject to the *Remuneration Tribunal Act 1973*.

**7F Resignation**

A member of the Board, including the Chairperson, may resign by giving a written notice of resignation to the Minister.

**7G Termination of office**

- (1) The Minister may remove a member of the Board from office:
  - (a) for misbehaviour or physical or mental incapacity; or
  - (b) if the member is absent, without the approval of the Board, from 3 consecutive meetings of the Board; or
  - (c) where the member of the Board is the Chairperson of the Board—if the member is absent, without the approval of the Minister, from 3 consecutive meetings of the Board.
- (2) If a member of the Board fails without reasonable excuse to comply with section 7J, the Minister must terminate the appointment of the member.

**7H Acting Chairperson**

- (1) The Minister may appoint a person to act as Chairperson of the Board:
  - (a) during a vacancy in the office of Chairperson, whether or not an appointment has previously been made to the office; or
  - (b) during any period, or during all periods, when the Chairperson is absent from duty or from Australia or, for any reason, unable to perform the functions of the office of Chairperson;

but a person appointed to act during a vacancy shall not continue so to act for more than 12 months.

- (2) The Minister may:
  - (a) determine the terms and conditions of appointment, including remuneration and allowances, of an Acting Chairperson; and
  - (b) at any time terminate such an appointment.
- (3) Where a person is acting as Chairperson in accordance with paragraph 1(b) and the office of Chairperson becomes vacant while that person is so acting, that person may continue so to act until the Minister otherwise directs, that vacancy is filled or a period of 12 months from the date on which the vacancy occurred expires, whichever first happens.
- (4) The appointment of an Acting Chairperson ceases to have effect if the person resigns the appointment by writing signed by the person and delivered to the Minister.
- (5) At any time when a person is acting as Chairperson of the Board the person has, and may exercise, all the powers and shall perform all the functions of the Chairperson.
- (6) The validity of anything done by the Acting Chairperson must not be called in question on the grounds that the occasion for the person's appointment had not arisen or that the appointment had ceased to have effect.

#### 7I Meetings

- (1) The Board may hold such meetings as are necessary for the performance of its functions but must meet no fewer than 3 times in each year.
- (2) The meetings of the Board must be convened by the Chairperson.
- (3) At a meeting of the Board, a quorum is constituted by 7 members of the Board.
- (4) The Chairperson must preside at all meetings of the Board at which he or she is present.
- (5) If the Chairperson is not present at a meeting of the Board, the members present must elect one of their number to preside at the meeting.
- (6) Questions arising at a meeting of the Board must be determined by a majority of the votes of the members present and voting.

- (7) The person presiding at a meeting of the Board has a deliberative vote and, in the event of an equality of votes, also has a casting vote.
- (8) In this section, *Chairperson* includes Acting Chairperson.
- (9) If the Board so determines, a member of the Board may participate in, and form part of a quorum at, a meeting of the Board by means of any of the following methods of communication:
  - (a) telephone;
  - (b) closed circuit television;
  - (c) another method of communication determined by the Board.
- (10) A determination by the Board under subsection (9) may be made in respect of a particular meeting, or in respect of all meetings, of the Board.
- (11) A member of the Board who participates in a meeting as provided by subsection (9) is taken for the purposes of this Act to be present at the meeting.
- (12) If the Board so determines, a resolution must be taken to have been passed at a meeting of the Board if, without meeting, a majority of the number of members who would, if present at a meeting of the Board and entitled to vote on the resolution at that meeting, have constituted a quorum of the Board indicate agreement with the resolution in accordance with the method determined by the Board.

#### 7J Disclosure of interest

- (1) A member of the Board who has a direct or indirect pecuniary interest in a matter being considered or about to be considered by the Board shall, as soon as possible after the relevant facts have come to his or her knowledge, disclose the nature of the interest at a meeting of the Board.
- (2) A disclosure under subsection (1) shall be recorded in the minutes of the meeting of the Board and the member must not:
  - (a) be present during any deliberation of the Board with respect to that matter; or
  - (b) take part in any decision of the Board with respect to that matter.

The first amendment of the Australian Greens is to establish a natural heritage board which is independent. The second amendment is to give objectives to the board which we believe

should apply to the ministers if they remain in effect the board. I commend this to the committee as a major amendment. We are moving to have the environmental expertise that is available in this country given some clout in determining where this money should go in its proper job of protecting or repairing the environment in this country.

As I said earlier today in the Senate, we do not believe that can be done by two ministers calling themselves the ministerial board, as it is to become. There is a huge amount of money involved, something like \$1¼ billion over the next five years. When we look at some analogous institutions in this country—the ABC, the CSIRO and the Australia Council—we see that there are boards which have proven to be of enduring value, at least at arm's length from—

**Senator Faulkner**—The Civil Aviation Safety Authority.

**Senator BROWN**—I was about to say at least at arm's length from the minister—and able without fear or favour, hopefully to ensure that the best value comes out of the expenditure of the taxpayers' dollar, because that is what this is. But that is not the case with this legislation as it stands. The board will consist of the Minister for the Environment—Senator Hill, first up—and the minister for agriculture, Mr Anderson from the other place.

**Senator Faulkner**—Mr Anderson's got the numbers on that.

**Senator BROWN**—The Leader of the Opposition interjects that Mr Anderson has the numbers.

**Senator Hill**—Cruel.

**Senator BROWN**—And the Minister for the Environment says, 'Cruel.' But the cruelty is to the environment because he is dead right: if he were to have some environmental input coming from the minister in this place, he would be able to veto it and it would at least go to cabinet. From the record of this minister it may even be that it is Mr Anderson who ends up trying to defend environmental interests when it comes to the debate of this board.

**Senator Hill**—He will.

**Senator BROWN**—The Minister for the Environment says he will. What an admission. Out of his own mouth comes this admission that the Minister for Primary Industries and Energy, Mr Anderson, is going to have a job getting this Minister for the Environment back onto his responsibilities in the environment. Enough said.

That aside, the country needs protecting from the ministers but they need protecting from themselves. As it stands, this is a potential rot in the making; it is a slush fund. I have just discovered and announced today that the back-up at state level, which one might have thought would level some influence on these ministers, is in effect worse because down in Tasmania, which as we know is going to get a handy allocation of this money, the advisory group to advise these two ministers and to work out where the money will be spent in Tasmania has no environmental expertise whatsoever, is not in the Department of Environment and Land Management and, in the case of Mr Ken Felton, lately of Forestry Tasmania, has been hostile to environmentalists for decades.

**Senator Faulkner**—The meetings will be quick. Hilly will just agree with everything Anderson says. It will be over in two minutes.

**Senator BROWN**—And he will go on with this nonsense that they are getting environmental expertise and if something goes wrong it is Tasmania's fault.

I only wish Senator Harradine were here to be debating the merits of what is going on in Tasmania because it is very insidious as far as environmental well-being and interest in our state is concerned. Someone who is a bete noire of the environment and environmentalists has been appointed to the key position of advising these two ministers about what is good for the Tasmanian environment.

As we know from looking at this bill, it is not confined to spending money on the environment. Clause 17, which we will come to a bit later, makes clear the intention that it could be spent on land use, on the use of the waters and the atmosphere. I would be interested to know whether the minister thinks that the environmental capital infrastructure includes quarries, mines, dams and clear-

felled forest areas because there is no indication that they are off limits for spending as far as this bill is concerned as it stands at the moment.

There ought to be some checks in the bill. All parties and contingents on this side are pointing to the need for that. I submit to the committee that the best way for us to do that is to ensure that a board is set up which has expertise in the field. We have even been prepared to go so far as to allow the minister to appoint that board—because, under the Westminster system, it is very difficult to do anything else. It might be much better for the Senate or the parliament as a whole to be given charge of that—but you cannot work things that way.

What we want is a board which has a membership made up of at least people who have the following characteristics:

... an established interest in and demonstrated concern for environmental matters and has expertise and experience relevant to the proper discharge of the responsibilities of the Board.

Minister, this would be a safeguard for you. I would like to hear what argument there is against it. We are not talking about token amounts; we are talking about \$1 billion plus of taxpayers' money and we are talking about the national environment. This money ought to be disbursed with some independence and known expertise. The right thing ought to be seen to be done.

I am amazed that the government, in its wisdom, has not established such a board—but, clearly, that wisdom is lacking. We put forward this pivotal amendment to this legislation to at least try to get towards ensuring that environmental expertise has a say at the outset and at the end of the day in determining where this vital disbursement of funds goes.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (6.37 p.m.)—The Australian Democrats will be supporting this amendment. It is one of the major recommendations of the Senate committee that such a board be set up—a board with a range of different expertise and a board that can openly make recommendations and give the minister advice. He or she can

choose to accept or reject that advice, but at least it would all then be out in the open and we can have some explanations as to why particular advice was followed and other advice was rejected.

There are very real dangers in the way this legislation is setting up the management of the fund, and one of the brakes, one of the checks and balances, that is most important is the setting up of this board. So I ask the minister to consider very carefully—in this case it is his position but maybe with future ministers it will be her position—how the justification is going to be made to the public as to which programs merited support and which programs were not worthy of consideration, unless you have an open and public process with a board of the level of expertise that we are looking at here to advise.

**Senator HILL** (South Australia—Minister for the Environment) (6.39 p.m.)—This amendment is not for an advisory board; this is to establish a board that will be responsible for disbursing funds. It would be passing the responsibility of government over to some third party, and we are opposed to that. We have an old-fashioned view that those who raise public money ought to be responsible for its expenditure.

We are putting in place processes of evaluation of the various projects. There will be evaluations at regional levels and at state levels—an exhaustive process of evaluation. But, in the end, responsibility should stop with government and government should therefore have the responsibility for the expenditure. That is why we have structured it as we have, and we still think it is the correct way. As I recall it, basically that principle was supported by the Senate committee that considered the matter.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (6.39 p.m.)—After due consideration, the opposition has decided to support the Greens' amendment to establish a natural heritage trust board which consists of seven nominees of the minister for the environment, each with expertise and experience relevant to the trust's goals and objectives.

The objective of the board would be to allocate the funds from the reserve in accordance with the purposes of the reserve listed in clause 8 of the bill and to provide a forum for consultation on all matters relating to the responsibility of the trust. The board would also be required to provide the minister for the environment with an annual report on the operation of the trust.

The establishment of an independent board which includes people with expertise in the environment and sustainable agriculture would ensure greater accountability and transparency of the trust's operations. The bill currently provides for a board that we have heard from the minister as comprising him and the Minister for Primary Industries and Energy. That board apparently is to provide a forum for consultation between the two ministers.

I think it would really just be an exercise in Senator Hill going along and getting his riding instructions from Mr Anderson and the National Party, because he has been absolutely dominated in every single internal government forum and process that has been in place since this coalition government was elected. He has an absolutely perfect score in being rolled by Mr Anderson and Senator Parer on all issues of consequence to the environment—an absolutely perfect score. I have no doubt, Senator Hill, that you are very unlikely to break your duck in relation to the level of influence that you have in this government.

I think it is very clear that an independent board would guard against the reserve being used for purely political purposes and would ensure that money was allocated on the basis of need. Frankly, the bill currently does not have any guarantees that funds will be disbursed on the basis of need. A board would also provide leadership and direction which this trust fund clearly lacks.

The *Guide to Community Group Applications* document, the glossy document which the government released last week on the natural heritage trust, provides, as I see it, no leadership or direction for the trust whatsoever.

**Senator Hill**—Didn't you read it?

**Senator FAULKNER**—I have some questions to ask you about that at a later stage, Senator Hill. I do not know whether we will detain you today on those or just leave it for the estimates committee. But there are some interesting questions, and I wanted to just give you that little forewarning—

**Senator Hill**—Chance to swot up.

**Senator FAULKNER**—Yes, swot up on it, if you like. It does not seem to make much difference with you, but a little bit of forewarning cannot go astray. You never know, you might be able to help us. That document just seems to list off the types of projects that community groups could receive funding for. There is no indication of priority or of how projects would be judged.

I must say to the minister at the table that the document did seem to me to somewhat pre-empt decisions of the parliament. I suppose it is an indication of a touch of arrogance to release such a document before the legislation has even passed through the parliament. But you can explain yourself in that regard a little later perhaps, Senator Hill.

There is a need for this trust to include accountability and transparency measures. It is a most important need that I do not think can be underestimated. Unless very strong accountability mechanisms are included in the bill, the trust funds will not be directed on a needs basis to address the very serious environmental problems that face Australia. Of course, the concern is there that this government will act in a purely political way in relation to the activities, without this sort of mechanism in place.

As I said, I just have absolutely no confidence at all in Senator Hill and Mr Anderson working together. I use the word 'together' advisedly because they do not seem to have the capacity. I do not know how they can sit in a room together. They always seem to be fighting and spatting about different things but, then again, Senator Hill just rolls over at the end of the debate or the argument. It is a most interesting approach for the Minister for the Environment to take.

I would like to see a more feisty Minister for the Environment than you, Senator Hill—



someone who would be willing to actually stand up and fight every now and again for the environment. I cannot say, 'Fight for what you believe in,' because you do not seem to believe in very much in relation to this portfolio at all. I was very interested to read in the *Australian* newspaper that you were looking for a change of portfolio. You are desperately trying to move in on Mr Downer.

*Senator Chris Evans interjecting—*

**Senator FAULKNER**—Not after his experience in Boothby. I think that is very unlikely. I think it would be a good thing for the Australian environment if you became the Minister for Foreign Affairs, Senator Hill, because we need an environment minister to stand up and be counted and be willing to take up the cudgels on behalf of the protection of the environment. It is important.

I know it is a laughing matter to you, but others in the community actually think it is important and I do not think any fair minded person could have any faith in a board comprising you and Mr Anderson—Senator Hill and Mr Anderson, a board responsible for the Natural Heritage Trust of Australia. That is a real worry. I think the arguments for establishing a Natural Heritage Trust Board which consists of seven nominees of the Minister for the Environment—and you will be pleased to see that I acknowledge it is important that the Minister for the Environment deserves a role there—is a step in the right direction.

I think you need that sort of help and support, Senator Hill. It would be a sensible thing for you to embrace this amendment. You might be able to actually throw a few back against Mr Anderson in relation to these internal battles. We have an environment minister who does not seem to be able to win any battles in debates with his ministerial colleagues or in the cabinet. This is a very, very important accountability mechanism. It is a step in the right direction. It will be very useful in terms of a consultative mechanism and, for those reasons, I support the amendment.

Question put:

That the amendment (**Senator Brown's**) be agreed to.

The committee divided. [6.53 a.m.]

(The Chairman—Senator M.A. Colston)

Ayes . . . . .	33
Noes . . . . .	35
Majority . . . . .	<u>2</u>

AYES

- |                   |                |
|-------------------|----------------|
| Allison, L.       | Bishop, M.     |
| Bourne, V.        | Brown, B.      |
| Carr, K.          | Childs, B. K.  |
| Collins, J. M. A. | Collins, R. L. |
| Conroy, S.        | Cook, P. F. S. |
| Cooney, B.        | Crowley, R. A. |
| Denman, K. J.     | Evans, C. V. * |
| Faulkner, J. P.   | Foreman, D. J. |
| Forshaw, M. G.    | Gibbs, B.      |
| Hogg, J.          | Kernot, C.     |
| Lees, M. H.       | Margetts, D.   |
| McKiernan, J. P.  | Murphy, S. M.  |
| Murray, A.        | Neal, B. J.    |
| O'Brien, K. W. K. | Ray, R. F.     |
| Reynolds, M.      | Sherry, N.     |
| Stott Despoja, N. | West, S. M.    |
| Woodley, J.       |                |

NOES

- |                     |                    |
|---------------------|--------------------|
| Abetz, E.           | Boswell, R. L. D.  |
| Brownhill, D. G. C. | Calvert, P. H. *   |
| Chapman, H. G. P.   | Colston, M. A.     |
| Coonan, H.          | Crane, W.          |
| Eggleston, A.       | Ellison, C.        |
| Ferris, J.          | Gibson, B. F.      |
| Harradine, B.       | Heffernan, W.      |
| Herron, J.          | Hill, R. M.        |
| Kemp, R.            | Knowles, S. C.     |
| Macdonald, I.       | Macdonald, S.      |
| MacGibbon, D. J.    | McGauran, J. J. J. |
| Minchin, N. H.      | Newman, J. M.      |
| O'Chee, W. G.       | Parer, W. R.       |
| Patterson, K. C. L. | Reid, M. E.        |
| Short, J. R.        | Tambling, G. E. J. |
| Tierney, J.         | Troeth, J.         |
| Vanstone, A. E.     | Watson, J. O. W.   |
| Woods, R. L.        |                    |

PAIRS

- |                |                  |
|----------------|------------------|
| Lundy, K.      | Alston, R. K. R. |
| Mackay, S.     | Ferguson, A. B.  |
| Schacht, C. C. | Campbell, I. G.  |

\* denotes teller

(Senator Bolkus did not vote, to compensate for the vacancy caused by the death of Senator Panizza.)

Question so resolved in the negative.

**Senator BROWN** (Tasmania) (6.57 p.m.)—  
I move:

- (2) Clause 8, page 6 (lines 3 to 24), omit the clause, substitute:

**8 Objectives of the Board and purposes of the Reserve**

- (1) In disbursing funds from the Reserve, the objectives of the Board are:
- (a) to protect and conserve the natural environment of Australia;
  - (b) to assist the Australian Government in implementing Australia's obligations under international conventions for the protection of the environment.

Note: International conventions under which Australia has obligations include the Convention for the Protection of the World Cultural and Natural Heritage, a copy of the English text of which is set out in the Schedule to the *World Heritage Properties Conservation Act 1983*, the Convention on Wetlands of International Importance especially as Waterfowl Habitat, adopted on 2 February 1971 by the International Conference on the Conservation of Wetlands and Waterfowl held at Ramsar, Iran, the Convention on Biological Diversity and the United Nations Framework Convention of Climate Change.

- (2) The purposes of the Reserve are as follows:
- (a) the National Vegetation Initiative;
  - (b) the Murray-Darling 2001 Project;
  - (c) the National Land and Water Resources Audit;
  - (d) the National Reserve System;
  - (e) the Coasts and Clean Seas Initiative;
  - (f) environmental protection (as defined by section 15);
  - (g) supporting the sustainable management of agricultural land (as defined by section 16);
  - (h) a purpose incidental or ancillary to any of the above purposes;
  - (i) the making of grants of financial assistance for any of the above purposes;
  - (j) an accounting transfer purpose (as defined by section 18);
  - (k) remuneration and allowances for the Chairperson and members of the Board (see section 7E).

Note 1: After the commencement of the *Financial Management and Accountability Act 1996*, subsection 20(5) of that Act provides that money in the Reserve may be debited for the purposes of the Reserve.

Note 2: Before the commencement of the *Financial Management and Accountability Act 1996*, subsection 62A(6) of the *Audit Act 1901* provides that money in the Reserve may be expended for the purposes of the Reserve.

Amendment No. 2 from the Greens sets out the objectives of the board. Let me reiterate to the committee what the board is. It is really two ministers, the Minister for the Environment (Senator Hill) and the Minister for Primary Industries and Energy (Mr Anderson). As the bill stands, it seems that they arbitrate on where the money goes. They have vague directions. We believe that that is far from good enough.

In this amendment, we set out some objectives for those two ministers to follow. These include the protection of Australia's natural environment; that would seem obvious enough, but it is not confined to that as far as this legislation is concerned. Others are to carry out Australia's international obligations under international treaties such as the world heritage convention, Ramsar for the protection of biodiversity and the protection of wetlands, and international treaties for the protection of biodiversity. The guidelines also implement government election promises on such things as the Murray-Darling, the natural vegetation initiative and the national reserve system and so on.

One would expect that the government would support this amendment. Basically, it is putting in place what the government says is its intent. It might confine it a bit. It might not leave open natural resources management to the wide interpretation which no doubt these ministers will give it further down the line, where they can later channel money into logging, mining and damming operations and all manner of things, even the removal of natural vegetation. But it does give effect to the mouthings of the government, including

the Prime Minister (Mr Howard), on the commitment they say they have to the environment and to this money reaching the environmental wellbeing of this country.

