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## AUSTRALIAN LABOR PARTY

## RECORD OF ACHIEVEMENTS

1983 - 1990

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### Foreword

The following document provides a concise record of Labor's achievements since 1983.

The document is structured on a portfolio basis and in conjunction with the "Achievements" pamphlets, direct mail and other material produced by the National Campaign, it provides the basic information needed to answer questions throughout the campaign.

The Hawke Government has achieved major reforms in all areas of Government activity. I trust this condensed record is of use to your campaign.

Thanks go to many people for providing this document, especially Pieta Horgan and Pandora Livanes.

Robert Hogg National Secretary

Authorised by Bob Hogg, 22 Brisbane Avenue, Barton, ACT. Printed by Paragon Printer, Wollongong Street, Fyshwick, ACT

# **ABORIGINAL AFFAIRS**

#### Major Achievements since 1983

The Hawke Labor Government has been committed to improving the living and social conditions of Aboriginal and Torres Strait Islander people - still the most disadvantaged group in Australia today.

At the same time the Government has supported and promoted the concept of greater self-management and self-determination for Aboriginal and Islander people.

During the past six years the Government has demonstrated its commitment to bringing about lasting changes by increasing funding to Aboriginal and Islander programs as well as placing a greater emphasis on community involvement in the decision making process.

Aboriginal and Torres Strait Islander Commission (ATSIC)

- In December 1987 the Aboriginal Affairs Minister Gerry Hand announced a major change in the direction of the administration of Aboriginal Affairs at a Commonwealth level. The Government proposed to establish a statutory Commission - ATSIC - which would replace the Department of Aboriginal Affairs and the Aboriginal Development Commission.
  - ATSIC would comprise 60 Regional Councils which would enable more regionalised decision making as well as a Commission of 20 Aboriginal and Islander people. ATSIC would effectively put in place a workable administrative structure based on Aboriginal and Islander self-management and self-determination. Legislation establishing ATSIC was passed by Parliament on 2 November 1989. It will begin operating on 5 March 1990.

#### Treaty

In July 1988 the Prime Minister, Mr Hawke, announced that the Government would be prepared to negotiate a treaty with Aboriginal and Islander people. The Government is committed to a proper reconciliation with the indigenous peoples of this country. The Government has offered to facilitate discussions amongst Aboriginal and Islander people on the treaty - an offer which has been broadly accepted. The absence of a representative national structure for Aboriginal and Islander people has led to delays in these discussions taking place, however plans are currently underway to overcome this problem.

#### Funding

Since coming into office in 1983 the Government has increased funding for Aboriginal programs by 60 per cent in real terms.

#### Infrastructure

Commonwealth expenditure on infrastructure programs for Aboriginal and Torres Strait Islander communities has substantially increased from \$32 million in 1983/84 to \$101.6 million in 1989/90. This has resulted in water, sewerage and other facilities which most Australians take for granted being installed in a number of disadvantaged communities around the country.

A major new initiative - the Priority Communities Development Strategy (PCDS) - which was announced in the 1988/89 Budget is currently underway. This strategy, which is being supported by a number of State Governments, is aimed at bringing about rapid and sustained improvements for severely disadvantaged communities.

The success of PCDS has led to a new approach being developed by the Government to overcome community infrastructure problems. In the past, money for community infrastructure has been allocated in small amounts to large numbers of communities. Under the Government's new approach, new communities with the worst problems are targeted to break the back of those problems once and for all.

#### Housing

In 1988/89 the Government provided \$146.2 million to housing programs for the purchase and construction of approximately 1870 houses and major renovations to a further 551 houses. More than \$20.5 million in additional funds were allocated to Aboriginal Hostels Limited for the management of its 155 hostels. (This compares with a total of \$71.1 million allocated in 1982/83.)

#### Health

In line with its commitment to Aboriginal self-determination the Government has placed considerable emphasis on increasing the number of Aboriginal controlled medical services. There are now 67 Aboriginal Health Services compared to 27 in 1982/83.

The introduction and expansion of these health services has meant that more Aboriginal people than ever before are receiving health care and Aboriginal communities are generally more aware of health issues.

In December 1987, with the co-operation of the States and the Northern Territory, a National Aboriginal Health Strategy Working Party was established. This was the first time such a body, with representatives from the Aboriginal community, the State and Territory Governments as well as the Commonwealth Government, has been established. All governments are currently examining how to implement the recommendations from the Working Party's report.