I recommend this amendment. It will give some security to these ministers. They ought to be welcoming it. I hope that Senator Harradine might even vote for this part. He is very strong on public accountability, and you cannot have accountability if you do not have guidelines and you do not know where you are going. So I commend this amendment to the committee. I will be looking for the support of the committee and seeing a change made to the bill.

**Sitting suspended from 7.00 p.m. to 8.00 p.m.**

**The CHAIRMAN (Senator McKiernan)**—Order! The committee is considering the Natural Heritage Trust of Australia Bill 1996 and amendment No. 2 moved by Senator Brown for the Australian Greens.

**Senator Faulkner**—I rise on a point of order. The minister could show the committee and the Senate the respect of actually attending. Is it too much to ask that the minister who is asking the Senate to deal with this legislation should have the decency to come into the chamber?

**Senator O'Chee**—Senator Faulkner must be a little excitable after dinner. Maybe he had too much red jelly or something. He appreciates, as we all do, that sometimes it is not possible to be exactly where you want to be at any given point in time. Senator Faulkner, when he was minister, would sometimes be in a rush to get into the chamber, and that is the case on this particular occasion. For Senator Faulkner to suggest that Senator Hill does not consider the—

**The TEMPORARY CHAIRMAN**—Order! Senator O'Chee, are you speaking to a point of order?

**Senator O'Chee**—Yes, I am.

**The TEMPORARY CHAIRMAN**—I would appreciate it if you could point out to me the point of order.

**Senator O'Chee**—The point of order quite simply is frivolous because there is nothing in

the standing orders that requires anybody to be here at any particular time, save that there be a quorum in the chamber.

**The TEMPORARY CHAIRMAN**—There is no point of order.

**Senator BROWN (Tasmania) (8.02 p.m.)**—It is quite extraordinary that the minister was not here and that the government could not even provide a second speaker on this monumental piece of legislation before question time today. It just shows what a cavalier attitude the government has to what is supposed to be its centrepiece legislation as far as the environment is concerned.

Before the dinner adjournment I was pointing to the need for the board, which will consist of the minister purportedly responsible for the environment and the minister for agriculture, to have direction. This amendment from the Greens gives at least some direction. It provides that in the disbursement of the funds from the reserves the objectives of the two ministers, who are called, curiously, 'a board' from here on, are:

... to protect and conserve the natural environment of Australia—

I cannot see why the minister or the government would object to that—

... and to assist the Australian Government—  
themselves—

in implementing Australia's obligations under international conventions for the protection of the environment.

I am sure that is something they would all agree with too, at least in their presentation to the public.

The second component of the purposes outlined here is that of the reserve itself. The amendment says, in effect, that the money should be aimed at a list of eight or 10 objectives, including the national vegetation initiative, the Murray-Darling 2001 project, the national reserve system, the coasts and clean seas initiatives and so on. These are the government's own election promises. What we have here is a set of objectives for the board which reflect either the government's own position or Australia's accepted obligations under international conventions. It could not be much clearer or more self-evident that

everybody in this place should be supporting that. Minister, will you be supporting this? If not, why not?

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (8.04 p.m.)—Minister, which particular part of this amendment do you have any disagreement with? Is there anything here that you do not think should be an objective of the board?

**Senator HILL** (South Australia—Minister for the Environment) (8.05 p.m.)—I obviously do not object to the second part of the amendment because it simply repeats what is already in the bill. But, as I read it, unless there is a trick in here somewhere, the real point is in relation to the first substantive amendment, which is to state an objective of the board to 'protect and conserve the natural environment of Australia'. I would submit that that is in fact already in the bill but in a much more comprehensive form.

If the honourable senator reads clause 8, it sets out the purposes of the reserve, such as the national vegetation initiative. Then if he reads on to the relevant part of the bill he will find out what the natural vegetation initiative is and the primary objective of it. That one is under clause 10, and the objective is to reverse the long-term decline in Australia's native vegetation cover by conserving remnant vegetation, conserving Australia's biodiversity and restoring by means of revegetation the environmental values, et cetera. In the same way the Murray-Darling project is defined, as is the land and water resources project. You can find the national reserve project under clause 13, which says:

For the purposes of the Act, the primary objective of the National Reserve System is to assist with the establishment and maintenance of a comprehensive, adequate and representative system of reserves.

In other words, what Senator Brown is seeking is already in the bill but in a much more comprehensive form. So I see no point in that addition at all.

The second substantive amendment states that the objectives of the board are to assist the Australian government to implement Australia's obligations under the international conventions. That is different because we

have not included that in the bill. That is not our intention.

**Senator Brown**—Oh, it's not?

**Senator Hill**—No, it is primarily not our intention in this bill. Our intention, as is set out in clause 8, is to implement a whole series of initiatives. But, Senator Brown, the point is that if we do that—for example, if we implement the national reserve system, if we implement our coasts and clean seas initiative, and I could go through this whole list—what we will then be doing is complying with our international obligations. But we are not doing it because of an obligation to comply with international obligations; we are doing it because of our desire to protect and enhance the Australian environment. So you have gone off on a tangent that you might think is the way to go, but it is not the way that we thought was necessary to implement this program.

**Senator BROWN** (Tasmania) (8.08 p.m.)—It is not the way to go, because you are breaking international agreements all over the place.

**Senator Hill**—Of course we're not.

**Senator BROWN**—'Of course we're not,' he says. But, for example, you have licensed the clear-fell destruction of world heritage value forests in Tasmania, not only recognised as such by domestic authorities but accredited as such by the International Union for the Conservation of Nature, the world conservation union, and other experts who are advisers to the World Heritage Bureau itself, which adjudicates on these matters. It has called on successive Australian governments to include these areas, which are being woodchipped by you, as part of the world heritage in Tasmania.

It was you who were standing up in this Senate just two weeks ago trying to defend the indefensible regarding Port Lillias in Victoria, where there are wetlands protected under the Ramsar international agreement which you wanted to shave out to allow for the placement of chemical facilities there. As you are going to be half of the board under this legislation, it would be very wise indeed if, under an objective by this Senate, you

were asked to fulfil the international obligations this country has to the environment. But your record is one of breaking international conventions on the environment. Your record is reprehensible. It is disgusting from the point of view of international environmental obligations, let alone your shedding of your responsibility to the states—maverick states—in relation to national obligations to not only protect known world heritage areas but discover and nominate areas of world heritage value which are as yet unprotected. You are truant on your own record of 12 months and repeatedly truant in breaking international conventions on the environment. Staring into space is not going to get you anywhere in terms of coming to grips with that. That is why we have to have it in this legislation—

**Senator Hill**—You just invent all this, don't you?

**Senator BROWN**—You can get up and defend yourself. You have the opportunity to.

**Senator Hill**—It's a waste of time.

**Senator BROWN**—Of course you won't. Of course it's a waste of time, because you can't.

**Senator Hill**—You have never listened to rational argument; you never have and you never will.

**Senator BROWN**—The interjector opposite might also say that the objectives as outlined here are prescriptive in terms of what is already in the bill. Let us go to clause 8, to which he referred. Under clause 8(h) we find that the purposes of the reserve—that is, the money set aside for protecting the national environment—include 'natural resources management (as defined by section 17)'. If you flick across to clause 17 you will find that the money can be spent on 'natural resources management', which means:

. . . any activity relating to the management of the use . . . of . . .

- (i) soil;
- (ii) water;
- (iii) vegetation—

**Senator Hill**—'Development or conservation.'

**Senator BROWN**—'Development or conservation.'

**Senator Hill**—Missed that, did you? A slip?

**Senator BROWN**—Not at all. It is there for everybody and that is what this committee is looking at, and I have referred that to the committee. But let me take the salient point for you to answer. The reserve is to be used for any activity relating to the management of the use of soil, water or vegetation. I ask you categorically: does that mean use in terms of repairing damage done by mining corporations? Does this mean that money can be spent on quarries? Does this mean, for example, that money could be spent on maintaining the Mount McCall Road to the centre of the Franklin River gorge country in the world heritage area of Tasmania? You are going to make a decision on that in the next four weeks.

Your colleague in Tasmania has decided to breach the management plan, to change it. It says, 'in the environmental interest, close this environmentally destructive road.' He is going to use his influence on you—because he knows you are a soft target—to change that plan and have the road, with its environmental consequences, kept open. This was a road that was built to the lip of the Franklin gorge to facilitate the Hydro-Electric Commission building a 200 metre high dam—No. 2 in the Franklin sequence—which would have flooded the great ravine back to the irenabyss on the Franklin River, the gorge country and everything with it, to a depth of 200 metres. I ask you, Minister: can money from this fund under your clause 8, referring to clause 17, be used for the purposes of maintaining such a road, albeit in a world heritage area?

**Senator HILL** (South Australia—Minister for the Environment) (8.14 p.m.)—Certainly if we are talking about, say, revegetating a degraded mine site or the like. As I interpret this legislation that would come within the framework we have set out, which is what I thought you were asking. But then you went on to ask whether it could be used towards maintaining the infrastructure for a commercial development—I think you said a mine

site. Subject to advice, my view is that would be beyond the structure of this bill.

**Senator Brown**—And the Mount McCall Road?

**Senator Hill**—Let me try to define your question in terms that I am comfortable with answering.

**Senator Faulkner**—How can you define the Mount McCall Road?

**Senator Hill**—It depends on what the purpose of it is. I think that tracks could be maintained within the wilderness area—walking tracks, for example, could be maintained under this legislation. If you argue that the Mount McCall Road has values—as I have read in some of the correspondence—for safety, access in the event of emergencies, and that it could be part of the infrastructure of the park, then I guess there would be an argument that it could come within the framework we have before us. It really depends on how you wish to define the road. That is what I am saying. You have moved your position somewhat. If it is in terms of a straight commercial development that has nothing to do with the natural heritage, then I would have thought it was outside the scope of the bill as it now is.

**Senator Brown** (Tasmania) (8.17 p.m.)—Well, there we go. First of all, degraded mine sites get a tick. So if a company comes in to mine an area and they go bust or they do the wrong thing, this fund will be used as the broom and shovel effort after such a mining corporation does the wrong thing.

**Senator Faulkner**—What if it's rehabilitation of the site?

**Senator Brown**—That ought to be an obligation under legislation that no mining company can duck from.

**Senator Faulkner**—But we don't have that legislation.

**Senator Brown**—There is the whole point: this legislation is done in the absence of the government bringing in a proper regulatory authority with teeth in it so that the environment is protected from mavericks and people who will do the wrong thing and so that the public purse is protected as well.

**Senator Hill**—You are against the Commonwealth supporting the Mount Lyell rehabilitation.

**Senator Brown**—Let me put it this way: I feel that the government, particularly the state governments serial—Labor and Liberal—of Tasmania, defaulted badly by allowing the owners of Mount Lyell, who made mega millions out of the mine, to pack up and leave the state without a fund which rehabilitated the environmental damage as far as it could be rehabilitated. But who is paying for that now? The public is because of irresponsible, weak-kneed politicians. I am saying that this fund has the hallmark of being administered by irresponsible, weak-kneed politicians—and you can join that queue if you want to.

**Senator Faulkner**—Two of them, in fact.

**Senator Brown**—Well, one of them at least. The minister himself has said that the minister for agriculture is more likely—to interpret a little bit of a comment before the suspension—to stand up for the environment than he is or at least to call him into line on the environment. That is entirely possible.

If I understood the minister correctly, he was also saying that this legislation can be a broom and shovel operation using public funds to clean up after the Hydro-Electric Commission made a mess in the central Franklin valley and that, moreover, money from this fund in perpetuity, if you like, could go into the maintenance of that road against the environmental values that it threatens. I do not think anybody argues that it is an environmental monster. The argument taken up at state level is that there is money to be made out of keeping that goat track, as it is, open for a couple of commercial operators to make a buck out of—commercial operators like Peregrine who are becoming a disgrace to the concept of ecotourism and responsibility towards the environment. They are the sort of people who are making money out of it.

But that said, I gained from what the minister says, and I would like him to clarify this, that he would be in favour of putting money into keeping up this road which he now calls infrastructure—we have a clearer indication that he just sees infrastructure as

use of the environment—for commercial interests. Now that clearly is not an environmental pursuit; that is a commercial pursuit.

That is why I say you need objectives, Minister: you need at least some definition of where this money is going to go to because you do not know where it is going to. You waffle there on your feet and think you might, under certain circumstances, be able to see a situation in which money could be spent on rehabilitating mines, rehabilitating hydro roads and so on. But it needs definition.

Can I ask you another question: without objectives like the ones we are putting forward in this amendment, could money be spent by the Tasmanian authorities on the upkeep of the so-called 'road to nowhere' through the Tarkine wilderness? The state government spent \$34 million of taxpayers' money on a road that even the *Mercury* columnist, Patsy Crawford, absolutely lambasted in the paper on Sunday as a terrific waste of money and an environmental disaster. It is there; it has been bulldozed through. Could money from this fund end up being used to keep that road patent against the wilderness values and the environmental values of the Tarkine for which that road has an inimical outcome?

**Senator HILL** (South Australia—Minister for the Environment) (8.22 p.m.)—It obviously cannot be used as a substitute for state road funding. Normal infrastructure of that type, that is not linked to the natural infrastructure in the way we have defined it in this bill, does not come within the scope of the bill. So as you put the question, I think the answer would be no.

**Senator BROWN** (Tasmania) (8.23 p.m.)—Let me be more specific. That road has, along its margins where it goes through woodlands, piles of timber brought down in the construction of it. The first time we get an extreme fire danger in that region, one of the arsonists who happen to be thinly but disastrously spread throughout our populace could drop a match in there with horrendous consequences for the largest temperate rainforest in the nation.

If it was put to you that environmental rehabilitation, in terms of doing something

about that fire hazard, should be a priority in Tasmania, because the money on the road did not extend to an environmental outcome, would you be vetoing the use of money on that road to repair or ameliorate some of the environmental hazard which it has occasioned? Secondly, can you specifically rule out money from this fund being used for commercial purposes or to foster commercial interests?

**Senator HILL** (South Australia—Minister for the Environment) (8.24 p.m.)—Dealing with the second question first, again it depends on what you are saying. It is certainly not designed as a sponsorship of commercial enterprise or some sort of subsidy. But part of the philosophy of this program is to give us the capacity to contribute to better off-reserve management for preservation of conservation values than what we have had before. So there will be money under this fund invested off-reserve. If it achieves one of the advantages that I see for it, and that is that it enhances the overall life systems of that off-reserve land, then it might be that a farmer will gain a commercial advantage for that in the future.

I must say with regard to your first question that I found it confused. I know of roads, for example, through important environmental areas where there is significant work necessary on the edges of those roads to preserve and protect the environmental values of the areas that they are passing through. I would have thought that that was within the scope of this bill as well.

You are seeking to define these things in micro-specific terms. It is better to go back, I would respectfully suggest, to the purposes as are set out. If you read the purposes and how they are expanded under clause 8 and expanded in subsequent clauses, you can interpret the scope of the bill just as well as I can.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (8.26 p.m.)—Minister, I think it was Minister Anderson who took a dorothy dixer on the bill in the other place when I was listening during question time. He mentioned employment and he mentioned job opportunities, which no doubt will come with this, and it is

very pleasing to see. But where in the list of priorities, unless we really get down to defining what you are trying to do, does that go? If we have, for example, three different projects in front of us and one has considerably more job opportunities than another, is that where your government is going to go? If you have three projects in front of you and one has a considerable commercial spin-off for, say, a local body, how are you going to sift them all out?

**Senator HILL** (South Australia—Minister for the Environment) (8.27 p.m.)—If two environmentally worthwhile projects are equal except that one has within it greater job opportunities than the other, then I would go for the one with greater job opportunities. What I said earlier was that we are developing a comprehensive system of evaluation so that projects will be tested against each other at the local level and at the state level before they get to us. In fact, at a number of different levels, there will be assessment of the conservation merit of particular projects, of whether the goals are achievable and also, depending on the nature of the project, of their sustainable agricultural perspective. This is not just a bill about conservation; it is a bill about providing, in this area of primary production anyway, a basis for sustainable primary production, which is, by definition, I would argue, primary production that is being carried out in an environmentally responsible way.

**Senator MARGETTS** (Western Australia) (8.28 p.m.)—The minister has reminded me of a debate we had about three years ago. It was about how one makes decisions and how a minister makes decisions about where one allocates funds, and the image of a whiteboard did come up once or twice. I was just wondering, considering how much money is involved, how big the whiteboard will be. Will this process be available for other people to assess, as the coalition insisted the process should have been in relation to the sports rorts affair? Will this be a process where people will be able to see on every level the criteria for which decisions are made? Will there be a process by which people can put in community based submissions, or will it be

totally within a ministerial office and not kept on any records that are available for the Senate, for the parliament or for the community to see later?

**Senator HILL** (South Australia—Minister for the Environment) (8.29 p.m.)—We have been at great pains to put in place a transparent process that is full of checks and balances. There are advisory committees built into this bill. In relation to landcare, obviously NLAC will continue. In relation to the vegetation initiative, the Council for Sustainable Vegetation Management is being set up to advise the minister. This is at another level beyond that of the local and state assessments.

Estimates will have to be published. Annual accounts that set out what has occurred will have to be published. There will also be public scrutiny through the Senate and other places. In the end, it is sometimes not easy to decide between two very commendable projects. We would, in that instance, act upon the best advice we can get.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (8.30 p.m.)—Minister, when will the evaluation system that you speak about be ready? When will we be able to have a look at it? What form will it come in? Will any of it be disallowable? Is it simply something that the government is going to produce in maybe six months time?

**Senator HILL** (South Australia—Minister for the Environment) (8.30 p.m.)—Most of it is being structured under partnership agreements with the states which are being negotiated at the moment. In the first sitting week commencing 4 February there were meetings between Commonwealth and state officials. That process has continued, as I think I mentioned earlier. I had a meeting of state environment ministers here at the end of last week at which we briefed them on this. The state officials are working on these agreements.

These agreements will be public and it is not planned for them to be disallowable instruments as such. The processes will also be public. Within these assessment groups, there will be a wide range of interests represented. There is within this structure an



enormous amount of accountability. As I have said, there will be lots of checks and balances. The main reason for that is that we want to be assured that every dollar is going to gain its greatest benefit. We talk about this being a significant sum of money, which it is, but we also acknowledge that, when you look at the repair job that needs to be done on Australia's natural capital, it will cost a lot more than we are able to invest at the moment. It is important that we get full value for every dollar that is expended. That is what is driving us in this exercise.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (8.32 p.m.)—When talking about our environment, I can assure you that we also wish to see every possible dollar spent in the best possible way, but do you understand the reluctance of some of us to accept that all is going to go incredibly well—we just have to sit back, trust and hope and you will talk about it with the states? Part of the reason we are here spending so much time on the detail of this tonight is that we want to make sure every cent is spent wisely and every cent will hopefully have a multiplier effect in that it goes to the right community groups, the right landcare groups or the right water catchment bodies. With regard to the evaluation, what particular benchmarks will you be using to measure success? When you are negotiating with the states, what are they giving you as the bottom line or where they are moving from?

**Senator HILL** (South Australia—Minister for the Environment) (8.33 p.m.)—Again, I am not absolutely sure I understand the question. There is no doubt that the states are motivated by the same objective as we are in initiating this trust and that is to reinvest in our natural environment for the purposes of maintaining ecologically sustainable primary industry and maintaining a healthy environment, for all of the high motives which have been spoken about in this place tonight. The challenge then is to join their resources with our resources to get the maximum input not only in terms of capital but also in terms of scientific and technical implementation advice. That is why we see this very much as a

partnership—a partnership between the community and state, Commonwealth and local governments—designed to get the maximum advantage consistent with the objects of the bill.

**Senator BROWN** (Tasmania) (8.34 p.m.)—The minister said that there are advisory committees built into this bill. Where are they?

**Senator HILL** (South Australia—Minister for the Environment) (8.34 p.m.)—I would hope that you would know that NLAC already exists under separate legislation. A lot of the assessment processes that have been set up within the states under that framework are being further developed, in consultation with the Commonwealth, so the states are capable of the larger assessment process that we require of them. What we are talking about here is an integrated land management exercise where we can properly take into account not only the land and soil degradation but also the state of the creeks and streams that may pass through the catchment, biodiversity values and the like.