In 1987 the Government established the Communicable Diseases Advisory Panel to examine and make recommendations on the treatment and prevention of a number of communicable diseases. The Advisory Panel has been especially effective in designing and promoting AIDS awareness programs in Aboriginal and Islander communities. Hepatitis B among Aboriginal children is being effectively fought through a widespread immunisation program introduced as a result of additional funding in the 1988/89 Budget.

Ear diseases and deafness in Aboriginal children is being eliminated through targeted health checks and the provision of miniature receivers by the National Acoustics Laboratory.

Aboriginal infant mortality rates have fallen from 75.5 per 1000 live births two decades ago to 27.7 per 1000 today.

The Government has funded a package of Special Aboriginal Health Initiatives announced in the 1988/89 Budget. These projects are designed to be preventive and to tackle major causes of Aboriginal and Islander ill-health. They include six projects which are specifically aimed at upgrading the skills and professional status of Aboriginal and Islander people working in health and addiction programs.

#### Education

There has been spectacular improvement in educational opportunities for Aboriginal and Islander people. The Aboriginal secondary school enrolment rose from 2000 in 1970 to 20,000 in 1986.

. Secondary school retention rates increased from 10 per cent in 1982 to 22 per cent in 1988.

Enrolments in higher education award courses (excluding TAFE courses) increased from 854 in 1982 to 2700 in 1988.

The Government announced in the 1989/90 Budget its endorsement of the National Aboriginal and Torres Strait Islander Education Policy which was jointly developed with State and Territory governments in consultation with Aboriginal and Islander people. The Commonwealth has committed \$266 million over three years 1990-1992.

A National Aboriginal Languages Program has been developed to assist in the maintenance and continued use of Aboriginal and Islander languages.

#### Employment

In 1984/85 the problem of Aboriginal unemployment was the subject of a major independent review. In response to this review the Government announced the Aboriginal Employment Development Policy (AEDP) in August 1986. The Prime Minister officially launched the Government's AEDP in November 1987.

- The specific aims of the AEDP are to achieve by the year 2000:
  - employment and income equity with other Australians;
  - reduction of Aboriginal welfare dependency; and
    - equitable participation in all levels of education.

Both the public and private sectors are involved in achieving these aims. The two peak employer councils - the Business Council of Australia and the Confederation of Australian Industry are supporting the Government's plans in this area.

A program designed to address the problems of unemployment in remote Aboriginal and Islander communities - the Community Development Employment Project (CDEP) - has expanded considerably under the Hawke Government. Under the program community members pool their Unemployment Benefits (UB) and then work on community projects to earn their 'wage'. The Government adds an additional amount of up to 20 per cent of the community's estimated annual UB entitlement to cover the costs of administration and materials. The number of communities participating in the project has risen from less than 20 in 1982/83 to approximately 130 in 1988/89.

#### Land

The Hawke Government has played a significant role in the granting of land to Aboriginal people, primarily through the Aboriginal Land Rights (Northern Territory) Act 1976.

In 1985 the Government granted title of Uluru National Park to an Aboriginal Land Trust, which leased the land back to the Australian National Parks and Wildlife Service for operation as a national park for all Australians. A similar arrangement applies to Kakadu National Park, part of which is Aboriginal land.

The Government has also granted land to the Aboriginal community in Wreck Bay in the Jervis Bay Territory under the Aboriginal Land Grant (Jervis Bay Territory) Act 1986.

On 10 September 1989 in Katherine, the Government granted about half of the Nitmiluk (Katherine Gorge) National Park in the Northern Territory to the traditional owners - the Jawoyn people.

In February 1986 the Commonwealth acknowledged the traditional and historic involvement of Aboriginal people in the Kimberley, in the north of Western Australia, and handed over three pastoral leases to Aboriginal communities.

On 7 September 1989 Prime Minister Bob Hawke, and NT Chief Minister Marshall Perron signed an historic agreement to provide living areas for Aboriginal people on pastoral land.

#### Royal Commission Into Aboriginal Deaths in Custody

On 11 August 1987 the Prime Minister, Mr Hawke and the Aboriginal Affairs Minister Mr Hand, announced a joint Commonwealth-State Royal Commission into Aboriginal deaths in custody. The decision reflected the Commonwealth Government's deep concern over the rate of Aboriginal deaths in custody, and the concerns expressed by relatives of the deceased.

An interim report from the Royal Commission in December 1988 included 56 recommendations aimed at reducing rates of detention and improving the safety and care of those taken into custody. The Commonwealth has strongly urged State and Territory Governments to act on these recommendations and has already undertaken to provide \$5 million towards their implementation.

#### Heritage Protection

In 1984 the Hawke Government established for the first time Federal heritage legislation designed to protect sites of significance for Aboriginal and Torres Strait Islander people. The Aboriginal and Torres Strait Islander Heritage Protection Act 1984 ensures Aboriginal sites of significance are given adequate protection.

#### Women's Issues

- In 1986 the Government established an Office of Aboriginal Women (OAW), which was a direct response to a report of the Aboriginal Women's Task Force report, "Women's Business". The OAW receives ongoing funds for special women's programs and initiatives.
  - The Women's Initiative Program has received increased funding over the past two years. The priorities under this program include the establishment of women's resource centres, housing support programs (eg provision of furniture) and programs to combat domestic violence.

#### Broadcasting

- A number of new and exciting developments have occurred under the Hawke Government in the area of Aboriginal and Islander broadcasting. A special program - Broadcasting for Remote Aboriginal Communities Scheme (BRACS) - was developed in 1987 to enable remote Aboriginal and Islander communities to receive and rebroadcast satellite delivered radio and television together with equipment to enable them to produce and rebroadcast their own culturally relevant programs.
  - Thirteen communities have already been provided with facilities.

#### Art and Culture

- In July 1989, the Government released a major report into the Aboriginal Art and Crafts Industry the most comprehensive review of the industry ever undertaken. The recommendations of the report are currently being considered by the Minister for Aboriginal Affairs.
- Ongoing support for the industry is provided by the Government through the Australia Council, ADC, DAA and DEET.

# AGED CARE

## The Labor Government is committed to helping aged people remaining independently in the community rather than in institutions.

#### The Home and Community Care Program

- In support of this commitment to the aged, Labor implemented the Home and Community Care Program in the 1984/85 Budget.
- . The Program provides domiciliary services so that more elderly people can live at home longer where they prefer to live.
- Since the establishment of the program, there has been a significant expansion of services which provide realistic alternatives to residential care for frail, elderly people and younger people with disabilities.
- . The Commonwealth's 1989/90 contribution of \$245.2 million effectively doubled its contribution, in real terms, since the Program began.
- . One of the most exciting HACC innovations is the extra allocation of unmatched funds for projects which tailor services to the specific needs of people and their communities.
- . Unmatched Commonwealth funds are being provided to create HACC services for Aboriginal, rural and ethnic communities, as well as projects aimed at finding better ways to deliver services.
- . The HACC Review, jointly undertaken by the Commonwealth and the States, aims to further improve the program's responsiveness to client needs.
- . Improved planning and decision making mechanisms, including State strategic plans, have been introduced.
- . Other initiatives are being devised to enhance coordination and community consultation.

#### **Residential Care Program**

- In 1987 the Labor Government introduced a set of standards designed to protect the rights of residents in nursing homes and hostels.
- These standards safeguard residents' health care, social independence, freedom of choice, privacy, dignity and safety.
- Special complaints officers are based in all States and Territories to help protect the rights of nursing home residents.
  - The Government is now moving into Stage 6 of an 8-stage reform of the Commonwealth's aged care residential program.

- This strategy is designed to promote access, equity and a better matching of services to needs.
- . To achieve these goals more efficient and equitable funding arrangements have been introduced, as well as new planning mechanisms.
- Stage 5 has involved the implementation of enforceable rights for residential users and standards of care for Commonwealth funded services.

#### Planning Changes

- . The Commonwealth is implementing the first national system of needs-based planning for aged services.
- . It gives greatest priority to the most disadvantaged groups and regions.
- . The desired target of 100 aged care places has been achieved Australia wide.
- . The Government is now working on improving the balance between nursing home and hostel places.

#### Assessment

- . In April 1988, Cabinet approved an extra \$14.5 million during the next three years to further expand assessment services.
- . These multi-disciplinary services refer aged people to the type of care that best suits their needs.
- . Nine assessment services have now been established and it is proposed that they will become the sole nursing home admission authority, to ensure that care is directed to those most in need.