The NLAC apparatus is very much the framework that we are building on. Consistent with the pledge that we made earlier in relation to the vegetation initiative, we will be setting up a council for sustainable vegetation to advise us. We are at the stage of settling on those who will comprise that council. I have looked for the most eminent people in their field in this country. I am sure when in due course you see that list you will have no alternative but to accept the validity of what I have said.

**Senator BROWN** (Tasmania) (8.36 p.m.)—When you talk about the most eminent people in the country, have you checked with Senator Harradine? What proportion of the disbursement of this fund will be subject to an advisory committee? Are you saying it will be 100 per cent or will it be some of it? If so, how much will it be?

**Senator HILL** (South Australia—Minister for the Environment) (8.37 p.m.)—No, I have not checked with Senator Harradine. The disbursement of the fund—if you had been reading the public information you would know this, Senator Brown, but you do not

really seem to be interested when it comes to the detail—will be through four different levels. In some instances, they will be Commonwealth programs. They may be research programs; for example, we have some on feral animals and other areas of natural science. Secondly, there will be programs that are delivered through a state apparatus where there is a state-wide program that we believe should be supported.

Thirdly, which will involve the bulk of the funds, they will be disbursed through regions and catchments to enable this integrated land management to really work in a way that it has never worked in Australia before. I would have thought that if you were at all objective you would be applauding the opportunity that it presents for environment departments, not just at Commonwealth level but at the state level, to have a greater influence upon off-reserve land use management than they ever have in the past in this country.

Fourthly, there will be a continuation of a community grants system, which is really the aggregate of the existing community grants such as the landcare community grants, the rivers ones and the like, together with grants under the NVI and the new programs that we have in this bill. The assessment of those will be primarily in the same way as the assessment has been in the past under the previous programs that are absorbed within this.

**Senator BROWN** (Tasmania) (8.39 p.m.)—The minister said that this will give the departments of environment greater influence than before in off-reserve management and expenditure of money. What does he therefore think of the situation in Tasmania, where the Department of Environment and Land Management has been totally sidelined by the advisory committee set up in the Premier's department, not the department of environment? We know two of the three people it involves: a senior government adviser who has had no experience in the environment and a former commissioner of the notorious Forestry Commission of Tasmania whose record is to set his face against the protection of Tasmania's environmental asset and indeed who is on the record as having been totally wrong about such things as the Lemonthyme

and Southern Forests, which were added to the world heritage area of Tasmania in 1989 after he had advised our government authorities that these were not of world heritage value.

So he has blundered against the interests of the environment. He is not from the department of environment. He has no record of environmental expertise and yet he is going to be arbiter of advice coming to you, presumably, on this board, of what should and should not happen to the environment in Tasmania. Now, doesn't that make a mockery of what you just said? What influence did you use in seeing that the advice coming to you from Tasmania would come from the Department of Environment and Land Management and not from this little cell being set up within the Premier's department, which has an extremely worrying and negative record as far as the best interests of the environment are concerned.

**Senator HILL** (South Australia—Minister for the Environment) (8.41 p.m.)—Well, I do not know about this cell Senator Brown refers to. Most of my dealings in Tasmania are with Peter Hodgman, whom I find a very dedicated environment minister—very committed, I might say. I think there is a greater interest of premiers and premiers' departments in this area and I am pleased about that. I am pleased that premiers now see the protection of the environment and the enhancement of our natural heritage as important and as mainstream issues. Rather than knock it, Senator Brown, I would encourage it.

**Senator BROWN** (Tasmania) (8.42 p.m.)—What a shifty person this minister who purports to be for the environment is. Let me say exactly what I mean. He says on the one hand that it ought to be the departments of environment that are giving advice on this matter and that it will enhance their power. Then when it is pointed out that in the one practical case we know about, which is Tasmania, where the department has been sidelined as far as advice on this fund is concerned—and remember this includes the so-called Harradine component of this slush fund—we see that it is the Premier's department that has taken control. It is the fox, if you like, in the environmental

chookhouse—a former commissioner for Forestry Tasmania, who has a notoriety as far as the environment is concerned, who is in control. So he says, 'Isn't this good; the premiers are taking notice.'

Shift wherever to try to explain the inexplicable, to try to defend the indefensible, to try to honour the dishonourable as far as the environment is concerned. That is the hallmark of this minister. That is why he must be put under scrutiny. That is why he is going to say, 'No, I am not going to accept these objectives being put into the bill. Oh, yes, serially I agree with them but I am not going to accept them.' That is because they close the door on the Liberal Party being able to feather the nests of its friends. They close the door on the wide and lax definitions of this legislation, enabling mining corporations, agricultural combines and logging corporations to all get their hands in this till. And influence is going to count mightily.

If you are in Tasmania and you have a line to the Premier's office, that will be as good as having a line to this government here in Canberra. But, if you are outside that—and a good many environmentalists are—you will have a dickens of a job to see the results that you might have thought were going to come out of this money. The way this minister ducks and weaves to try and, as I said, defend the indefensible gets a little bit tiresome.

Going back to the minister's own reference to section 8, purposes of the reserve, that is this fund, paragraph (g) refers to 'supporting sustainable agriculture (as defined by section 16)'. If we go to section 16, it says:

(1) For the purposes of this Act, *sustainable agriculture* means the use of agricultural practices and systems that maintain or improve the following:

This is the first one; I suppose they are in order of his prioritising:

(a) the economic viability of agricultural production;

It then goes on to talk about social, ecological, natural and ecosystem values. But the first one is the economic viability of agricultural production.

I ask the minister: under section 16(1), is it a requirement for sustainable agriculture—the

definition of that to be met—that paragraphs (a) to (e) all be fulfilled, or is fulfilling any one or any few of those enough? In other words, can we read between those paragraphs an 'and' or an 'or'? As it stands, I think it very cleverly avoids being clear on that very important and particular point.

**The TEMPORARY CHAIRMAN (Senator McKiernan)**—Before calling the minister, I would ask you, Senator Brown, to withdraw that unparliamentary term you used at the beginning of your last contribution to the debate. I let you proceed because I did not want to interrupt the debate. But I do consider that the term 'shifty' is reflecting on another member of this place and should be withdrawn. I ask you to do so.

**Senator Brown**—I can withdraw that. I have said enough else about this minister.

**Senator HARRADINE (Tasmania)** (8.47 p.m.)—Before the minister responds, if he is going to, I would like to remind Senator Brown that the minister had indicated that he had been dealing principally with Mr Hodgman, who is the Minister for Environment and Land Management in Tasmania. If he did not know it, Senator Brown should know that, in fact, it was the Parks and Wildlife Service, which is of course part of the Department of Environment and Land Management, which developed the Tasmanian proposals for the Natural Heritage Trust program.

I feel—and I am sure the minister expects—that the Department of Environment and Land Management and the Minister, Mr Hodgman, will be in the forefront of all these things. But there are other departments that need to be consulted. I do not know, but, presumably, in the state of Tasmania and in other states, if there are other departments to be consulted in respect of these particular issues, for example the departments that cover primary industry, rivers, forestry and all the rest of it, they of course need to be consulted.

I certainly would say that the Department of Environment and Land Management, particularly those responsible for employment initiatives in those particular areas, have done a sterling job thus far. I hope they continue to do so. There are others of course that need to

be consulted: local government areas, for example, in respect of the development of initiatives and the programs that would meet the requirements of the fund.

I really do not feel that we assist in anything in here by calling the minister names. We can be vigorous in our debate, of course, but I do not think it adds anything to the debate.

**Senator BROWN** (Tasmania) (8.49 p.m.)—Well, here comes Senator Harradine to the defence of the minister. What a relief! At last, somebody is going to rise to his defence. His colleagues have sat there all night unable to think how they could put together some words that might help him.

**Senator O'Chee**—It borders on comatose; that's why.

**Senator BROWN**—That may be your state in the Senate; you have said it yourself. But there are other members here taking a far greater interest in this legislation, Senator O'Chee. But where was Senator Harradine in the earlier hours of this legislation to defend—

**Senator Faulkner**—Who cares? Who cares where he was. We want to move it on.

**Senator BROWN**—Who cares? I care, because—and I will move this on when I am ready—Senator Harradine, who is such a stickler for transparency and for the public process, was a critical vote in seeing that this minister does not have an independent board determining where this money is spent. He says that he got good information from Minister Hodgman and the department. I asked him if he would table that information so that we could all see it.

I point out to Senator Harradine that, whatever advice might have come from the minister and the department of the environment in Tasmania—if Senator Harradine will catch up with today's events—the fact is that the Department of Premier and Cabinet has now taken over the function. A group of people without environmental expertise—and with a reprehensible record on the environment as far as one of them is concerned—has

been established to advise this minister from Tasmania as to where the money should be disbursed. In the process, the department of the environment has been sidelined.

**Senator Harradine**—Are you saying that they are not on this committee?

**Senator BROWN**—You said they are at the forefront.

**Senator Harradine**—Is that what you are saying?

**Senator BROWN**—When you say that they are at the forefront of determining where this money goes, you are patently wrong. You should get your facts right. The premier's department is going to decide the matter from here on in. You are being duded in this matter, Senator Harradine. Whether you wanted that or not, I do not know. But that is the outcome. The movement in Tasmania, since you used your influence for whatever purposes, has been one to give the premier's department the authority and power to advise this minister, and the Department of Environment and Land Management has been sidelined.

**Senator HILL** (South Australia—Minister for the Environment) (8.53 p.m.)—I think Senator Brown has probably forgotten his own question by now.

**Senator Faulkner**—That was silly getting up. You'll learn.

**Senator HILL**—Trying to be helpful and cooperative is my error, is it? I think, strictly, that it is not 'and' after every semicolon. The way I would read my obligation in terms of sustainable agriculture is agriculture that is ecologically sustainable as well as economically sustainable. If you can get both of those right you will also get the benefits of social viability, enhancing the natural resource base and protecting eco-systems that are influenced by the agriculture activities. It certainly does not refer to, for example, the purchase of fertilisers to simply enhance one year's production. That is not the scheme of the bill. I would ask Senator Brown to interpret this within the context of the bill as a whole and the objectives set out within it.

**Senator BROWN** (Tasmania) (8.54 p.m.)—That is exactly what I am doing. I thank the

minister for that. He pointed to the purposes of the reserve being specified under section 8. I specifically asked whether the reference to sustainable agriculture could mean the economic viability of agricultural production or, if you like, profitability? He said, 'Yes'; he will not read it that way, but you cannot put an 'and' in there. So it is open to the next minister or to his colleague on the board to read it exactly that way. It shows just how thin the veneer of environmental intent can be in this legislation.

Mr Chairman, as you know the important thing is that legislation be specific; that it says what it means and it means what it says. But this is open window legislation. The government is here serially refusing any attempt to bring definition into it. So we get back to the contention—one that has been made all day—that it is opening up the door to a slush fund, to rorting and to the money being spent on anything that it can be argued with the longest bow possible could be an environmental improvement or, in this instance, not even that. It is going to an economic viability of some agriculture process.

Question put:

That the amendment (**Senator Brown's**) be agreed to.

The committee divided.	[9.00 p.m.]
(The Chairman—Senator M.A. Colston)	
Ayes . . . . .	33
Noes . . . . .	34
Majority . . . . .	<u>1</u>

AYES

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|----------------|-------------------|
| Allison, L.    | Bishop, M.        |
| Bolkus, N.     | Bourne, V.        |
| Brown, B.      | Carr, K.          |
| Childs, B. K.  | Collins, J. M. A. |
| Collins, R. L. | Conroy, S. *      |
| Cook, P. F. S. | Cooney, B.        |
| Crowley, R. A. | Denman, K. J.     |
| Evans, C. V.   | Faulkner, J. P.   |
| Foreman, D. J. | Forshaw, M. G.    |
| Gibbs, B.      | Hogg, J.          |
| Kernot, C.     | Lees, M. H.       |
| Margetts, D.   | McKiernan, J. P.  |
| Murphy, S. M.  | Murray, A.        |
| Neal, B. J.    | O'Brien, K. W. K. |
| Ray, R. F.     | Reynolds, M.      |

AYES

- West, S. M.

NOES

- |                    |                     |
|--------------------|---------------------|
| Abetz, E.          | Brownhill, D. G. C. |
| Calvert, P. H.     | Campbell, I. G.     |
| Chapman, H. G. P.  | Colston, M. A.      |
| Coonan, H.         | Crane, W.           |
| Eggleston, A.      | Ellison, C.         |
| Ferguson, A. B.    | Ferris, J.          |
| Gibson, B. F.      | Harradine, B.       |
| Heffernan, W.      | Herron, J.          |
| Hill, R. M.        | Knowles, S. C.      |
| Macdonald, I.      | Macdonald, S.       |
| MacGibbon, D. J.   | McGauran, J. J. J.  |
| Minchin, N. H.     | Newman, J. M.       |
| O'Chee, W. G. *    | Patterson, K. C. L. |
| Reid, M. E.        | Short, J. R.        |
| Tambling, G. E. J. | Tierney, J.         |
| Troeth, J.         | Vanstone, A. E.     |
| Watson, J. O. W.   | Woods, R. L.        |

PAIRS

- |                   |                   |
|-------------------|-------------------|
| Lundy, K.         | Kemp, R.          |
| Schacht, C. C.    | Parer, W. R.      |
| Stott Despoja, N. | Boswell, R. L. D. |

\* denotes teller

(Senator Mackay did not vote, to compensate for the vacancy caused by the death of Senator Panizza.)

Question so resolved in the negative.

**The CHAIRMAN**—Senator Brown, do you have a request?

**Senator BROWN** (Tasmania) (9.04 p.m.)—The request was that there be an insertion on the remuneration and allowances for the chairperson and members of the board. It was consequent on amendment No. 1 being successful and, as it has not been, it is not now relevant.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (9.05 p.m.)—I move:

- (7) Clause 8, page 6 (line 13), after "to", insert "but in strict accordance with".

For the benefit of those in the chamber I will briefly go through what this means. This will insert the words 'but in strict accordance with' into 'Part 3—Purposes of the Reserve'. We are now dealing with page 6 of the bill. What we would have before us on line 13 part (i) would simply read:

a purpose incidental or ancillary to but in strict accordance with any of the above purposes.

This again is simply a strengthening mechanism to make sure that as the various authorities are set up and as the negotiations with the states continue we make sure that the environment is a priority and that all of those things listed above have to be followed strictly and that we cannot have an unusual or concerning level of discretion allowed. So it is just another means of getting greater accountability into this piece of legislation.

**Senator HILL** (South Australia—Minister for the Environment) (9.06 p.m.)—Regrettably, I think it is confusing. I have never seen drafting that provides flexibility and then inflexibility within the same paragraph, which is what you are seeking to do. We have set out a series of specific purposes and then have added, as is common and sensible, a provision that allows a purpose that is incidental or ancillary to any one of those strict purposes. But then you have tried to write down the incidental ancillary to return it to simply the list of the strict purposes. That is the only way I can interpret it. The effect of that, I would argue, is to insert a provision that is confusing—and I do not think that is good legislative practice.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (9.07 p.m.)—I beg to differ with the current minister on this. As far as the opposition is concerned, this amendment aims to tighten the criteria on which programs could be funded under the bill. As I understand it, (i) allows a very broad interpretation of what the trust funds could be allocated to. The addition of the words as proposed here, ‘but in strict accordance with’, tightens the purpose of the bill and is supported by the opposition.

Amendment negatived.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (9.08 p.m.)—I move:

(9) Clause 10, page 7 (line 15), omit "remnant".

This moves on to page 7 of the bill which talks in section 10 about conserving remnant native vegetation. While this is a popular term—because, unfortunately, in many places

all we have left is a few remnants—we believe it is too narrow. Indeed, we wish to broaden it to make sure that all remaining native vegetation is conserved, not just the few odds and ends that may be around. Particularly in Tasmania where a very large percentage of remaining forested areas are actually on private land, these entire forests should be conserved, and we need to structure this bill in such a way that it encourages the retention of existing forests rather than clear-felling them and putting up plantations.

I believe it is important that we ensure we can leave intact those larger areas. I acknowledge, Minister, that there are large areas remaining, particularly in my home state, except perhaps for the Mallee. But we need to make sure that we are not just looking after the little bits and pieces but all remaining native vegetation.

**Senator HILL** (South Australia—Minister for the Environment) (9.09 p.m.)—I was inclined to agree with this, but the advisers are cautioning me against it for reasons you might like to reflect upon, Senator. It is argued that the legislation has been drafted in this sense to make it clear that it is what I would describe as bush native vegetation, whereas, if you took out ‘remnant’ it could be argued to include conserving native vegetation that you have planted in your backyard, which is not the intention. In other words, it is remnant in the sense that that is what remains through the natural ecosystem rather than that which we have interfered with or have planted to serve our purposes.

Your concern that it is sufficiently wide to pick up what you are talking about is said to be picked up in paragraph (c)—and I see some merit in the argument. That paragraph includes ‘restoring, by means of revegetation, the environmental values’ of currently degraded land and water.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (9.10 p.m.)—Minister, I do not believe that (c) picks up my concerns at all. What I am concerned about is those few remaining larger areas of native vegetation. In our home state, I think we could go out to patches of the

mallee and, indeed, while some are in conservation parks—

**Senator Hill**—Why do you say that is not remnant?

**Senator LEES**—‘Remnant’ generally means small patches. If you look at the usual usage of the term, ‘remnant’ means ‘a little bit, the final remaining bit, just a small section or part of’; it does not mean, I would imagine—and here I go back to the example of Tasmania—large, entire forested areas. Perhaps you could at least put on the record that retaining native forests is included under this section. Perhaps it would be enough for you to put down in *Hansard* for us tonight that by ‘remnant’ you do mean entire forests that happen to be on private land.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (9.12 p.m.)—I had not intended to support Senator Lees’s amendment here, but I must say that the strength of the case that she has mounted and the abject weakness of the performance of the Leader of the Government in the Senate in miserably trying to debunk her case has convinced me that you, Senator Lees, are right and that Senator Hill does not have a feather to fly with. So I have been convinced by the strength of your arguments and also reinforced in that view by the abject weakness in the performance of Senator Hill.

**Senator HILL** (South Australia—Minister for the Environment) (9.12 p.m.)—The more I have thought about it, the more I think my advisers are right. We are talking about investment of public money here, and if there were a huge area of native vegetation it—

**Senator Lees**—It may need fencing then.

**Senator HILL**—Well, it depends how huge it is, I guess. What we are really looking at here is conserving what has been left, and the problem in Australia is that not enough has been left. That is why the NVI is a balance between conserving what remains, which we commonly refer to as remnant vegetation, and revegetating—and one cannot effectively go without the other. When you look at it in those terms and look at the dual objectives of the National Vegetation Initiative, then I think the way we have expressed it within this

section adequately and effectively serves the objectives we are seeking.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (9.13 p.m.)—For the *Hansard* record, Minister, could you just put down for us tonight that this does include, if necessary, the protection of remaining large stands of vegetation—whether it is mallee or whether it is forests in Tasmania. I just want to point out, Minister, that we may not be talking about a large sum of money. From speaking to people in Tasmania, some of what they need is support for fencing, some of it is a small amount of money to relocate existing activities such as grazing of cattle. So it may be quite significant areas. Looking at the amount of public land that is being clear-felled in Tasmania, significant areas, I understand, are still on private land. Can you just confirm for us tonight that ‘remnant’ does cover any size remaining vegetation?

**Senator HILL** (South Australia—Minister for the Environment) (9.14 p.m.)—I think the best way to look at it is in terms of the section as a whole. If you look at the section as a whole, what is the purpose of the provision? The provision is to reverse the long-term decline in the extent and quality of Australia’s native vegetation. It is really the extent to which it has declined—the extent to which it has been lost, if we are talking about the revegetation—in terms of the conservation of what remains. I do not know why the former minister, the Leader of the Opposition in the Senate (Senator Faulkner), is laughing.