#### New Funding Formula

- A national uniform funding system for nursing homes is being introduced to replace previous inefficient and inequitable cost reimbursement arrangements.
  - A further phase, covering standard funding for nursing and personal care staff, was introduced in July 1988.
- Nursing care staff are being helped to adjust to the new arrangements through Government funded in-service training and management support.
  - New funding arrangements to come into effect after 1991, will ensure that nursing home residents will pay no more than 87.5 per cent of their pension and rental allowance for nursing home care.
  - In hostel care, the Government's personal care subsidy has increased 202 per cent in the past 6 years to \$120.75 per day.
  - The Government is committed to continue increases by \$1.50 each year to 1992 in addition to annual indexation.

#### Special Needs

- Approximately \$15.2 million in special purpose assistance is available in 1989/90. This figure will rise to \$16.1 million in 1990/91.
- It will be distributed to those identified as priority groups under the Program the disabled, ethnic and Aboriginal groups, those living in isolated and rural communities and people suffering dementia.
- About \$40 million during the next four years has been earmarked from the Government's capital (construction) program specifically for migrant groups.
- . The Commonwealth has more than doubled the maximum capital subsidy available to financially disadvantaged groups up to \$57,200 per new hostel place.

#### New Nursing Home and Hostel places

- The Government is committed to an expansion of new nursing home beds and hostel places.
  - Over the three years to 1991/92 the following new places will be created.

State	Nursing Home beds	Hostel Places	Total
NSW	476	4258	4734
VIC	590	5301	5891
QLD	241	2166	2407
SA	36	496	532
WA	136	1176	1312
TAS	54	493	547
ACT	20	228	248
NT	13	111	124

## Since the Government came into office in 1983, Commonwealth expenditure on the arts has increased by more than 87 per cent.

THE ARTS

In 1982/83, Government expenditure on the Australia Council, the National Institute of Dramatic Arts [NIDA], the Public Lending Right System and the Artbank totalled \$36.3 million - by 1989/90 this amount had increased to \$68.1 million.

#### The Australia Council

- The Government has consistently increased funding for the arts through the Australia Council [the Government's art funding and advisory body].
- In 1982/83 the Council received \$33.6 million and by 1989/90 the Council's budget has been increased to \$61.3 million.
  - The Government has also streamlined the activities of the Council. In response to the 1986 report of the <u>House of Representatives Standing Committee on Expenditure</u> <u>Inquiry into Commonwealth Assistance to the Arts</u> - (the Macleay Report) - and the Council's own internal review, the Council was restructured.
- The number of Boards has been reduced from eight to three and the Council's administrative and staffing budgets have been successively reduced since the 1986/87 budget.
- In June 1989 the Minister for the Arts, Tourism and Territories announced a major reorganisation of funding arrangements for Aboriginal arts through the Australia Council.
- This new three-tier structure will ensure that Aboriginal people will have full access to all Council programs.
- . The new arrangements will be reviewed after 12 months.

#### Major reviews of arts companies

- The Government has repeatedly stated its commitment to sustain the Opera as a fulltime national company.
- The Government reviewed the financial situation of The Australian Opera in 1986.
- The review recommended a three part strategy to sustain the Opera as a full-time national company.
  - The Government therefore injected \$1.7 million cash in 1986/87, and cost cutting measures were adopted by the Opera in the order of \$750,000 per annum.
    - The third part of the strategy, an increase in base funding of \$970,000 was provided in the 1989/90 budget.

The Government has carried out ongoing reviews of the ABC Orchestras since 1985 with the assistance of the Cultural Ministers Council.

#### **Commonwealth Indemnification Scheme**

- Since the Commonwealth Indemnification Scheme began in 1979, more than six million people have visited touring exhibitions and viewed works of art valued at approximately \$1.5 billion at a total cost to the Commonwealth of \$400,000.
- There were a record 12 exhibitions indemnified for the Bicentenary within the \$250 million limit with a further six subject to a special limit, for the Australian Bicentennial Authority's (ABA) Commissioned Exhibitions Program.
- The Bicentennial Exhibitions Program valued at \$680 million has proved very successful with total attendance figures in excess of 3.5 million.

#### Artbank

- Artbank encourages contemporary Australian artists in all areas of the profession through the purchase of their works.
- Since its establishment in 1980, Artbank has spent approximately \$4 million dollars acquiring works of art now valued at more than \$6 million.
- Artbank also stimulates a better appreciation of Australian art throughout the community by hiring out the works at a rate of 18 per cent per annum.
- In December 1988 a permanent Artbank exhibition space was launched in Parliament House.
  - Since 1 July 1989 Artbank has operated a Trust Fund on a full cost-recovery basis.
    - Artbank received \$250,000 for buying new artworks in the 1989/90 budget.