**Senator Faulkner**—I am laughing at your abysmal explanation.

**Senator HILL**—This is a very serious matter, Senator. If you knew a little bit more about it, you would know that the size is also relevant to the size of the original of that species in Australia before European settlement in particular. Certainly, the size of that remnant will vary according to the species and a particular species may be regarded as remnant even when there is quite a large area left. If you look at it in those terms, which I do, I can meet the objective that you are seeking.

**Senator BROWN** (Tasmania) (9.16 p.m.)—Would the objective involve or cover the extensive rangelands where there may be hundreds of thousands, if not millions, of hectares of remnant vegetation involved on one property?

**Senator HILL** (South Australia—Minister for the Environment) (9.16 p.m.)—You really have to interpret these things with common-sense. As I said, it depends on the species. It depends on the original coverage of that species. It is not just in the rangelands; it is actually in the heavily grazed, what some farmers would refer to as better quality, more highly productive lands where there has been the greatest loss of original vegetation, particularly grasses. That is an area in which we need to give greater effort than what has in fact occurred in the past.

Amendment negated.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (9.17 p.m.)—by leave—I move:

- (10) Clause 10, page 7 (line 16), after "biodiversity", insert "in accordance with the National Biodiversity Strategy".
- (17) Clause 13, page 8 (lines 9 to 11), omit "to assist with the establishment and maintenance of a comprehensive, adequate and representative system of reserves", substitute ", by the year 2000, to establish and maintain a comprehensive, adequate and representative system of reserves in accordance with the National Biodiversity Strategy".

I consider these two amendments to be perhaps the most important ones I have moved tonight. I will speak to amendment No. 10 first. This aims to link directly the national biodiversity strategy into this act. It was a Commonwealth initiative and, I understand, quite an expensive initiative to set this up. A lot of work has been done. A lot of work has gone into getting this under way and, indeed, it would be a waste, a mistake, not to formally link this back into the bill.

Referring to the national biodiversity strategy makes a Natural Heritage Trust Fund Bill more cohesive, comprehensive and a much more effectively connected document. To just refer to the need to conserve Australia's biodiversity is far too weak—a parenthood statement, if you like. I and the Democrats

believe that linking the national biodiversity strategy makes it more tangible and measurable.

Amendment No. 17, again, basically is another measuring stick. It seeks to link the biodiversity money into tangible outcomes. There was a commitment by the coalition to take on board the biodiversity strategy by the year 2000—and I notice somehow that the actual time line has disappeared out of the bill. The deadlines in a number of areas do not seem to be there. We argue that, without the guide of the strategy and without the time line, it becomes another very weak, almost meaningless parenthood statement which is open to vast interpretation. I believe that we will not achieve the goals we are setting out to achieve unless we link directly back into the biodiversity strategy that is already there.

**Senator HILL** (South Australia—Minister for the Environment) (9.19 p.m.)—My worry with these amendments is that Senator Lees is being unduly restrictive. We all wish to see the national biodiversity strategy as such progressed. However, we are not just seeking to progress the national biodiversity strategy through this section but seeking to reverse the long-term decline in the extent and quality of Australia's natural vegetation through a number of things, including conserving our biodiversity.

I understand what Senator Lees is wishing to see—that is, a bit more attention and effort put into implementing that strategy. That is something that I have some sympathy with, but I would argue that attempting to do it through altering paragraph (b) is unduly restrictive. In some circumstances—it is hard to identify them at the moment—it may well be limiting the capacity of the fund to conserve Australia's biodiversity, which is not what Senator Lees wishes to occur.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (9.21 p.m.)—I do not accept Senator Hill's statement that we all want to see the national biodiversity strategy progressed. I can well remember the absolute reluctance of a number of conservative state governments to sign up to the strategy. They had to be dragged kicking and screaming to the barricades on



this one. So, Senator Hill, I thought it might be very helpful to you if I outlined a little bit of history of some of your colleagues who share your own political allegiances and their lack of support, historically, for the national biodiversity strategy.

Having said that, let me say, however, that I do not particularly think it is appropriate that the bill refers to a strategy or, for that matter, a report. I do not think a case has been made to support these amendments. Albeit reluctantly, given the nature of the contribution the minister made, I think there is some substance to the argument that these amendments should be defeated and the national biodiversity strategy not be referred to specifically in the bill.

**Senator BROWN** (Tasmania) (9.22 p.m.)—The section above refers to the National Reserve System and the Coasts and Clean Seas Initiative. In the section following, the primary objective of the Murray-Darling 2001 project is to contribute, so why not the national biodiversity program in this section? Senator Lees is dead right. Let us be more specific. The minister has referred to biodiversity as if it means the diversity of vegetation. But there is a lot more to biodiversity than that, the whole animal realm being one example. If we can be specific about it, we ought to be. I do not know why on this point we do not take up the Democrats' very good suggestion and tie it into a strategy that we know, that is delineated and, what is more, has targets. If we could achieve that target by the year 2000, something specific and defined would come from this process.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (9.24 p.m.)—With due respect, I think the minister is wrong to suggest that this is in any way narrowing, tying down or removing some opportunity to do anything. The wording as it stands now talks simply about conserving Australia's biodiversity. The strategy talks about the how. The strategy is already bringing together experts from around this country who have spent a lot of time looking at systems and methods. The comments he made about possible restrictions are way off beam.

By linking it into this strategy, it will give considerable support to those programs that need some expertise and help.

Question put:

That the amendments (**Senator Lees's**) be agreed to.

The committee divided. [9.29 p.m.]

(The Chairman—Senator M.A. Colston)

Ayes . . . . .	8
Noes . . . . .	45
Majority . . . . .	37

AYES

- |             |              |
|-------------|--------------|
| Allison, L. | Bourne, V. * |
| Brown, B.   | Kernot, C.   |
| Lees, M. H. | Margetts, D. |
| Murray, A.  | Woodley, J.  |

NOES

- |                    |                     |
|--------------------|---------------------|
| Abetz, E.          | Brownhill, D. G. C. |
| Carr, K.           | Chapman, H. G. P.   |
| Childs, B. K.      | Collins, J. M. A.   |
| Colston, M. A.     | Conroy, S.          |
| Cook, P. F. S.     | Coonan, H.          |
| Cooney, B.         | Crane, W.           |
| Crowley, R. A.     | Denman, K. J.       |
| Eggleston, A.      | Faulkner, J. P.     |
| Ferguson, A. B.    | Ferris, J.          |
| Foreman, D. J.     | Forshaw, M. G.      |
| Gibbs, B.          | Harradine, B.       |
| Heffernan, W. *    | Hill, R. M.         |
| Hogg, J.           | Kemp, R.            |
| Knowles, S. C.     | Macdonald, I.       |
| McGauran, J. J. J. | McKiernan, J. P.    |
| Neal, B. J.        | Newman, J. M.       |
| O'Brien, K. W. K.  | O'Chee, W. G.       |
| Parer, W. R.       | Patterson, K. C. L. |
| Reid, M. E.        | Reynolds, M.        |
| Short, J. R.       | Tambling, G. E. J.  |
| Tierney, J.        | Troeth, J.          |
| Vanstone, A. E.    | Watson, J. O. W.    |
| West, S. M.        |                     |

\* denotes teller

Question so resolved in the negative.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (9.34 p.m.)—I move:

- (11) Clause 11, page 7 (lines 22 to 24), omit "to contribute to the rehabilitation of the Murray-Darling Basin, with a view to achieving a sustainable future for the Basin, its natural systems and its communities.", substitute:

to ensure the maintenance of biological diversity and an ecologically sustainable future for the Murray-Darling River system and its communities by:

- (a) restoring the flow and habitat requirements of freshwater ecosystems; and
- (b) enhancing efficiency and sustainability in irrigated agriculture and water storage and delivery systems; and
- (c) improving water quality; and
- (d) protecting and restoring river frontage vegetation.

This amendment deals with the Murray-Darling Basin objectives. It looks at the substantial amount of money that is going into additional works, which is unfortunately nothing like what we need, but is nevertheless a substantial amount of money. Here we are looking at the reworking of the objective and I think we should make sure that it is a statement over which there will not be a whole lot of fighting by bureaucrats at state, federal or even local level. We need to make it very clear what we are hoping that this money will achieve. Remember that, in the national forest policy statement, the terms 'comprehensive', 'adequate' and 'representative' took a number of years just to define—while nothing tangible happened to protect the forests, I might add.

Our reworked objectives, we believe, make the bill much stronger, and certainly much more workable, for all concerned. To make it very clear to those in the chamber, I will go through the amendment very quickly. We want to ensure the maintenance of biological diversity and an ecologically sustainable future for the Murray-Darling river system and its communities by restoring the flow and habitat requirements of freshwater ecosystems; enhancing efficiency and sustainability in irrigated agriculture and water storage and delivery systems; improving water quality; and protecting and restoring river frontage vegetation.

In particular, I ask the minister, if he is still not sure about supporting this amendment, what particular problems he has with it. What we are doing is really working directly in line with what you are trying to achieve. There is

nothing in our statement that, I believe, moves away at all from your original objective on page 7 of the bill. Indeed, what we have done is make it clearer and, I think, a more workable alternative.

**Senator HILL** (South Australia—Minister for the Environment) (9.36 p.m.)—With this amendment what concerns me is what might not be included. We certainly have expressed it in general terms and I think what we have said covers everything that Senator Lees would wish us to be achieving through this particular program; that is:

to contribute to the rehabilitation of the Murray-Darling Basin, with a view to achieving a sustainable future for the Basin, its natural systems and its communities.

So it is all there. What Senator Lees seeks to do is to be more specific. But when you do that, you immediately ask the question, 'What has been missed out?' Certainly protecting and restoring river frontage vegetation is important, but so are a hundred other environmental rehabilitation programs within the basin. That is the danger, it seems to me. I think I understand what Senator Lees is seeking to do, but we will only end up with a debate about items that are not included. I notice she has linked together (a) to (d), so presumably they have all got to be demonstrated to exist before the funding can be contributed. Rather than do this and add further uncertainty, I would urge her to stick with our general wording. Everybody knows what it is about.

We went to the election with the Murray-Darling 2001 project. We named it. You know the history of that project. It was originally advanced by Dean Brown. It was picked up by the Commonwealth and the other states. Under this program we committed ourselves to contribute \$150 million. It is being matched by the states. There is now a funding pool of \$300 million to build on existing programs in the basin. So it is a substantial and very worthwhile program. The states which are partners in the Murray-Darling Basin Commission know what it is all about and are planning for it. Having spent two days in the basin last week with the ministerial council, I know that local commu-

nities are enthusiastic. They know what it is about. They are working on where they are going to fit into the remedial programs that are planned under the initiative of this particular project.

I really do not think it is sensible now, at this stage, to cast a new element of ambiguity into the program by seeking to be specific and ending up leaving something out, then finding that we want to support that and having to have an argument with the lawyers as to whether it has been excluded by drafting that we adopt tonight.

**Senator FAULKNER** (New South Wales—Leader of the Opposition in the Senate) (9.40 p.m.)—I really feel sorry for Senator Hill. He has got carriage of this shemozzle. This is probably one of the most badly drafted bills we have ever seen come before the Commonwealth parliament. I think he is putting in a sterling performance tonight, given the lead in the saddlebags that he has got.

As far as the opposition is concerned, I think this amendment proposed by Senator Lees genuinely does have merit. It quite clearly improves the bill's objective with regard to the Murray-Darling 2001 project to ensure ecologically sustainable objectives, such as environmental flows. It is important that those sorts of objectives are included, along with sustainable agricultural objectives. I think the case that has been mounted by Senator Lees in relation to this amendment is strong. For that reason, the opposition will be supporting the amendment.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (9.41 p.m.)—Minister, I really must object to your suggestion that somehow, by being clearer—by making sure that we have not left out, in particular, the protection of flow or restoring of flow and habitat requirements for fresh water ecosystems—our amendment may cause any additional concerns; or that somehow, by moving this amendment, we have not taken regard of a range of other possibilities.

If you look, in particular, at enhancing efficiency and sustainability in irrigated agriculture, there is an enormous range of practices, activities and requirements that are going to go into achieving that specific

objective. One of the complaints I have about this bill is that the objectives are far too vague, and people are going to sit around for quite some considerable time, I would imagine, arguing their way through them. It is all very well to give examples of communities who do know what they are doing—and I am sure you have representations from many of those who are ready, willing and able to go on to new irrigation projects. But we need to make sure that all money spent in the basin has specific objectives that we can measure, so we can sit back in two or three or five years time and say, 'Yes, water quality was improved by that project' or, 'Yes, they did specifically restore flow and improve habitat requirements.'

So I say again, Minister, I think your definition is far too broad. What we are doing is trying to make sure we have some more specific objectives to measure, hopefully, the success—we will say 'the success'—of these programs against.

**Senator BROWN** (Tasmania) (9.43 p.m.)—There is a very clear difference between what Senator Lees is sensibly putting forward and what the minister is setting out to allow happen. I come back again to his definition of 'sustainable agriculture'. A stand-alone clause says that sustainable agriculture is:

... the use of agricultural practices and systems that maintain or improve the following:

(a) the economic viability of agricultural production;

The Democrats amendment, moved by Senator Lees, is getting rid of that to start off with and is putting the environment back into the equation. The environment is what this legislation purports to be about. This legislation, this \$1 billion, is not going to be all things to all people, let alone to the environment. Senator Lees is dead right: the whole bill lacks definition, focus and direction. And here she is again trying to give it that focus and direction.

Even if all this money went to the purposes listed by Senator Lees in her amendment, it is doubtful that these four remarkably important achievements could be gained—but at least there is a limitation on where the money can go. It is a very sensible amend-

ment. It is very difficult to know why the minister should be objecting to it. The only conclusion one can come to is that he does not want any fetters put on the government as to where this money will go, and that is the true hallmark of a real political slush fund.

**Senator HARRADINE** (Tasmania) (9.45 p.m.)—I have listened to what has been said. I cannot see the advantage of putting in the amendments that have been proposed by Senator Lees. The minister has made it perfectly clear that the broad manner in which the bill is drawn at the present moment is desirable. I can think of one particular example, and that is the eradication of European carp, that would come within the bill as it is stated at the present moment. As I see it, that is not specifically in the amendment, unless it comes into 'restoring the flow and habitat requirements of freshwater ecosystems'.

I first thought that Tasmania probably could not get any money from the Murray-Darling Basin 2001 project, but Tasmania can get money quite legitimately in respect of that particular program to eradicate the European carp. There is a localised population of European carp in Lakes Crescent and Sorell and, just as an example, an intensive eradication program in that system would provide lessons on the practicalities and efficiency of control options for future application to the Murray-Darling Basin.

**Senator LEES** (South Australia—Deputy Leader of the Australian Democrats) (9.47 p.m.)—Just in response to Senator Harradine's concern about the European carp and the damage they are doing: that particular concern would be met in our amendment under part (a), restoring the flow and habitat requirements; part (c), improving water quality; and also part (e), river frontage vegetation. Indeed, I have been asked on several occasions to look at issues relating to the carp.

One of the biggest problems is that, if the carp are allowed to breed up, not only do they damage the actual quality of the water but they also feed on the banks which causes sections of the banks then to collapse into the river. This creates further problems for those land-holders who have already fenced their frontages off and who are doing the right

thing by replanting and keeping the stock back, only to see the carp come in from the riverside and eat sections of the bank away so that then they are back to square one.

I can assure Senator Harradine that the carp are more than adequately catered for in these amendments. We consulted with a wide range of groups and organisations to make sure that they did cover very succinctly everything that needed to be covered.

**Senator BROWN** (Tasmania) (9.48 p.m.)—I again agree with Senator Lees on the matter. It is interesting with the carp that we potentially have a multi million—if not multi billion—dollar problem in Tasmania due to laxity of quarantine measures and lack of teeth in legislation. It is a good/bad example of where environmental repair has no chance of substituting for proper regulation by government. That is one of the reasons why this legislation as a stand alone is going to fail to achieve the purpose, which the government thinks it is going to achieve, of even denting the environmental problems this country has got.

I might also take the opportunity of asking Senator Harradine, again in relation to the Tasmanian matters, whether he might table the parameters for spending of the money in Tasmania that he was able to work on and come to agreement with with the state government. I presume his silence on that will mean that he is not going to table it. But I think that would be a good measure in public information. I support the amendment.

Progress reported.

#### ADJOURNMENT

**The ACTING DEPUTY PRESIDENT** (**Senator Crowley**)—I propose the question: That the Senate do now adjourn.

#### Ms Nombiniso Gasa

**Senator MARGETTS** (Western Australia) (9.50 p.m.)—I am grateful to the Senate that this morning they allowed a motion in relation to the rape of Ms Nombiniso Gasa in South Africa to be declared formal. Because of the Senate's support for this motion, I would like to take the opportunity of reading a very brief statement which was made by Ms

Nombiniso Gasa to the media in South Africa on 23 July 1997. She says:

Many of you will be wondering why I have consented to my name being revealed. Many of you will be wondering why I have come back to this place and why so soon?

I have decided to come out publicly with my experience because, as my sisters have said, I do not want to carry the burden of silence. I do not want to be burdened by shame that is usually carried by women who have gone through this experience. I do not want to be reduced to merely being a victim.

I have decided to talk about my experience because I feel that the rapist, whether he is arrested or not, wherever he is, has to deal with the human aspect of his assault. I do believe that my name being mentioned and my talking publicly may force him and others like him to confront what they have done.

I have also chosen to talk about my experience, to reveal my identity, because I do not want to be another statistic. I am a person not just a number and society has to deal with that.

I have come back to Robben Island, soon perhaps, but I feel that I need to reclaim this place. To reassert my right to be here and to reassert the right of women to be wherever they like.

To be raped on Robben Island is in a sense of double violation—of myself as a person and of the attempts now being made to transform this island into a place of peace and tranquillity. This place has a history of pain and suffering and one would have thought that all South Africans want to embrace it as a significant symbol of our history, the process of reconciling and building peace in our country. To me Robben Island is sacred ground. It will remain so even after this experience.

The struggle for change is painful, for all of us. I presume from what this man said to me that he himself is struggling with this. I am angry, very angry, that he chose to make my body his battle ground.

Our Constitution is praised for its advanced commitment to Women's Emancipation and Equality. But, change has to permeate all levels of society, especially those who implement the Constitution.

In this case the police men and women are amongst the first we have to deal with after rape. They deal with the extended rape. We expect them to equip themselves with an understanding of how to deal with women, young girls and babies in this situation. We expect them to treat us with care, gentleness and respect.

I hope that this experience will help us all to recommit ourselves to condemn and stop rape and violence against women. I hope that our govern-

ment will see violence against women as a priority. My experience is part of a broader context where women are denigrated, assaulted and used as scape goats.

I am very angry that no one has been arrested yet. I want to believe that the police are doing their best. I do not want innocent people to suffer—so I hope they are being very thorough and that soon they will arrest my rapist.

In conclusion, I want to thank the Robben Island Museum Project for its support and concern. I want to thank Andre Odendaal in particular and the Department of Arts Culture Science and Technology, the Director General Roger Jardine who came down, Brigitte Mabandla the Deputy Minister for her support and solidarity. I also want to thank the President, Comrade Nelson Mandela the Deputy President, Comrade Thabo Mbeki for their warm messages of solidarity.

Most importantly, I want to thank my husband, Raymond Suttner, for his support and reaffirmation of his love and his extraordinary consciousness and sensitivity. I thank you Raymond for affirming my dignity.

To my many sisters, friends and comrades gathered here today and elsewhere I would like to express my gratitude and appreciation. Thank you for taking me in your arms.

I would like to add my thanks to the Senate for its support.

**Senate adjourned at 9.56 p.m.**

## DOCUMENTS

### Tabling

The following documents were tabled by the Clerk:

Aboriginal and Torres Strait Islander Commission Act—

Notice under section 142S—Torres Strait Regional Authority Rules.

Rules under section 143G—Torres Strait Regional Authority Election Rules.

Airports Act—Regulations—Statutory Rules 1997 Nos 8 and 13.

Antarctic Marine Living Resources Conservation Act—Regulations—Statutory Rules 1997 No. 6.

Australian Capital Territory Government Service (Consequential Provisions) Act—Regulations—Statutory Rules 1997 No. 7.

Christmas Island Act—Casino Control Ordinance—Casino Surveillance Authority and Casino Controller—Reports for 1995-96.

Civil Aviation Act—Civil Aviation Regulations—Civil Aviation Orders—Exemptions—

11/FRS/1997 and 12/FRS/1997.  
 CASA 04/97.  
 Corporations Act—Regulations—Statutory Rules 1997 No. 10.  
 Defence Act—Regulations—Statutory Rules 1997 Nos 4 and 5.  
 Health Insurance Act—Regulations—Statutory Rules 1997 No. 12.  
 Higher Education Funding Act—Guidelines under section 39—No. T11 of 1997.  
 Horticultural Research and Development Corporation Act—Horticultural Research and Development Corporation (Eligible Industry Bodies and Appointment of Members) Orders—No. 1 of 1997.  
 Judiciary Act—Rules of Court—Statutory Rules 1997 No. 11.  
 Lands Acquisition Act—Statement describing property acquired by agreement under section 125 of the Act for specified public purposes.  
 Motor Vehicle Standards Act—Road Vehicle (National Standards) Determination No. 3 of 1996.  
 Mutual Assistance in Criminal Matters Act—Regulations—Statutory Rules 1997 Nos 1-3.  
 Privacy Act—Determination under section 11B—Determination 1997 No. 1.  
 Safety Rehabilitation and Compensation Act—Notice of Declaration—Notice—  
     No. CA4 of 1996.  
     No. V1 of 1996.  
 Sales Tax Determination STD 96/5 (Addendum).  
 Superannuation (Resolution of Complaints) Act—Regulations—Statutory Rules 1997 No. 9.

Taxation Determination TD 97/6.  
 Taxation Ruling TR 97/2.  
 Telecommunications Act—Telecommunications (Public Mobile Licences) Declaration No. 1 of 1997.  
 Veterans' Entitlements Act—Instrument under section—  
     91—Instrument No. 5 of 1996.  
     196—Instruments Nos 15-32 of 1997.

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

The following documents were tabled pursuant to the order of the Senate of 30 May 1996:

Indexed lists of departmental files for the period 1 July to 31 December 1996.  
 Aboriginal Hostels Limited  
 Department of Finance  
 Department of Health and Family Services  
 Department of the Prime Minister and Cabinet  
 International Air Services Commission  
 Office of the Governor-General

#### **PROCLAMATIONS**

A proclamation by His Excellency the Governor-General was tabled, notifying that he had proclaimed the following provisions of an Act to come into operation on the date specified:

Mutual Assistance in Criminal Matters Legislation Amendment Act 1996—Items in Schedules 1, 2 and 3—1 March 1997 (*Gazette* No. S 50, 12 February 1997).

## QUESTIONS ON NOTICE

The following answers to questions were circulated:

### Exercise Tandem Thrust

#### (Question No. 361)

**Senator Margetts** asked the Minister representing the Minister for Defence, upon notice, on 16 December 1996:

With reference to the Tandem Thrust Defence Exercises to be held in March 1997:

(1)(a) What is the explanation for the fact that the department is not required to refer the exercise to the Commonwealth Environment Protection Authority (EPA) under the Environmental Protection (Impact of Proposals) Act 1974 (the Act); (b) how do the environmental requirements of the Environmental Certificate of Compliance differ from the standard of requirements expected under the Act; and (c) who is responsible for the standards of compliance under the Environmental Certificate of Compliance.

(2)(a) Where are the destinations for rest and recreation for 'Tandem Thrust' personnel while in Australia; and (b) can details be provided of arrival and departure dates and numbers of personnel involved.

(3) Can the Minister assure the Senate that no new activities, which have not previously been conducted in the Shoalwater Training Area, will take place.

(4)(a) Does the Minister concede that no activities at this scale have previously taken place in the Shoalwater Training Area; if so, is this not grounds for a reference to the Commonwealth EPA under the Act; (b) were the Kangaroo Exercises not referred to the EPA under the Act; if not, why not.

(5)(a) Can details of the environmental restrictions placed on exercise planners be provided; and (b) can a copy of the Environmental Annex to the Exercise Plan be provided to the Senate as soon as possible.

(6) How far away will the United States nuclear-powered submarine be from the Great Barrier Reef during the exercises.

(7) What contingency or emergency plans do local authorities and Defence have in order to deal with a leak or radiation accident from the nuclear-powered submarine.

(8) Can a map of the Shoalwater Training Area in relation to the Great Barrier Reef be provided.

(9) Are there any dangers involved in allowing nuclear-powered submarines in water of less than 50 fathoms from blocked exhaust systems which could lead to a nuclear accident or leak; if so, please provide details.

(10)(a) Who are the people in the Environmental Monitoring Unit set up to report on environmental compliance during the exercises; and (b) please detail each of their areas of expertise.

(11)(a) Can details of the numbers of personnel involved in 'Tandem Thrust', by country, be provided; (b) will Papua New Guinea and Indonesia be involved in these exercises; and (c) can details be provided of their troop numbers, aircraft, ships, and any land based equipment they will be bringing to Australia.

(12) As a result of Tandem Thrust Defence Exercises, will the US be prepositioning any of its equipment in Australia; if so, what equipment and where will it be prepositioned.

(13)(a) How many nuclear-powered or armed submarines or warships will be involved in the exercises in total; (b) has the Government considered, or will it consider, the impact of the International Court of Justice decision on the illegality of nuclear weapons in relation to the legality of the Tandem Thrust Defence Exercises and the presence of nuclear warships during the exercises.

(14)(a) What is the projected level of environmental damage; and (b) has Defence assessed a range of potential adverse effects; if so, what are they.

**Senator Newman**—The Minister for Defence has provided the following answer to the honourable senator's question:

(1)(a) Rather than referring all Defence activity proposals to the department responsible for the environment for decision regarding potential significance, the then Environment Minister and the then Minister for Defence agreed to a Memorandum of Understanding which was signed on 28 August 1991 which states that the decision as to whether a Defence proposal or activity is likely to affect the environment to a significant extent, may be taken by the Minister for Defence or his/her Ministry. This administrative procedure is consis-

tent with the requirements of the Environment Protection (Impact of Proposal) Act 1974 which charges the action Minister to determine if a proposal should be referred to the Environment Minister. To assist Defence in assessing the significance of the affect of a Defence proposal on the environment, the Ministers agreed on broad guidelines. On the basis of these guidelines, it was agreed that if, 'after full and proper consideration, taking into account all relevant environmental implications', Defence considered the environment would not be affected to a significant extent, the provisions of the Environment Protection (Impact of Proposals) Act 1974 would be satisfied.

(b) The Department of Defence, in agreement with the Environment Minister in 1980, introduced the Environmental Certificate of Compliance as a means of ensuring that the Department meets, and discharges its responsibilities, for environmental assessment under the provisions of the Environment Protection (Impact of Proposals) Act 1974. The Environmental Certificate of Compliance is signed by the Department of Defence delegate when satisfied that all environmental aspects of a proposal have been adequately investigated, and that the action is not an environmentally significant action. The Environmental Certificate of Compliance conforms to Defence's requirements under the Environment Protection (Impact of Proposals) Act 1974 and, therefore, does not require referral to the Minister responsible for the environment. In addition, this Certificate allows for conditions to be placed on the proposal that must be strictly adhered to.

(c) The Assistant Secretary Resources and Project Management is the Departmental delegate responsible for approving and ensuring Exercise Tandem Thrust 97 is conducted in compliance with the conditions set in the Environmental Certificate of Compliance.

(2)(a) and (b) A mixture of Australian Navy, Army and Air Force, and US Army, Navy, Marine and Air Force personnel will be based in Townsville (1,824), Rockhampton (1,280), Gladstone (937) and Amberley/Brisbane (1,134) during the exercise. These numbers are for the peak period 10-22 March 1997. Numbers will begin to build from mid February, with all personnel departing by the end of March 1997. Up to two thirds of these personnel may be granted leave outside of normal working hours. A maximum of 8,609 personnel from all services will be located in the Shoalwater Bay Training Area (SWBTA) in the peak period 10-22 March 1997. It is unlikely any of these personnel will be granted leave during this period. 13,126 Australian and US Navy personnel will be at sea during the exercise (all figures quoted in this paragraph are expected estimates, but are subject to change prior to and during the exercise). The

personnel on ships at sea will conduct goodwill visits to Australian ports before and/or after the exercise. The ship visit program is still being developed and, therefore, arrival and departure dates have yet to be resolved. However, ships will be dispersed amongst ports to reduce the impact of the visits and spread the economic benefits to a number of communities. It is anticipated US Navy ships will visit Cairns, Brisbane, Sydney, Townsville, Hobart and Fremantle. The largest port visit is likely to be conducted by five US Navy ships to Sydney, a city well used to, and capable of, hosting this number of ships. Four Australian Navy ships will be conducting post exercise visits to Gladstone, Cairns and Brisbane. Up to two thirds of a ship's company may be granted leave at any one time during these visits.

(3) With one exception, all activities associated with Exercise Tandem Thrust have been conducted in the SWBTA in the past. The new activity is to exercise the US Maritime Pre-Positioning Force (MPF). This will involve the off load of MPF equipment and supplies at Freshwater Beach in the SWBTA, including the pumping of freshwater from a ship at anchor to the beach. This activity has not been conducted before in the SWBTA as the Australian Defence Force (ADF) does not possess this capability. The Great Barrier Reef Marine Park Authority and the Queensland Department of the Environment conducted a feasibility study and comprehensive survey to determine the viability and preferred location for the conduct of the activity. It has also been briefed to the SWBTA Environmental Management Advisory Committee and the Australian Quarantine and Inspection Service. All bodies involved and consulted have agreed to the conduct of this activity.

(4)(a) Exercise Tandem Thrust 97 is indeed a significant exercise, however, it is not the largest exercise to have been conducted in the SWBTA. Numerous Brigade and higher level exercises, and joint/combined exercises, have been conducted at SWBTA since June 1974.

(b) The Kangaroo Exercises were referred to the EPA under the Environment Protection (Impact of Proposals) Act 1974. On the basis of information provided to the EPA by the Department of Defence, and in accordance with paragraph 3.1.1(a) of the Administrative Procedures, the Minister for the Environment, Sport and Territories determined that neither a Public Environment Report nor an Environmental Impact Statement was necessary. The information provided to the EPA was prepared in consultation with the Australian Nature Conservation Agency, the Australian Heritage Commission, the Queensland Department of Environment (previously Environment and Heritage), the Western Australian Department of Environmental Protection, and the Conservation Commission of



the Northern Territory. The provisions of the Environment Protection (Impact of Proposals) Act 1974 were satisfied.

(5)(a) and (b) The Exercise Plan and the subsequent Annex T (Environmental Annex) are United States documents, ie issued by the United States Exercise Executive (Commander Seventh Fleet) to Exercise participants, and includes some reference to operations. These documents are not normally released, however, I am happy to provide the Senate with the Executive Summary to the Environmental Assessment which includes the safeguarding measures in respect to the Exercise ( this document is attached at Annex A).

(6) Exercise Tandem Thrust is a free play operational and tactical level exercise, where freedom of manoeuvre is essential for units to gain full value from the activity. The movement of the US submarine has not been pre-scripted and a definitive answer to this question cannot be given. It is, however, the nature of nuclear-powered submarine operations to avoid shallow or navigationally constricted waters. Additionally, the Australian Government has imposed restrictions on the use of most anti-submarine sensors within the Great Barrier Reef Marine Park. Exercise planners have consequentially designed the majority of the submarine activities to be well clear of the Great Barrier Reef Marine Park.

(7) Every port in Australia has a general plan which would apply in the unlikely event of an accident involving any conventional and nuclear-powered foreign warship. The risk, however, of a major collision involving a foreign warship in an Australian port is considered to be very remote because of navigation practices and port restrictions on shipping movements. So remote are the risks, the Department of Defence assesses the chances of a contained accident occurring at less than 1 in 10,000 years, and the chances of an accident involving the release of radioactive material to be far more remote.

(8) Yes (the map is attached at Annex B).

(9) The Australian Government does not have definitive information on this aspect of nuclear-powered submarine operations. In any event, it is not anticipated that the US nuclear-powered submarine will be operating in less than 50 fathoms of water during the exercise. Both Australia and the US have stringent safety procedures to minimise any risk for the environment and for its personnel. US nuclear-powered ships and submarines have visited over 150 ports in over 50 countries around the world without experiencing a reactor accident of any sort that resulted in the release of radioactive material. Both the US and Australian Governments have complete confidence in these units and in the personnel who operate them.

(10)(a) and (b) The Environmental Monitoring Group (EMG) will assist in achieving the successful conduct of Exercise Tandem Thrust 97, by providing specialist and expert local environmental advice in support of Exercise Commanders and participating Units. The EMG will have both US and Australian components. The Head of the EMG will be the Director of Environment and Heritage from the Department of Defence, who will be the liaison point between the US and Australian components and the Combined Exercise Control Group. The EMG will be responsible for providing expert environmental advice, conducting environmental inspections before, during and after Exercise Tandem Thrust 97, responding to reported environmental incidents, and to be the key liaison point between the Exercise Commanders and the external stake holders. The EMG will be staffed by six US representatives and four Australian representatives. The US contingent will consist of environmental management specialists, with expertise in facilities engineering, hazardous waste management, hazardous materials management, land and sea oil spill management, and ground water and soil investigation. The Australian contingent will include the Director of Environment and Heritage from the Department of Defence, the SWBTA Environmental Management Officer, a South Queensland Logistics Group Engineer, and an expert on SWBTA from the Commonwealth Scientific and Industrial Research Organisation. In addition, there will be constant liaison as required with representatives from the Great Barrier Reef Marine Park Authority, Queensland Department of the Environment, and a local civil engineering firm, prior to, during and after Exercise Tandem Thrust 97.

(11)(a) Australia and the US are expected to have an estimated 5,500 personnel and 20,500 respectively that will participate in the exercise.

(b) No countries other than Australia and the US will be participating in this exercise (this includes observers).

(12) There is no intention for the US to preposition equipment in Australia as a result of Exercise Tandem Thrust.

(13)(a) One Los Angeles Class nuclear-powered submarine will participate in the exercise. It is US policy to neither confirm, nor deny, the carriage of nuclear weapons on US naval ships. The Australian Government accepts this policy and does not require the US to disclose whether nuclear weapons are on board their visiting warships. The Government is satisfied that the standards required by NATO countries, with respect to nuclear weapons safety, and with the safety precautions taken on board visiting warships, effectively preclude the possibility of an accidental nuclear detonation.

(b) On 8 July 1996 the International Court of Justice handed down an advisory opinion as to

whether the threat or use of nuclear weapons is, in any circumstances, permitted under international law. The Court reached the conclusion that the use of nuclear weapons, in all but the most extreme circumstances, would be illegal. The Court was, however, unable to find any evidence suggesting that the possession of nuclear weapons is illegal under international law. The Court was not called upon to consider the legality of nuclear powered ships. Exercise Tandem Thrust does not include scenarios anticipating the use of nuclear weapons. The Australian Government does not consider that the presence of nuclear powered warships in Exercise Tandem Thrust is in breach of international law.

(14) After full and proper consideration, taking into account all relevant environmental implications, Defence considers that the environment would not be affected to a significant extent.

#### EXECUTIVE SUMMARY

#### ENVIRONMENTAL ISSUES

#### EXERCISE TANDEM THRUST 97

1. Exercise TANDEM THRUST 97 (TT97) is a United States led and Australian supported combined joint exercise to be conducted in the Shoalwater Bay Training Area (SWBTA) and contiguous areas of the Coral Sea during March 1997.

2. This Executive Environmental Summary highlights activities and mitigative measures designed to minimise environmental impacts contained in the Environmental Annex (EAX) to the Tandem Thrust 97 Exercise Plan (EXPLAN) and the Environmental Assessment, Exercise Tandem Thrust 97 (TT97 EA). As described in the EAX and the TT97 EA, this Summary is only applicable to activities conducted during TT97 and is not applicable for any other Exercises.

3. The Commander of the US Seventh Fleet, the Commander of the Combined Task Force (CTF), recognises the importance of safeguarding the environmental conditions existing in the SWBTA and the Great Barrier Reef Marine Park (GBRMP). This recognition and the responsibilities associated with maintaining the environment will be promulgated to all Exercise participants in the Environmental Annex to the EXPLAN and through an Environmental Awareness Program. All environmental responsibilities and restrictions required to comply with Australian standards are routinely complied with by US forces and pose no restrictions that would hamper the conduct of the Exercise.

4. Similarly, the Australian Defence Force routinely complies with the environmental conditions and restrictions necessary to meet the requirements of the Environment Protection (Impact on Proposals) Act (1974), the Great Barrier Reef Marine Park Act (1975), the Australian Heritage Commission Act

(1975) and the Endangered Species Protection Act (1992). In addition, numerous State laws apply to aspects of environmental management of Commonwealth lands and waters, some of which are not binding on the Commonwealth, but most are complied with in full.

5. The majority of environmental responsibilities and restrictions which are routinely observed during Defence activities are contained in unit Standing Operating Procedures and SWBTA Standing Orders (SO). This summary highlights additional measures which will be implemented to further minimise the potential for adverse impacts during TT97.

6. The mitigative measures agreed to for TT97 are contained in the EXPLAN. They are outlined in this summary. Requirements contained in the EXPLAN are binding on all Exercise participants under Military and/or Civil Law.

7. The additional procedures to be implemented for TT97 will not change or infringe on the navigation and overflight rights and responsibilities of the parties as reflected in the 1982 United Nations Convention on the Law of the Sea.

#### Exercise timings

8. The major elements of TT97 which are to be held in the Shoalwater Bay Training Area (SWBTA) are scheduled to be conducted during the period 10—22 March 1997. TT97 will involve approximately 26,000 personnel from the US and Australian defence forces. A breakdown of personnel and their exercise locations is given in Annex A.

9. Minor elements of TT97 will be conducted outside SWBTA and/or outside the time frame given above. Some participating forces, primarily air and special operations forces, will be based in Rockhampton, Amberley and Townsville. Arrival of supporting forces in Exercise operating areas will occur as early as late January / early February of 1997, with some supporting forces staying as late as April or May 1997. Supporting forces which are to arrive early will include contracting specialists, various liaison officers, public affairs representatives and engineering forces. Component forces will begin to flow into the Exercise area in late February and early March. Ground reconnaissance operations will precede the CTF main body operations.

#### Environmental Status of Exercise Area

10. Military Training is an activity which has been conducted in the SWBTA and its approaches for over thirty years. During this period, management procedures instigated by the Australian Army have seen the SWBTA recover to such an extent that it is now listed in the Register of the National Estate. This period has also seen the area become a refuge for native marine, terrestrial and avian fauna, including several species which are rare or endan-

gered. It has also become a reserve for rare and endangered flora.

11. The Great Barrier Reef is the World's largest and most significant living reef system. It is part of a unique cultural and natural heritage that requires the highest level of environmental protection. In 1981, the Great Barrier Reef became the first place in Australia listed under the World Heritage Convention, meeting all four natural criteria for listing.

12. The Queensland Marine Parks Act (1982-1988) provides for areas that are "tidal lands and tidal waters" of Queensland to be declared marine parks. The Mackay/Capricorn State Marine Park, gazetted in August 1988, extends complementary zoning, management and protection to the region's estuaries, as well as to inshore waters and intertidal areas adjacent to the Mackay / Capricorn section of the Great Barrier Reef Marine Park.

#### Previous Exercises

13. TT97 is a significant Exercise, but it is not the largest exercise to have been conducted in the SWBTA. Some previous "large" joint / combined exercises which were conducted in the SWBTA include:

(a) Exercise KANGAROO 1: Jun 74; over 40 ships from Aust, NZ, UK and US & over 5000 personnel participated in land based activities.

(b) Exercise KANGAROO 2: Oct 76; over 30 ships from Aust, NZ and US, including two aircraft Carrier Battle Groups & ground forces of more than 11,500 personnel.