#### Public Lending Right Scheme (PLR)

- In line with the Government's 1983 election commitment to pay Australian authors and publishers for the use of their books in public libraries, the PLR Scheme was placed on a statutory basis when the PLR Act was enacted on 1 July 1987.
  - The total annual payment under the Scheme has increased from 1.2 million to 3938 recipients in 1982/83, to \$2.3 million to 5468 recipients in 1988/89.

#### National Institute of Dramatic Art (NIDA)

- The Institute provides training courses for young people who wish to enter the profession of theatre, film or television.
- In April 1984 construction began on a new \$7 million NIDA building in Sydney, which was opened in April 1988.
- In addition to the Commonwealth allocation for building costs, NIDA raised \$1.5 million for the purchase of new equipment and fittings.

NIDA also raised \$50,000 to provide scholarships funds for economically disadvantaged students.

#### Arts Development

- The 1986 Federal Budget introduced a tax average scheme which permits artists, investors and sportspersons to average their taxable income over more than one financial year.
- Studies have been undertaken into the feasibility of 'droit de suite' payments for artists upon the resale of their works, and, most importantly, into assistance to the arts through taxation expenditure.
- Under the auspices of the Cultural Minister Council's Statistical Advisory Group, considerable work has been completed to establish a coherent framework for the collection of nation-wide statistics on the cultural industry and its significant contribution to the economy.

#### Government Achievement in Film

- Direct assistance through the Australian Film Finance Corporation, the Australian Film Commission, the Australian Film, Television and Radio School and Film Australia Pty Limited amounted to approximately \$85.7 million in 1989/90.
- . The Australian Children's Television Foundation has also received assistance since 1982 from Commonwealth, State and Territory Governments under a co-funding arrangement.
- . The principal form of indirect financial assistance to the production industry is through investment incentives under Division 10BA of the Income Tax Assessment Act 1936.
- . This allows investors to claim taxation concessions for investment in qualifying Australian films.
- The rate of deduction was reduced to 100 per cent in May 1988 as part of a film industry support package which included the establishment in July 1988 of the Australian Film Finance Corporation.
  - The Corporation, a wholly Commonwealth-owned company, helps Australian film and television production by supporting the production of feature films, telemovies, mini-series and documentaries through equity participation in individual projects.
- It was established with assured funding for four years and has \$54.8 million available for investment in 1989/90.
  - The Australian Film Commission continues to support the development of an Australian film and television production industry.
    - In 1989/90, it received \$16.1 million in Government funding to continue its work in industry investment, grants and loans for film development, production and marketing and for the support of film industry organisation.
    - The Australian Film, Television and Radio School, a national centre for professional training in film, television and radio production, received \$8.9 million in 1989/90.

The School offers three year full-time training as well as a large number of short and part-time courses in production, directing, scriptwriting, sound, design, editing and radio and television journalism.

It has played a key role in the development of Australian film, television and radio broadcasting.

On 1 July 1988 the national film production house, Film Australia, was separated from the AFC and became a wholly Commonwealth-owned company, Film Australia Pty Limited.

Film Australia Pty Ltd received a special equity capital injection of \$10 million in 1988/89.

The Government intends for the company to operate as far as practicable along commercial lines.

It has a dual role - to produce, promote and distribute programs that deal with matters of national interest; and to co-ordinate the making of programs commissioned by Commonwealth departments and agencies under a three-year contract to make an average of 20 national interest programs each year.

. Film Australia was allocated \$5.9 million in 1989/90 for producing the national interest programs.

#### Major Achievements in National Museums 1983 to 1989

The Government is committed to the preservation and display of the nation's cultural heritage as demonstrated by:

the increase in total expenditure from \$37.4 million in 1983/84 to \$78.7 million in 1989/90;

the establishment of new national institutions such as: the National Film and Sound Archive, the Australian National Maritime Museum and the National Science and Technology Centre; and

the enactment of the Protection of Movable Cultural Heritage Act 1986.

#### Australian National Maritime Museum

In 1985 the Government agreed to establish a National Maritime Museum in Sydney.

. Construction of the Museum, located on a prime site in the Darling Harbour redevelopment area, began in 1985 and the Museum building should be completed in the second half of 1989.