(c) Exercise KANGAROO 3: Sept / Oct 78; 27 ships, over 120 aircraft from Aust, NZ and US. In total it involved some 17,000 personnel.

14. The level of ground forces involved in the Exercise TANDEM THRUST 97 equates to a "Brigade (+) Level Exercise". As well as the joint / combined Exercises discussed above, "Brigade Level" or larger exercises have been conducted in the SWBTA on average of more than once per year.

15. As well as accommodating these formation exercises, the SWBTA is also used for many smaller exercises which are often conducted concurrently.

16. There is no evidence that the SWBTA or areas immediately surrounding it have suffered significant adverse environmental impacts resulting from these exercises. Consequently, it is anticipated that current procedures, as detailed in the SWBTA Standing Orders, will ensure that adverse short term environmental impacts are minimised and long term effects are avoided.

#### Exercise Outline

17. Commencing 10 March, the CTF will conduct operations into the combined operating area using airborne, amphibious and air assault techniques. Ground manoeuvre and live fire (surface and air) training will occur at multiple locations in SWBTA. A live fire combined arms exercise (CAX), integrating infantry manoeuvre, air, surface and naval gunfire support will occur on the impact areas (ie, Townshend Island, Mt Hummock and Pyri Pyri) to culminate training. Both rotary and fixed wing aircraft will be used during exercise. Forces will commence redeployment on 23 March 1997.

#### Exercise Elements & Activities

##### Combined Marine Forces Operations

18. Marine forces will conduct amphibious landings, air operations, ground manoeuvre and live fire air and ground ordnance delivery training. Marine air operations will include fixed and rotary wing close air support using the established impact areas.

##### Combined Naval Forces

19. Naval operations will occur both inside and outside the Great Barrier Reef Marine Park. A Carrier Battle Group consisting of the carrier USS Independence, US and Aust surface combatants, and US and Aust submarines will conduct blue water naval operations from locations inside and outside the GBRMP.

20. The Carrier Battle Group will enter the park to conduct "choke point transit" operations, and to launch and recover aircraft. The Carrier Battle Group operations will include surface warfare, undersea warfare and air warfare operations. Carrier based aircraft will conduct operations inside SWBTA. These operations will include the dropping of live ordnance onto the impact areas.

21. Surface combatants will enter the GBRMP to conduct naval surface fire support missions on the impact area on Townshend Island. It is planned to launch amphibious assaults, live naval gunfire support (NGS), aerial bombing, and electronic warfare operations from within the GBRMP.

22. An Amphibious Ready Group (ARG) will operate close to the beach. The ARG will conduct amphibious demonstrations, rehearsals, assaults and backload operations. They will occur at Sabina Point, Freshwater Bay and Townshend Island, and will use assorted craft including helicopters, conventional surface landing craft and air cushioned landing craft.

##### Combined Army Forces Operations

23. Army operations will consist of air and airborne assault operations, and a tactical amphibious insertion followed by ground manoeuvre and

live fire training using battalion level organic weapons, which includes small arms up to .50 calibre, anti tank missiles, mortars up to 81 mm, and grenades.

Combined Force Air Component and Combined Air Forces

24. Carrier based US Navy aircraft, US Marine Corps aircraft, US and Australian maritime patrol aircraft, and US Air Force and RAAF assets based at Rockhampton, Amberley and Townsville will conduct air operations in the SWBTA airspace. Aerial refuelling from tanking aircraft will also occur. Air operations will consist of counter air, strategic attack, air interdiction and close air support missions using inert and live ordnance. Radar and electronic warfare will be used extensively. Both fixed and rotary wing aircraft will be used in the Training Area at established airfields and may be based in the Training Area at established airfields. Very short takeoff and landing (VSTOL) aircraft may be used in the SWBTA at established airfields. Rotary wing aircraft may be based in the SWBTA at established airfields and will land throughout the Training Area. Air operations will occur night and day throughout the period of the Exercise.

Combined Special Operations Task Force (CSOTF)

25. CSOTF forces will begin to deploy during February. They will conduct special reconnaissance and direct action missions in the SWBTA to support the CTF scheme of manoeuvre. Insertion of ground forces will be by paradrop and helicopter to designated landing and drop zones. CSOTF Operations will include cross the beach operations involving small units. Water paradrops of combat rubber raiding craft, and insertions from Special Operations Forces' coastal patrol craft will also be practised. Targets for live fire will be located within existing impact areas.

Engineering Operations

26. Engineering operations will occur in a 30 to 45 day deployment window commencing in Jan 97. US and Aust Engineering forces supporting TT97 will:

- Assist in the conduct of pre and post exercise survey of SWBTA.

- Provide forces to Opposing Force Commander.

- Conduct combined engineer training.

- Accomplish planned Exercise Related Construction Program projects.

27. Anticipated exercise related construction projects include: target construction, road maintenance and camp construction projects.

Maritime Pre-Positioning Force Integration

28. The Maritime Pre-Positioning Force Integration (MPFI) will involve the pierside and instream off

load of MPF equipment and supplies in support of TT97 in Gladstone and off Freshwater Beach. The MPFI component of the Exercise will also involve the establishment of an Offshore Petroleum Discharge System (OPDS). The OPDS will simulate petroleum distribution by pumping potable water. The off load activities will require the establishment of staging areas. These will principally be located in Gladstone, Samuel Hill, and a camp which is to be established near sea Hound Hard.

Offshore Petroleum Discharge System

29. The offshore petroleum discharge system (OPDS) has been developed for joint service applications where bulk fuel must be delivered ashore over undeveloped beaches. A tanker which is outfitted with a special four point mooring system for use during the initial delivery of fuel to the beach carries the major system components including: 6.4 km of ship to shore conduit on half mile hose reels, a 900 ton single anchor leg mooring (SALM) and high capacity fuel pumps.

30. For TT97, the pumping of fuel will be simulated by pumping potable (fresh) water. This water will be taken onboard in San Francisco.

Instream Off Load.

31. The instream off load activities at Freshwater Beach will involve the unloading of approximately 100 pieces of equipment from cargo ships, and transferring them via barges to the beach from where they will be taken to Samuel Hill. A floating administration pier will be established at Freshwater Bay. The equipment will be reloaded onto the cargo ships, again by use of the pier and barges. There may also be an opportunity to reload some of the ARG ships at Freshwater Bay using the MPF equipment.

32. The instream and pierside off load activities to be conducted in Gladstone are being coordinated with the Harbour Master in Gladstone and the Gladstone Port Authority.

Combined Exercise Support Group

33. In addition to those personnel directly participating in meeting the Exercise objectives, additional personnel will participate as members of the Combined Exercise Support Group (CESG). It is expected that the total number of personnel participating as members of these organisations will be in the vicinity of 400. These personnel are contained within the summary data for participants given in Annex A.

SPECIFIC ENVIRONMENTAL PROTECTION MEASURES.

Environmental Awareness Program (EAP)

34. An EAP consisting of the EAX, an Environmental Awareness (and Health) Handbook and an Environmental Awareness video has been developed. The target audience for the EAP is all TT97

participants. The EAP will be coordinated with Public Awareness and Community Consultation activities and events.

#### Environmental Monitoring Group (EMG)

35. An EMG is being established to assist in achieving the successful conduct of TT97 by providing expert environmental management advice in support of Exercise Commanders and participating Units.

36. The EMG has the following roles and responsibilities:

(a) provide expert environmental advice to Exercise Command;

(b) conduct environmental inspections before, during and after TT97;

(c) liaise with participating Units to provide specialist environmental advice;

(d) respond to reported environmental incidents and instigate and coordinate subsequent remedial action;

(e) undertake active inspections of the exercise area to detect unnoticed or unreported adverse environmental impacts and subsequently instigate appropriate remedial measures to prevent or minimise damage;

(f) liaise with civil authorities on matters relating to the environmental conduct of the exercise;

(g) resolve issues of cost-sharing for environmental repairs and mitigation measures identified during pre and post-exercise inspections;

(h) provide escorts for VIPs and official visitors as required in relation to environmental aspects of the exercise; and,

(i) provide a point of contact for media enquires related to environmental issues.

37. The EMG is to be staffed by US and AUS environmental management specialists, providing extensive expertise relating to local and / or specific issues. Other personnel will be attached as required.

#### Training Area Inspections

38. Inspections of training areas and facilities will be conducted before, during (without interference to the general conduct of the exercise) and after the exercise. These are to be carried out by the EMG which has been established for TT97. Commanding Officers will ensure that any infrastructure or environmental damage noticed or caused by units is promptly reported to EMG.

#### MARITIME OPERATIONS

##### Notices To Mariners (NTMs)

39. Participating ships will arrive in the operating area from early Feb 97. The last ship is scheduled to depart Freshwater Bay by the end of March.

Naval Forces operating in the Capricorn Channel will ensure that disruptions to civilian traffic are minimised in both area and duration and are consistent with exercise and safety requirements. The Capricorn Channel will not be closed for this Exercise. "Closed" areas will be limited to the safety area around the Townshend Island impact area, and the area where the MPFI / amphibious activities are to be conducted off Freshwater Beach.

40. All restrictions to maritime activities will be promulgated by NTMs.

##### Sewage

41. Ships without International Maritime Organisation approved sewage treatment facilities are to limit their presence within GBRMP waters to periods considered essential for the achievement of exercise objectives. Untreated sewage will not be discharged from ships while they are located less than 12 nautical miles outside the 20 meter isobath.

##### Greywater

42. Discharge of greywater is prohibited within 1 nautical mile of a reef or coastline. All soaps, detergents and cleaners to be used onboard ships are to be biodegradable and low in phosphates. The discharge of "washing up" water within the GBRMP is permitted provided that all bulk food wastes (ie., those generated during food preparation and plate scrapings) are retained on board. Food wastes require disposal on land under quarantine control or may be retained for discharge at a later time in accordance with MARPOL 73/78 requirements.

##### Oil and Oily Waste

43. Any discharge of oil or an oily mixture, including bilge water, from ships is prohibited except where MARPOL 73/78 requirements are satisfied. If the Oily Water Separator (OWS) in a ship fails during the Exercise, bilge water is to be retained onboard in an alternate tank for later disposal in compliance with MARPOL 73/78 requirements.

##### Hazardous Waste/ Materials

44. No hazardous materials or wastes are to be disposed of at sea. All hazardous waste is to be handled, packaged, marked, stored and recorded as per extant instructions. Units are to immediately report any spill to the EMG.

##### Solid Waste

45. No garbage of any sort is to be disposed of within the GBRMP. Outside the GBRMP, the disposal of garbage at sea from ships is subject MARPOL 73/78 restrictions.

46. All ships have garbage management plans. These plans verify that ships have sufficient storage capacity to hold garbage for any period that they may be required to operate within the GBRMP.

Ships will exit the GBRMP as necessary for housekeeping duties, such as the disposal of garbage and pumping of bilges.

#### Contingency Plan.

47. Ships that have exceeded their garbage storage capacity and are unable to exit the GBRMP are to inform the EMG which will arrange for the removal of wastes by lighter.

#### Medical Waste

48. The disposal of medical waste is prohibited in the GBRMP. Medical waste brought to an Australian port will be disposed of under AQIS Supervision.

#### Dumping.

49. No dumping, as defined by the London Dumping Convention, is to be undertaken by any ship or vessel participating in TT97.

#### Spills

50. Any oil spills will be reported to Maritime Headquarters (MHQ). MHQ is to inform the EMG as well as the appropriate civil authorities. MHQ will report incidents to the Maritime Rescue Coordination Center (MRCC), Australian Maritime Safety Authority, Canberra, and the Harbour Master, Gladstone Queensland. (The Harbour Master at Gladstone is responsible for implementation of the "Reef Plan," the oil spill contingency plan for the Exercise Area). All ships participating in TT97 will carry oil spill materials as stipulated by extant instructions.

#### Ship Ballast Water.

51. After departing from their last port of call, all ships will flush ballast tanks and associated equipment a minimum of three times while enroute to Australian waters. They are also required to flush at least once more in the Coral Sea within a distance under 200 nm, but greater than 50 nm of the GBRMP. A minimum of four complete flushes must be made prior to arrival to the GBRMP.

52. Ships fitted with ballast tanks are required to signal the EMG, with an information copy to MHQ, when flushing requirements have been met.

#### Anchoring.

53. Except for MCM, ARG and MPFI units, ships are not permitted to anchor within the exercise area, unless there is an emergency. HMAS Tobruk is permitted to anchor off Sabina Point to transfer loads to landing craft, and US Amphibious and MPFI ships are permitted to anchor two to three miles off Freshwater Beach. MCM vessels may anchor within the Capricorn Group in accordance with the approval letter from the Queensland Department of Environment dated 29 August 1996 and providing they follow the GBRMPA Zone A and B Regulations.

#### Protection of Marine Mammals, Endangered/Threatened Species

54. Many whales, dolphins and dugong are found in the GBRMP. The species of most concern within the waters of the SWBTA are the dugong and the green turtle.

55. A critically endangered population of 400 dugong live in the SWBTA. It is the most important population remaining in the Southern Great Barrier Reef. The feeding areas most often frequented by dugong will generally not be used during the exercise as they occur in shallow waters where shipping would be vulnerable to grounding. To further minimise potential impacts, the location and speed of boat operations in these areas will be restricted.

56. There is also a potential risk to these species when underwater demolition charges are detonated at the Triangular Island underwater demolition range. Although there has been no record of injury or mortality of these species as a result of underwater demolition's since the range was established in the early 1970's, underwater detonations will be restricted to Triangular Island, in accordance with the proposed RAN/GBRMPA agreement regarding detonations.

57. The SWBTA contains a number of rare and endangered turtles. Turtles will not be approached, impeded or interfered with in any way.

58. In order to assist the Great Barrier Reef Marine Park Authority in developing data bases on endangered species, sightings of whales and dugong will be reported to the EMG for forwarding to the GBRMPA.

#### Sea Birds

59. Akens Island is an important seabird and pelican rookery. A 1500 m "stovepipe" has been established around this island. Air and surface traffic is not permitted within this area.

#### Use of Sonar.

60. Undersea warfare operations will involve the use of passive sonar by participating submarines, and active sonar by participating surface combatants. Undersea warfare operations outside the GBRMP may be supported by sonobuoys, air delivered by maritime patrol aircraft. Active sonar is not to be used within the 100 meter isobath. Sonobuoys will not be used within the GBRMP. There are no restrictions on the use of passive sonar.

#### Mine Clearance Operations

61. Mine clearance operations are limited to the clearance of a notional minefield between Swains Reefs and the Capricorn Group, and to mine sweeping operations in the approaches to Shoalwater Bay.

62. Mine counter measure operations will be limited to surface mine hunting and sweeping operations in the vicinity of the Shoalwater Bay approaches by RAN mine countermeasures vessels. No US mine countermeasures assets will participate.

#### Underwater Demolition

63. Underwater demolition serials are only to be conducted at Triangular Island. Detonations are to be conducted in accordance with the draft GBRMPA/RAN protocols.

#### Naval Gunfire.

64. No live or inert ordnance will be intentionally dropped in the water. Naval Gunfire Support (NGS) activities will be restricted to the impact area on Townshend Island.

#### UXO Clearance.

65. US and Australian forces are individually responsible for the clearance of any UXO resulting from the malfunctioning of ordnance. A Clearance Diving Team (CDT) is available to locate and destroy UXO.

#### Replenishment at Sea.

66. Underway refuelling or Replenishment-at-Sea activities for major surface ships will not be conducted within the GBRMP.

### AMPHIBIOUS OPERATIONS

#### Anchoring

67. HMAS Tobruk is permitted to anchor off Sabina Point. US Amphibious and MPFI ships are permitted to anchor two to three miles off Freshwater Beach where a survey by the RAN, GBRMPA and the Queensland Department of Environment have confirmed an absence of benthic communities.

#### Landings

68. Amphibious operations will occur at Sabina Point, Freshwater Bay and Townshend Island (Sea Turtle Hard).

#### Sabina Point

69. Conventional surface displacement landing craft operations are limited to three hours on either side of high tides but should be conducted as near as practical to high tide to limit vehicle and landing craft impacts on the tidal flats and damage to mudflats and seagrass meadows. This will also reduce the risk of bogging and the flooding of vehicles on the tidal flats following disembarkation. LCAC (air cushioned landing craft) operations are restricted to high tides and the designated landing sites at Sabina Point to limit the impact on these areas. LCAC are not to transit mudflats or exposed seagrass meadows outside of established lanes at low tide.

70. Vehicles making the beach landing are to exit the beach only via either of the two existing exit tracks at Sabina Point. If the permanent concrete mat causeway at the northern exit of Sabina Point Beach is damaged during the landings, it is to be repaired at the end of the exercise. If portable beach matting is used during the landings it is to be removed at the end of the exercise. The sand dune areas behind Sabina Point beach are not to be used for manoeuvres.

#### Freshwater Beach

71. Landings at Freshwater Beach by landing craft will be restricted to low to mid tides to limit potential damage to the dunes. This will allow vehicles to transit the beach on the firm wet sand exposed on the receding tide. LCAC operations at Freshwater Beach can be conducted irrespective of tides since they do not touch the water / ground, however, wherever possible, these exercises will also be restricted to low to medium tides to protect the coastal dunes. However, the beach gradient encountered during the Exercise may require slight modifications around this general policy. If a Landing Craft has to operate at high tide, every effort is to be made to beach directly on Beach Center, and for wheeled vehicles to use established beach matting. Traffic routes are to be directly off the craft to the road exit. Wheeled vehicles are not to disturb the foreshore vegetation and sand dunes.

72. No vehicles are to move above the high water mark or enter the dunes or the areas where vegetation is being established between the highwater mark and the dunes. The sand dune area behind Freshwater Beach is not to be used for manoeuvre under any circumstances. All vehicles leaving the beach are to do so using the track at the southern end of the beach.

#### Sea Turtle Hard

73. Vehicles making the beach landing are to exit the beach only via either of the existing exit tracks at Sea Turtle Hard. If portable beach matting is used during the landings it is to be removed at the end of the exercise. The sand dune areas behind Sea Turtle Hard beach are not to be used for manoeuvres.

#### Refuelling of Landing Craft

74. Refuelling of landing craft is not permitted without the use of appropriate oil spill containment and clean up equipment.

#### Beach Operations.

75. Tracked and heavy vehicles are forbidden from transgressing beach frontages between the high and low water mark, except those designated amphibious operations areas (ie. Freshwater Bay, Sabina Point and Sea Turtle Hard on Townshend Island).

76. Due to the fragile ecosystem, sand dunes and the areas of vegetation immediately prior to sand

dunes are "NO GO" areas. Activity in mangroves is prohibited except for limited Special Force OPS.

#### Withdrawal Procedures.

77. Environmentally, it is preferable for landing craft to be stranded on the beach until the next high tide, rather than attempting to withdraw within the narrow time frame of high tide if there is insufficient depth of water. The deciding factor in this decision is the time it will take to unload (dependent on weather conditions), the height of the tide, the difficulty of unloading vehicles, etc. The decision to withdraw craft from the beach should not depend solely on the time constraints of the exercise.

#### MARITIME PRE-POSITIONING FORCE INTEGRATION

78. No bulk "ship-to-shore" transfer of fuel activities will be conducted during TT97, however, to simulate a ship to shore fuel transfer like what was used in support of the United Nations peace keeping operations in Cambodia, a potable water transfer will be conducted at Freshwater Bay using the OPDS. Only potable water will be pumped ashore.

79. A primary and two alternate sites for the OPDS have been identified in conjunction with GBRMPA and the Queensland Department of Environment.

80. The following additional restrictions on the operation of the OPDS apply:

(a) Fresh water pumped through the pipeline is not to be allowed to run on the beach or beach vegetation.

(b) All hardware deployed as part of this activity is to be retrieved.

(c) A contingency plan is to be developed to remove the deployed equipment in case of bad weather

81. The pumping of fuel is to be simulated by pumping potable (fresh) water. No fuel is to be pumped ashore using the OPDS or other systems. This water will be taken onboard in San Francisco.

#### Instream Off Load

82. The instream off load activities at Freshwater Beach will involve the unloading of approximately 100 pieces of equipment from cargo ships, and transferring them via barges to the beach from where they will be taken to Samuel Hill. A floating administration pier will be established. It is to extend no more than 900 feet (275m).

83. Ships will anchor in the vicinity of the alternate sites for the SALM.

84. As much of the equipment has already been loaded onto the MPFI ships (where it is held for contingencies), AQIS inspectors are to examine the

equipment as it is off loaded on the administration pier, before it is allowed ashore.

85. The locations to be used for the MPFI activities are not located in the waters of the GBRMP or the Mackay / Capricorn State Marine Park.

#### TERRESTRIAL OPERATIONS

86. Most environmental responsibilities and restrictions applicable to activities conducted in the SWBTA are contained in SWBTA Standing Orders (SO). Additional restrictions, safeguards and mitigation measures being implemented for TT97 are given below.

#### Historic and Archaeological Resources Protection.

87. There are a number of European and Aboriginal protected heritage areas. As part of the general guidelines issued for planning exercises within the SWBTA, these sites are included in the areas to be avoided and are promulgated to exercise planners. In this way precise details of many sites are not made available to exercise participants, thereby ensuring that exercise participants do not attempt to locate areas of significance in order to examine them closely or to collect souvenirs. The additional requirements for TT97 include:

(a) Aboriginal Sites. The Exercise has been planned so that known Aboriginal sites should not be encountered by participating personnel. However, if new aboriginal sites or burial places are encountered, they are to be regarded as "NO GO" areas and are not to be deliberately entered, targeted, damaged or defaced in any way. Any aboriginal sites encountered during the Exercise must be reported to Exercise Control. No aboriginal archaeological site or artefact is to be desecrated or removed.

(b) Old homestead structures are not to be targeted, damaged, or defaced in any way.

(c) Graffiti is not permitted under any circumstances. This ban also specifically includes the protection of trees and structures against damage by instruments such as bayonets and knives, as well as the prevention of the stencilling, painting, and placement of stickers, memorials or signs.

(d) Troops are not to remove, paint, stencil, mark or place unit stickers on road signs. They are not to be damaged or defaced in any way.

88. During amphibious operations units will not manoeuvre on beaches or dunes. Only established roads will be used for off beach movement of vehicles and equipment. Live fire training will utilise small arms up to .50 calibre, 40 mm grenades, hand grenades, anti-tank missiles, 60 mm and 81 mm mortar, and 155 mm artillery. Light Air Defence missiles may also be fired.



#### Vehicular Movements.

89. Units causing or noticing any damage to areas are required to immediately report the incident and extent of damage to Exercise Control.

#### Engineer Restrictions.

90. Any new horizontal earthwork constructions to be conducted in SWBTA must be approved by the Environmental Officer, BASC Rockhampton.

91. Demolition practices and route denial operations including tree damage or removal, excavations and field defence constructions must be approved by the Environmental Officer, BASC Rockhampton.

#### Hazardous Materials and Waste Management.

92. Waste Disposal. The following procedures are to be adopted for materials which are not allowed to be disposed of in the SWBTA

(a) Inventory. Units shall maintain an up-to-date hazardous material / hazardous waste (HM/HW) inventory, and have this readily on-site at all times.

(b) Accountability of Waste Materials. Units will deploy with applicable Material Safety Data Sheets (MSDSs) or Hazardous Material Information Sheets (HMISs) for each HM and planned HW that may be generated during the exercise.

(c) Waste Handling. All personnel handling HM/HW are required to have appropriate levels of training.

(d) Waste Storage. HM/HW storage areas must be properly established and maintained.

(e) Waste Package. All units are responsible to ensure that they have appropriate packaging materials, drums, plastic bags, and personnel protective equipment.

(f) Spill Prevention and Control Plan: Each unit will have a spill prevention/control plan.

(g) Waste Segregation. Strict observance must be applied in order to prevent HM/HW from being intermixed with general refuse.

(h) Spill Response. All units will report any spill that exceeds the reportable quantities which are: POL/liquid/semi-liquid HM/HW in excess of 400 litres (110 gals.), solid HM/HW in excess of 225 kg (500 lbs.), combinations of POL/liquid/semi-liquid HM/HW exceeding 340 kg (750 lbs.), and spills that affect water resources, will be reported immediately to the EMG.

#### Range produce.

93. Field fired (eg during manoeuvres) small arms produce (cartridge and link), is not required to be removed. Small arms produce from fixed firing points and all other range produce is to be backloaded out of the exercise area by units/formations.

#### Batteries.

94. No batteries will be burnt, buried, and/or disposed of in anyway in the SWBTA.

#### Waste disposal

95. The littering and/or burying of trash in the SWBTA is strictly prohibited. There are three authorised dumps into which units are to deposit all of their wet and dry garbage.

#### Sanitation.

96. The area is generally not well suited for the construction of deep trench latrines or sullage pits. The soil is generally non-porous and rainfall aggravates most drainage problems. In camps of short duration, it is necessary to ensure that latrines and urinals are correctly sited, constructed and maintained, and are of a sufficient scale to meet unit requirements. A shallow trench latrine is to be constructed to a depth of at least 60 cm and a width of 25 cm. Where "cat scrape" latrines are used, care is to be taken to ensure the effective burial of faeces. Holes must be at least 30 cm deep.

#### Catchment Area Operations.

97. Only low impact exercise activities are allowed in the water catchments of the Freshwater and Dismal Sectors.

#### Outbound Equipment Inspections

98. Post exercise inspections of US equipment for Brown Tree Snake and venomous snake infestations of US vehicles, cargo, and equipment will be necessary at post exercise embarkation areas.

#### AIR OPERATIONS

##### Flying Practices

99. For environmental reasons including the preservation of birds and dugongs, and the possible sound impact on civilians, the following flight restrictions apply for TT97:

(a) Akens Island/Pelican Rock. A 1500 meter "stovepipe," has been established in which no aircraft will be operating below 2000 feet.

(b) Swains Reefs/Capricorn & Bunker Reefs. A declining breeding population of seabirds exists over the remote Swains Reefs, Bell Cay and the Capricorn and Bunker Groups, areas of the GBRMP. To minimise the potential risk to these birds, no aircraft will be operated below 2000 feet over these areas..

(c) Canoe Passage/Pyri Pyri and Mt. Hummock Impact Areas. Strike aircraft must utilise climbing safe escape manoeuvres as the primary recovery when conducting low altitude weapons deliveries onto Townshend Island. When egressing at low altitudes, strike aircraft are to egress in a northern direction, while avoiding Akens Island. Similarly, aircraft conducting low altitude simulated and real weapons deliveries onto the mainland impact areas

from the east must ingress and egress via Mt. Westall or Mt. Solitude.

100. These procedures have been developed in consultation with GBRMPA. They will minimise the disturbance to birds while still allowing exercise objectives to be met

#### Ordnance Delivery

101. Live ordnance is only to be dropped from aircraft in the two currently approved and established aircraft ordnance impact areas within the SWBTA, ie Townshend Island and Mt Hummock. No live or inert ordnance is to be intentionally dropped into the water from aircraft. The use of chaff and flares is permitted over maritime and terrestrial areas of the Exercise.

#### Summary

102. The Environment Assessment conducted by Defence has demonstrated that provided the normal procedures are adhered to by Exercise participants, and the additional restrictions and mitigation measures described therein and summarised in this document are observed and adopted, no significant impacts are expected to occur in the Exercise Area.

#### Annex A to

#### Environmental Summary

Exercise TANDEM THRUST 97  
EXERCISE TANDEM THRUST 1997  
EXERCISE PARTICIPANTS

MAXIMUM NUMBER:—26072

US NAVY AT SEA:—11564

AS NAVY AT SEA:—1562

MAXIMUM ASHORE:—12946

NOTE: Not all maximums occur on the same dates and as some personnel will relocate during the Exercise, the total number of participants is less than the sum of the maximums for each location.

LOCATED:—Rockhampton: 1280

Gladstone: 937

Townsville: 1824

Brisbane: 30

Amberley: 1104

SWBTA: 8609

Samuel Hill:—2473

Williamson:—706

SWBTA (field):—5430

Note: A small number of Exercise participants will be located in Hawaii and Guam and will not enter Australia. They have not been included in this summary.

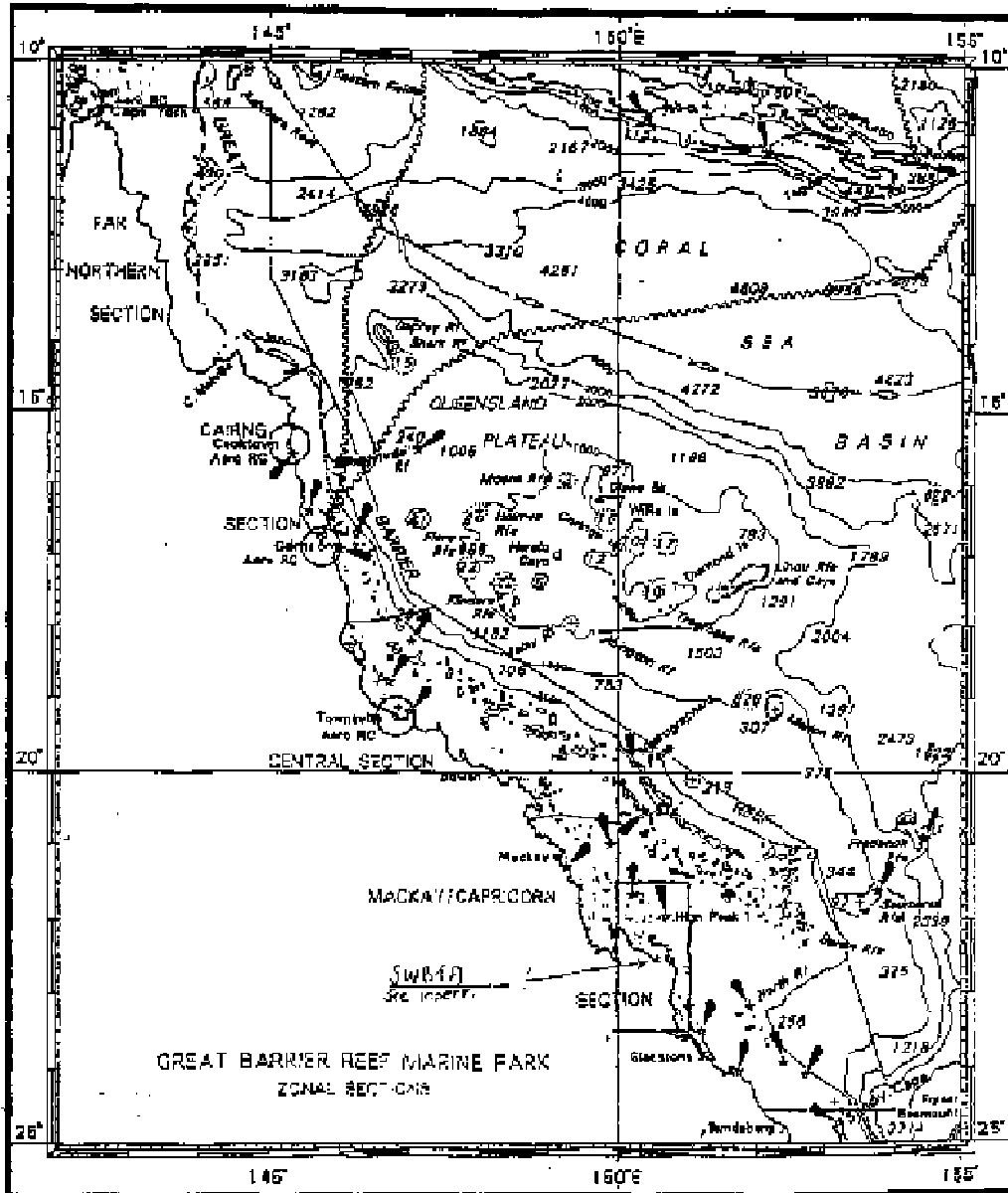
#### SHIPS

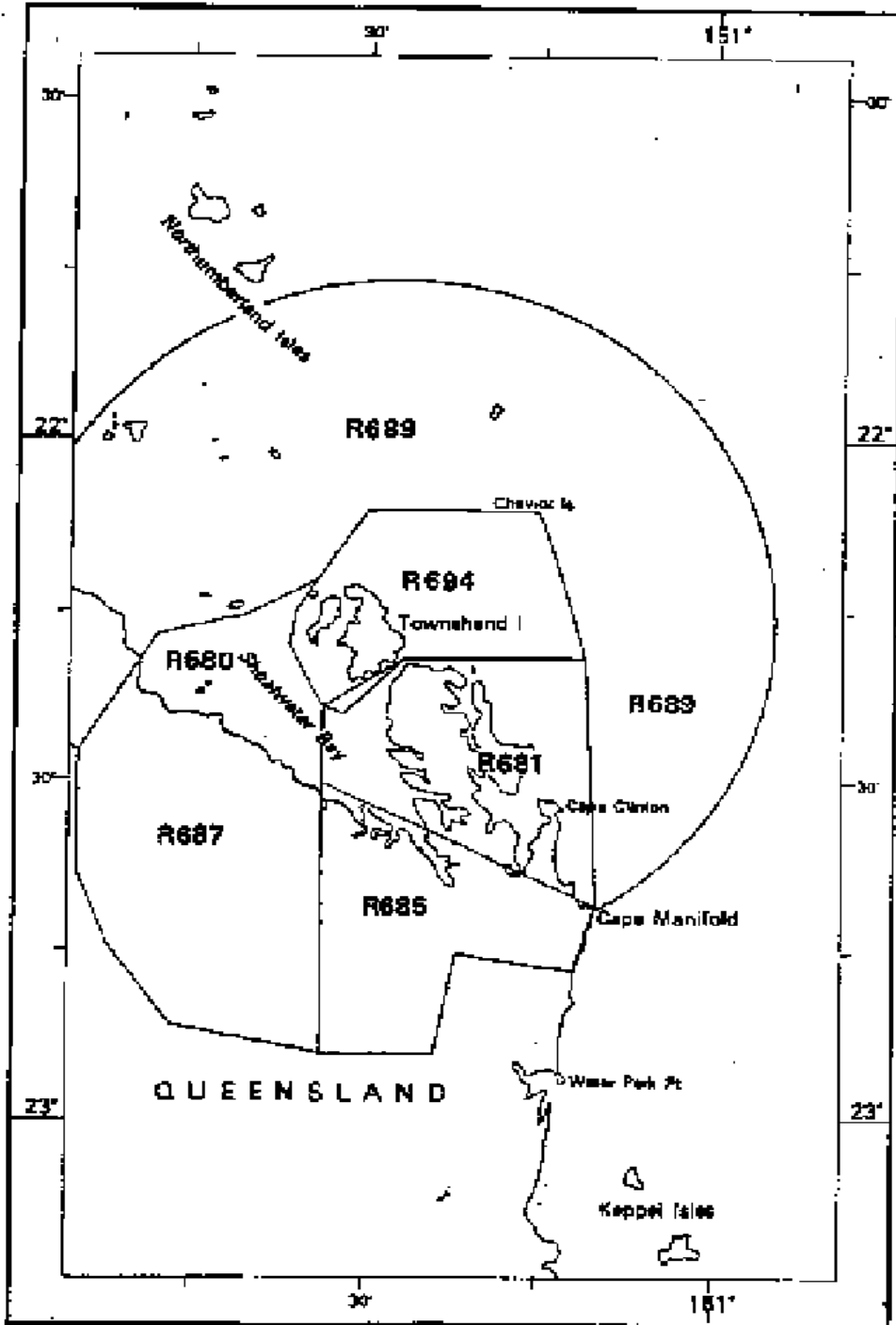
US NAVY:—13 Major Warships

AS NAVY:—7 Major Warships, 13 Minor Warships

#### AIRCRAFT:

RAAF Townsville:	USAF:	12 x F15-C	Rockhampton:	RAAF:	2 x DHC-4
		3 x KC-135			2 x PC-9
		1 x E-3B		USMC:	6 x CH-46
	RAAF:	12 x F-18			2 x AH-1
		1 x KB-707			12 x CH-53
	SOC PAC:	2 x MC-130		USAF:	4 x C-130
		2 x MH-53			
RAAF Amberley:	USMC:	12 x F-18	RAAF Richmond:	RAAF:	4 x C-130
		4 x KC 130		USAF	2 x KC-135
		2 x EA-6B		ANG:	
		6 x AV-8B			
	RAAF:	4 x F-111	NAVFOR:	CVW—5	INDY
		1 x RF-111			
	USN:	2 x P-3			
		1 x EP-3			
Anderson AFB, Guam:	USAF:	6 x B-52			
		3 x C 141			





### Logging and Woodchipping

#### (Question No. 369)

**Senator Brown** asked the Minister representing the Minister for Primary Industries and Energy, upon notice, on 23 December 1996:

(1) In relation to each of the export woodchip licences listed in Attachment A of your response to question on notice no. 277 (Senate Hansard, 5 December 1996, p 6417): (a) on what date was the licence application received; (b) on what dates and in what documents did the department provide advice in writing to the Minister in respect of each of these licences; (c) can a copy be provided of each document listed in (b); if not, please describe the matters covered in each document; (d) on what dates and in what documents did the Minister or the department receive advice in writing from the Department of the Environment or Minister for the Environment in respect of each of these licences; (e) can a copy be provided of each document listed in (d); if not, please describe the matters covered in each document; (f) on what dates and in what documents did the Minister or the department receive advice in writing from any State government or local government in respect of each of these licences; (g) can a copy be provided of each document listed in (f); if not, please describe the matters covered in each document; and (h) on what date was each licence signed.

(2) In relation to each of the export woodchip licences listed in Attachment B of your response to question on notice no. 277 (Senate Hansard, 5 December 1996, p 6417): (a) on what date was the licence application received; (b) on what dates and in what documents did the department provide advice in writing to the Minister in respect of each of these licences; (c) can a copy be provided of each document listed in (b); if not, please describe the matters covered in each document; (d) on what dates and in what documents did the Minister or the department receive advice in writing from the Department of the Environment or Minister for the Environment in respect of each of these licences; (e) can a copy be provided of each document listed in (d); if not, please describe the matters covered in each document; (f) on what dates and in what documents did the Minister or the department receive advice in writing from any State government or local government in respect of each of these licences; (g) can a copy be provided of each document listed in (f); if not, please describe the matters covered in each document; and (h) on what date was each licence signed.

**Senator Parer**—The Minister for Primary Industries and Energy has provided the

following answer to the honourable senator's question:

(1)(a) Refer to Column A of Attachment A.

(b) Refer to Column B of Attachment A.

(c) The Minute and Attachments provided by the department led to my decision to issue the 1996 transitional licences to export residue wood chips, together with the conditions attached thereto. A copy of standard transitional residue licence conditions was attached in my answer to Question No. 277, asked by Senator Brown on 22 October 1996. In relation to the WACAP application for a restricted shipment licence, see my answer to Question No. 370, asked by Senator Brown on 23 December 1996.

(d) and (e) In relation to the WACAP application, see my answer to Question No. 370, asked by Senator Brown on 23 December 1996.

In relation to the TE Kelly application, I did not consider the granting of its application for a residue wood chip licence for the remainder of 1996 to be an 'environmentally significant action' within the meaning of the Administrative Procedures under the Environment Protection (Impact of Proposals) Act 1974 (EP(IP) Act), and did not designate a proponent.

In relation to the other applications, I did not seek any formal advice from the Minister for the Environment under the EP(IP) Act as all applicants had been designated in November 1995 as proponents under that Act. Recommendations contained in response to those earlier designations were fully taken into account in my consideration of residue wood chip licence applications for the remainder of 1996. A copy of the response is attached.

(f) and (g) I regularly receive advice and submissions from all quarters on forest matters. I have no recollection of written advice from a State or local government on specific residue licences issued for the export of such wood chips during 1996.

(h) Refer to Column C of Attachment A.

(2)(a) Refer to Column A of Attachment B.

(b) Refer to Column B of Attachment B.