. It will be open to the public in late 1990.

The Museum has assembled a significant floating collection which will be a major attraction as well as a diverse range of artefacts depicting the themes of the discovery of Australia, the long sea voyage, commerce, the Navy and leisure. Legislation to establish the Museum as a statutory authority was introduced into Parliament in 1989.

#### Future Use of Old Parliament House

- The Government has agreed in principle that the Old Parliament House will be developed into a museum of political history, to be managed as an outpost of the National Museum of Australia. The building will also accommodate an education centre for the Australian Electoral Commission, a Government Information Centre and the headquarters of the Australian Heritage Commission.
- It will be returned to its original 1927 state.

#### National Film and Sound Archive (NFSA)

- In April 1984 the NFSA was established as an autonomous body with the then Department of Home Affairs and Environment to preserve moving images and recorded sound as part of Australia's cultural heritage.
  - Its allocation has increased from \$2.6 million in 1984/85 to \$6.7 million in 1989/90.
  - This included a special amount of \$1.5 million and 35 staff for the preservation of irreplaceable nitrate film and sound recordings in imminent danger of decomposition.

#### Movable Cultural Heritage

The Protection of Movable Cultural Heritage Act 1986 became fully operational on 1 August 1988 when Regulations to control the export of significant cultural heritage objects were promulgated.

#### National Science and Technology Centre

- . In 1985 the Government agreed to establish a National Science and Technology Centre.
- . It was officially opened by the Prime Minister in 1988.
- . Located in the Parliamentary Triangle this interactive science centre is a joint Australian-Japan Bicentennial project and cost \$19.64 million to build.

#### National Museum of Australia

Funding for the National Museum of Australia has been increased to \$3.7 million. \$1 million will be devoted to a special program to maintain, catalogue and conserve the collection.

#### Australian National Gallery

A major review of the Gallery was completed in 1989. Following consideration of the review the Government reaffirmed its commitment to the continuing development of the Gallery as the major national art museum of excellence. Increasing emphasis will be given to public access to its collection.

Funding for the Library has been increased by \$5.5 million, which includes \$2.75 million for three new initiatives:

- an automated Library system
- building alterations
  - a feasibility study for a purpose built warehouse.

## International Air Freight Charter Policy

The Hawke Government's recognition of the importance of air freight in moving all types of cargo into and out of Australia led to a more liberal policy which was initiated in 1985. Restrictions on foreign charters were removed in October 1987. These changes have resulted in a 472 per cent increase in freight flight approvals between 1983/84 and 1987/88.

**AVIATION** 

#### International Passenger Charter Policy

- International air passenger charter policy has been significantly liberalised since the Hawke Government was elected in 1983.
- Clear guidelines are now available to assister charter operators and administrative procedures have been streamlined with the objective to encourage more tourists to Australia and to develop new routes and markets.
  - Since 1987, there has been an additional 20,000 seats for inbound passenger charters. Britannia Airways, for example, carried almost 3,500 British tourists to Australia in the 1988/89 peak summer holiday season, and has approval for an expanded program in 1989/90.

#### **Federal Airports Corporation**

- The Federal Airports Corporation (FAC) was established on 1 January 1988 to operate major airports around Australia, including all civil airports in the capital cities.
- The FAC is a commercial operation and pays dividends to the Federal Government on its investment in airports and facilities. It has declared a dividend of \$12.8 million to the Government, in respect of its 1988/89 financial year, to be paid during 1989/90.

#### **Civil Aviation Authority**

- The Civil Aviation Authority which commenced operations on 1 July 1988, is responsible for setting and enforcing safety standards and exercising operational control over civil aviation in Australia.
  - The Authority covers air traffic control, flight advisory services, communications, navigation and surveillance systems and rescue and fire fighting services at airports.

#### Aviation Policy - October 1987 Statements

In October 1987, the Hawke Government announced its intention to terminate the (Two) Airlines Agreement which for 35 years had limited Australia's major domestic airline routes to Ansett and Australian.

Economic deregulation will take place in October 1990, and will mean the removal of controls over the import of aircraft; cessation of the determination of the total passenger capacity that may be provided by major airlines; withdrawal of the Government's determination of air fares; and the removal of current constraints on the entry of new operators on trunk routes.

The Government has also restored Qantas' right to carry passengers of other international airlines on domestic sectors of its international services.