(c) The Minute and Attachments provided by the department led to my decision to issue the 1997-99 transitional export licences, together with the conditions attached thereto. Copies of the licences, including the conditions, have been publicly released.

(d) Refer to Column C of Attachment B.

(e) A copy of the document is attached.

(f) and (g) I regularly receive advice and submissions from all quarters on forest matters. The determining factors in my decisions to issue or not

issue long-term transitional licences are set out in the statements of reasons referred to in answer (4) to Question No. 277).

(h) My decision to grant the licences was made on 31 October 1996. All licences were signed on 1 November 1996, except for the Queensland Hardwood Resources licence which was signed on 7 December 1996.

## Attachment A

## 1996 Residue Hardwood Woodchip Export Licences

	A	B	C
Company	Date Application Received	Date and Type of Department Advice	Date Licence Signed
Sawmillers Exports Pty Ltd	22/8/96	8/10/96: Minute and Attachments	8/10/96
TFGA Farmwood Pty Ltd	2/8/96	8/10/96: Minute and Attachments	10/10/96
Midway Wood Products Pty Ltd	22/8/96	8/10/96: Minute and Attachments	8/10/96
TE Kelly Pty Ltd	21/8/96	8/10/96: Minute and Attachments	8/10/96
Southern Plantations Chip Co. Pty Ltd (SPCC)	22/8/96	8/10/96: Minute and Attachments	8/10/96
WA Chip & Pulp Co. (WACAP)	See answers to Question no. 370	See answers to Question no. 370	See answers to Question no. 370

## Attachment B

## Transitional Hardwood Wood Chip Export Licences: 1997-99

	A	B	C
Company	Date Application Received	Date and Type of Department Advice	Date and Type of Advice from Ministerial for Environment
Midway Wood Products Pty Ltd	22/8/96	28/10/96: Minute and Attachments	22/10/96: Letter and Attachment
Harris Daishowa (Australia) Pty Ltd	23/8/96	28/10/96: Minute and Attachments	22/10/96: Letter and Attachment
Sawmillers Exports Pty Ltd	27/8/96	28/10/96: Minute and Attachments	22/10/96: Letter and Attachment
Southern Plantations Chip Co. Ltd	28/8/96	28/10/96: Minute and Attachments	22/10/96: Letter and Attachment

	A	B	C
Company	Date Application Received	Date and Type of Department Advice	Date and Type of Advice from Ministerial for Environment
WA Chip and Pulp Co. Ltd.	26/8/96	28/10/96: Minute and Attachments	22/10/96: Letter and Attachment
North Forest Products	22/8/96	28/10/96: Minute and Attachments	22/10/96: Letter and Attachment
Boral Tasmania	19/8/96	28/10/96: Minute and Attachments	22/10/96: Letter and Attachment
Gunns	28/8/96	28/10/96: Minute and Attachments	22/10/96: Letter and Attachment
Griggs	26/8/96*	28/10/96: Minute and Attachments	22/10/96: Letter and Attachment
Farmwood	2/8/96*	28/10/96: Minute and Attachments	22/10/96: Letter and Attachment
QHR	27/8/96*	28/10/96: Minute and Attachments	22/10/96: Letter and Attachment

Note: \* Griggs and Farmwood licences for 1997 only; QHR licence for 1998-99

#### AUSTRALIA

Senator the Hon Robert Hill  
Leader of the Government in the Senate  
Minister for the Environment  
22 OCT 1996  
The Hon John Anderson MP  
Minister for Primary Industries and Energy  
Parliament House  
CANBERRA ACT 2600

Dear Minister

On 27 August and 18 September 1996, you designated twenty five companies and individuals as proponents in accordance with the Administrative Procedures of the Environment Protection (Impact of Proposals) Act 1974 in regard to their applications for woodchip export licences from 1 January 1997.

On the basis of the information available and after consideration of my Department's assessment report, I have determined in accordance with paragraph 3.1.1(b) of the Administrative Procedures that neither an environmental impact statement nor a public environment report is required for the purpose of achieving the object of the Act in regard to the proposal to consider the issue of woodchip export licences to applicants listed in my statement of advice and recommendations which is attached. My determination is based on licences being issued for a period of up to three years pending conclusion of relevant regional forest agreements with the States.

The attached statement of my advice and recommendations, together with this letter, forms my advice and recommendations in accordance with paragraph 3.1.4 of the Administrative Procedures.

The recommendations relate to environmental safeguards that I consider should be adopted in the export of woodchips under the licences.

I understand that two of the proponents designated, the Tasmanian Development Authority and Forestry Tasmania, did not submit applications for licences and that Tas Wood Products Pty Ltd has withdrawn its application. I have not considered these designations.

Yours sincerely

(sgd) Robert Hill

Attachment C

ENVIRONMENT PROTECTION (IMPACT OF PROPOSALS) ACT 1974

ADMINISTRATIVE PROCEDURES

ADVICE AND RECOMMENDATIONS ON THE EXPORT OF WOODCHIPS BEYOND 1996

The following advice and recommendations are provided pursuant to paragraph 3.1.4 of the Administrative Procedures of the Environment Protection (Impact of Proposals) Act 1974 (the Act).

The requirements of the Administrative Procedures under the Act have been satisfied and I have determined that neither an environmental impact statement nor a public environment report is required for the purpose of achieving the object of the Act in regard to any woodchip export licence issued to the proponents listed below. In issuing licences, the recommendations contained in this statement of advice and recommendations should take into account in accordance with paragraph 9.5 of the Administrative Procedures.

Mr John Sparkes  
General Manager  
Harris-Daishowa (Australia) Pty Ltd  
PO Box 189  
EDEN NSW 2551

Mr Peter Fisher  
Divisional Forester  
Sawmillers Exports Pty Ltd  
PO Box 1024  
AUBURN NSW 2144

Mr Thomas Midelton  
PO Box 86  
TENTERFIELD NSW 2372

Mr Greg McCormack  
Chairman of Directors  
Midway Wood Products Pty Ltd  
PO Box 191  
NORTH SHORE VIC 3214

Mr Peter Morgan  
Projects Manager  
TJ Andrews Sawmills  
PO Box 3160  
MORWELL MAIL CENTRE VIC 3814

Mr Gil Parker  
Moondale Logging Pty Ltd  
PO Box 623  
ORBOST VIC 3888

Mr Manfred Mayboehm  
Misal Technologies Pty Ltd  
PO Box 510  
RINGWOOD VIC 3134

Mr Frank Brunt  
Brunt's Logging Pty Ltd  
PO Box 355  
ORBOST VIC 3888

Mr Les Baker  
General Manager  
North Limited  
GPO Box 1903R  
MELBOURNE VIC 3001

Mr George Day  
Resources Manager  
Boral Timber Tasmania  
PO Box 6026  
SILVERWATER NSW 2128

Mr John E Gay  
Managing Director  
Gunns Limited  
PO Box 572  
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Barry E Arnold & Sons  
Sawmillers and Timber Merchants  
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Executive Officer  
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Mr Peter Swetnam  
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Mr Neville Bright  
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#### Recommendations

1. Woodchips for export should be sourced only from areas identified as interim resource areas in deferred forest area (interim forest area in Tasmania) agreements or from private properties approved by the Commonwealth Minister responsible for issuing woodchip export licences. In the absence of a relevant agreement with a State, woodchips may be sourced from areas approved by the Commonwealth Minister.

2. Any area not covered by a DFA or IFA from which it is proposed that woodchips be sourced would be subject, prior to approval, to the provisions of the Administrative Procedures of the Environment Protection (Impact of Proposals) Act



1974 and section 30 of the Australian Heritage Commission Act 1975.

3. Conditions attached to woodchip export licences should be consistent in their intent with conditions that apply to 1996 woodchip export licences.

(sgd) Robert Hill

Minister For The Environment, Sport And Territories

22 October 1996

### Hawk Jets

#### (Question No. 377)

**Senator Margetts** asked the Minister representing the Minister for Defence, upon notice, on 14 January 1997:

With reference to the proposed deal between the Australian Government and British Aerospace over the supply of 40 Hawk jets to Australia for 'introductory pilot training and other support tasks to replace the existing Macchi fleet' (as reported in the *Australian Financial Review*, 12 November 1996, p 3):

(1) Can the above report be confirmed.

(2) Can details be provided of: (a) the approximate cost of the contract for 40 Hawk jets; and (b) approximations of the timeline involved.

(3)(a) What maintenance arrangements for the Hawk jets are envisaged; (b) which companies will maintain and provide spare parts for the aircraft; and (c) which companies would be involved in each State for which services.

(4) What decision making process and analysis has taken place to justify the decision to acquire 40 Hawk jets.

(5) On what grounds was British Aerospace chosen as the potential supplier.

(6)(a) What is the need for the acquisition for the Hawk jets, given that the F111s are being upgraded; and (b) if these aircraft are different in purpose, use and design, please detail the different uses and features of each aircraft.

(7)(a) Will the Hawk jets be used by any overseas pilots in their use in providing introductory pilot training; (b) will countries in the region, including Singapore, Malaysia, Thailand, Brunei, Burma, Papua New Guinea, Pacific Islands, Indonesia and Bangladesh, be using Australian Hawk jets for training and potential numbers.

(8)(a) Does Australia see a role for itself in providing maintenance and support for the Hawk jets used currently and in the future by regional countries; if so, please explain what Australia could offer to other countries in terms of servicing, repairing or maintaining Hawk jets in the region.

**Senator Newman**—The Minister for Defence has provided the following answers to the honourable senator's questions:

(1) On 11 November 1996, I announced that British Aerospace had been selected as the preferred tenderer to supply Hawk aircraft to replace the Macchi fleet in introductory fast jet pilot training and other ADF support tasks. The number of aircraft is subject to contract negotiations planned for April/May 1997.

(2)(a) The contract and associated cost is yet to be negotiated with British Aerospace. The actual number of aircraft to be acquired will depend on the outcome of these negotiations.

(b) Contract signature is expected at the scheduled conclusion of negotiations in May 1997. The first aircraft delivery is planned for mid 1999, with the first twelve aircraft deliveries to coincide with the introductory pilot course starting in early 2000. The remainder of the fleet is planned to be delivered over about eighteen months.

(3)(a)(b) and (c) The request for tender required that operational level maintenance be conducted at the main RAAF operating locations, Williamtown (near Newcastle) and Pearce (near Perth), and that deeper level maintenance should be conducted by the preferred tenderer in Australia. British Aerospace has offered a maintenance and spare parts package which involves a number of Australian companies. However, details of the proposal, the companies involved and full contractual arrangements are still subject to negotiation.

(4) The requirement to acquire a replacement for the Macchi aircraft, which was introduced into service in 1967, was determined through the normal defence force development and acquisition process, and was approved by the Government in the context of the 1995 Budget.

(5) British Aerospace was chosen as the preferred tenderer after detailed evaluation across a range of areas, including aircraft design and performance, acquisition and through life support costs, and Australian industry involvement proposals.

(6)(a) and (b) The Hawk is a training aircraft, designed to train pilots in fast jet handling and operational procedures before they progress to more sophisticated aircraft such as the F111 and F/A-18. The Hawk will replace the existing Macchi training aircraft which have been in service for over 30 years, and have reached the limit of their structural life. Although the Hawk, with its modern systems, will enable better transition by trainee pilots to the F111, the acquisition of the aircraft is not directly related to the F111 upgrade.

(7)(a) and (b) Hawk aircraft are being acquired to satisfy ADF training and support requirements;

there are currently no plans for the aircraft to be used to train overseas pilots.

(8)(a) The Defence requirement for the aircraft to be supported by Australian industry will lead to the establishment of an Australian servicing and repair capability for the Australian Hawk. There is potential for Australian companies involved to subsequently seek additional work in the region, which could include airframe, engine and avionics systems and component servicing and repair, and the provision of associated ground training system support.

**Department of the Prime Minister and Cabinet: Funding to the Australian Conservation Foundation (ACF)**

(Question No. 383)

**Senator Abetz** asked the Minister representing the Prime Minister, upon notice, on 31 January 1997:

(1) What funding, and if any what amount of funding, was provided to the Australian Conservation Foundation (ACF) in the 1994-95 and 1995-96 financial years by any department or agency falling within the Minister's portfolio.

(2) What is the estimated funding any department or agency falling within the Minister's portfolio will provide to the Australian Conservation Foundation in the 1996-97 financial year.

**Senator Hill**—The Prime Minister has provided the following answer to the honourable senator's question:

(1) Nil.

(2) Nil. In October 1996, the Forests Taskforce within the Department of the Prime Minister and Cabinet wrote to the ACF offering financial assis-

tance of \$20,000, subject to strict conditions, to help meet the organisation's costs in participating in the Comprehensive Regional Assessment/Regional Forest Agreement process in the period 1 July 1996 to 30 June 1997. This offer has not been taken up. A similar offer was made to a number of state and national community, union and environmental groups.

You should also be aware that while payments under the Regional Forest Agreement Participation Grants Program were made by the Department of the Prime Minister and Cabinet, the Department is reimbursed by the Department of Primary Industries and Energy, and the Department of Environment, Sport and Territories.

**Australian Conservation Foundation: Funding**

(Question No. 386)

**Senator Abetz** asked the Minister representing the Minister for Primary Industries and Energy, upon notice, on 31 January 1997:

(1) What funding, and if any what amount of funding was provided to the Australian Conservation Foundation (ACF) in the 1994-95 and 1995-96 financial years by any department or agency falling within the Minister's portfolio.

(2) What is the estimated funding any department or agency falling within the Minister's portfolio will provide to the Australian Conservation Foundation in the 1996-97 financial year.

**Senator Parer**—The Minister for Primary Industries and Energy has provided the following answer to the honourable senator's question:

Funding provided through the National Landcare Program (NLP) to the ACF is outlined as follows:

1994-95

Project Description	\$
Community Awareness of Urban Streams	19 622
National Community Environment Monitoring Project	30 250
Landcare Liaison Officer—NSW	34 097
Landcare Liaison Officer—Vic	18 000
Landcare Liaison Officer—SA	34 497
Total	136 466

1995-96

Project Description	\$
Economic & Ecological Trends in the Upper Darling Catchment	4 893
National Community Environment Monitoring Project	60 500
Landcare Liaison Officer—NSW	32 850
Landcare Liaison Officer—Vic	23 188

Project Description	\$
Landcare Liaison Officer—SA	26 291
Total	147 722

1996-97

Project Description	\$
Economic & Ecological Trends in the Upper Darling Catchment	14 000
National Community Environment Monitoring Project	18 000
Landcare Liaison Officer—NSW	2 986
Landcare Liaison Officer—Vic	26 000
Landcare Liaison Officer—SA	30 321
Total	91 307

**Australian Conservation Foundation:  
Funding**

(Question No. 390)

**Senator Abetz** asked the Minister for Social Security, upon notice, on 31 January 1997:

(1) What funding, and if any what amount of funding, was provided to the Australian Conservation Foundation (ACF) in the 1994-95 and 1995-96 financial years by any department or agency falling within the Minister's portfolio.

(2) What is the estimated funding any department or agency falling within the Minister's portfolio will provide to the Australian Conservation Foundation in the 1996-97 financial year.

**Senator Newman**—The answer to the honourable senator's question is as follows:

(1) The Department of Social Security funding to the Australian Conservation Foundation in the 1994-95 and 1995-96 financial years was nil.

(2) The Department of Social Security's estimated funding of the Australian Conservation Foundation in 1996-97 is nil.

**Australian Conservation Foundation:  
Funding**

(Question No. 402)

**Senator Abetz** asked the Minister representing the Minister for Administrative Services, upon notice, on 31 January 1997:

(1) What funding, and if any what amount of funding, was provided to the Australian Conservation Foundation (ACF) in the 1994-95 and 1995-96 financial years by any department or agency falling within the Minister's portfolio.

(2) What is the estimated funding any department or agency falling within the Minister's portfolio will provide to the Australian Conservation Foundation in the 1996-97 financial year.

**Senator Kemp**—The Minister for Administrative Services has provided the following answer to the honourable senator's question:

- (1) \$57,000 in 1994-95 and \$59,000 in 1995-96.
- (2) Nil.

**Ovine Johne's Disease Eradication**

(Question No. 416)

**Senator Woodley** asked the Minister representing the Minister for Primary Industries and Energy, upon notice, on 7 February 1997:

(1) What support will the department be providing toward a national program to eradicate Ovine Johne's Disease following major outbreaks in Victoria and New South Wales.

(2) What is the department's view of a program of compensation for livestock destroyed as part of the eradication program.

(3) Is the department concerned by the announcement from the New South Wales Department of Agriculture that a decision on eradication would not be made until July 1997.

(4) Does the department favour the approach to Ovine Johne's Disease taken by the Victorian Government, which is funding an eradication program based on compensation, or the approach taken by the New South Wales Government, which is based on a containment strategy following a long disease assessment procedure.

(5) Will the Agricultural and Resource Management Council of Australia and New Zealand conference on 28 February 1997 be used to set up a committee to establish a funding base for a program of eradication of Ovine Johne's Disease.

(6) Are there federal funds left over from the now defunct Brucellosis eradication program which could be used for a new program of eradication of Ovine Johne's Disease.

**Senator Parer**—The Minister for Primary Industries and Energy has provided the following answer to the honourable senator's question:

(1) Regional control of Johne's Disease (JD) in sheep should proceed in the context of a broader, nationally coordinated approach. I will be taking this matter up with all my State/Territory counterparts at the 28 February 1997 meeting of the Agriculture and Resource Management Council of Australia and New Zealand (ARMCANZ). My personal position is that the national approach for JD in sheep should include development of a market assurance program to identify properties where animals can be sourced with confidence that they are free of JD infection; achievement of common standards and quality control approaches for diagnostic tests; research into better technology for detecting JD; and harmonisation of individual State/Territory regulations concerning movement restrictions on infected animals.

(2) State Governments have legislative powers and responsibilities to control a range of endemic diseases of livestock. Successful application of these powers and responsibilities to a regional program of eradicating JD from affected sheep could be expected to require a strong level of producer cooperation. This is unlikely to occur in the absence of any assistance to producers to offset the on-farm costs incurred as a necessary result of complying with the eradication program.

(3) With the benefit of hindsight, it is clear that the optimal decision by New South Wales would have been to pursue a more systematic control program in response to the initial detection of JD in sheep in 1980. However, in light of evidence of substantial spread from the original foci of infection, the NSW government and local industry interests embarked early last year on a fundamental rethink of their approach. I understand that an extensive monitoring program is now in train in NSW to clarify the geographic spread of the disease. The two main options identified for follow-up field control (pending the results of the surveillance data) would be a State-wide program of destocking of infected properties, or a 'strategic'

approach involving containment of the disease to a clearly defined region in NSW. In the circumstances, it does not appear unreasonable for NSW to postpone a final decision on the detail of a regional control program until it has all the surveillance test results.

(4) I believe that the decision ultimately taken by NSW government and industry interests on the two options outlined in (3) above should be based on a balanced assessment of technical and economic viability considerations. While the Victorian decision to initiate a destocking program for all infected properties in that State would seem to be justified on both of these considerations, the situation in that State obviously is more clear-cut and amenable to a quicker decision than is possible in NSW.

(5) ARMCANZ Ministers and livestock producer interests have jointly established the Australian Animal Health Council Limited (AAHC) to provide professional development support work in the area of national animal health policy and programs. I do not think it would be sensible for ARMCANZ to set up its own sub-committee to duplicate the services which are available from AAHC. Work already initiated by AAHC on the general question of JD in sheep includes an economic study to be completed by the end of April 1997. The cost-benefit aspects of the economic study should underpin sound decisions on the design of national programs to support regional control programs funded by affected States. I also expect there will be an objective assessment of the flow of any external private or public benefits from regional control activity, which will provide a basis for determining whether a wider cost-sharing arrangement should apply to these regional programs.

(6) The Commonwealth funded its commitment to the national bovine brucellosis eradication program on a 'pay as you go' basis, and has no left over funds. There is a surplus balance currently in the National Cattle Diseases Eradication Trust Account which was set up to receive cattle producer contributions to the bovine brucellosis program and the current bovine tuberculosis eradication campaign. However, Trust Account funds may be used only to deal with endemic cattle diseases.