A further Hawke Government initiative is the removal of the special category status for aviation under the Foreign Investment Review Board (FIRB) guidelines. Foreign investment in domestic airlines will be permitted subject to standard FIRB guidelines.

#### Sydney Region Airport Needs

- In March 1989, the Government announced a three-part strategy to meet the future airport needs of the Sydney Region.
- . Part One of the strategy is the construction of a third runway at Sydney (Kingsford-Smith) Airport subject to an Environmental Impact Statement.
- . Secondly, a review of traffic management arrangements at Sydney Airport has been initiated and a discussion paper released.
  - Thirdly, the Government will begin the phased development of Badgery's Creek airport, providing a second major airport for Sydney to accommodate additional traffic growth.

#### **International Aviation Policy**

- In negotiating international aviation agreements, the Hawke Government is actively encouraging new services by foreign airlines to lead to improved tourism and trade opportunities for Australia. These initiatives will also give airlines greater commercial freedom to introduce new services and respond more quickly to demand.
  - The Hawke Government is looking at ways to encourage exporters to use air freight and is studying the costs and benefits of the establishment of a separate Australian international cargo airline.
  - Since 1983 Qantas and other international airlines have introduced more than 4.9 million additional seats on scheduled services into and out of Australia. There are 36 airlines flying to Australia compared with 23 before 1983.

#### Aerodrome Local Ownership Plan

Seven major regional centres have gained ownership of their local aerodromes since 1983. Airports at Bundaberg, Cloncurry and Rockhampton were transferred to local ownership under the Aerodrome Local Ownership Plan with Government grants of \$12 million. Local airport owners have also received Federal grants totalling \$61 million for development and \$32 million for maintenance.

Recently the Government adopted a fresh approach to airport transfers by offering local authorities the opportunity to develop, maintain and operate their airports as independent commercial centres. Kalgoorlie, Mackay, Mr Gambier and Camooweal airports have been transferred to local ownership with once-only Federal grants of \$13.8 million.

# COMMUNICATIONS

#### Second Regional Radio Network

Four million Australians will have improved access to ABC radio programs with the Government's establishment of the Second Regional Radio Network. Since the program began in 1985, 102 out of a planned total of more than 300 radio transmitters have been installed.

#### Broadcasting for Remote Aboriginal Communities Scheme (BRACS)

Under the BRACS Scheme, 14 new combined television/radio services have been approved: Edward River, Hopevale, Kowanyama and Woorbinda in Queensland; Beagle Bay, Jigalong, La Grange and Lombardina in Western Australia; Amata and Ernabella in South Australia; and Hermansberg, Kintore, Ngukurr and Yuedumu in the Northern Territory.

#### Central Australian Aboriginal Media Association

- In 1984, as part of the Government's commitment to the Public broadcasting sector, the Australian Broadcasting Tribunal granted a special interest (Aboriginal) public radio licence to the Central Australian Aboriginal Media Association.
- In February 1985 8-KIN began operating and now serves a population totalling 24,000.

#### Equalisation of Commercial Television Services

- The Hawke Government's move to 'equalise' all Australians access to commercial television services commenced in March 1989 when new services began in the Canberra and Wollongong areas.
  - Two additional services are expected to commence in Orange, Dubbo and Wagga Wagga in December 1989. Phased implementation of the program will occur in Queensland by December 1990, Northern NSW by December 1991 and Victoria by December 1992.

#### Government Reforms on Ownership and Control of TV and Radio and Cross Media Limits

- In 1986, new television and related cross-media limits were introduced to complement the Equalisation policy for the aggregation of regional commercial television services. In 1987 new radio and related cross-media limits were introduced to complement the planned expansion of regional commercial radio services.
- These reforms balanced the need for diversity of media ownership with the need to sustain high quality programing by allowing larger ownership groupings within particular media implemented through the new 60 per cent television audience reach limit and the new 16 radio licences national limit.

The new media ownership laws have also helped to break down traditional crossmedia holdings at the national level.

#### Expansion and guaranteed independence for SBS Television

- The Special Broadcasting Service (SBS) will become an independent corporation and transmit to nine new regions as part of the National Agenda for a Multicultural Australia announced by the Prime Minister on 26 July 1989.
  - Work has already begun on extending SBS television to the Latrobe Valley in Victoria by 1991 and the extension of SBS-TV to other new regions is: Bendigo, Ballarat and the Darling Downs, 1992; the Spencer Gulf, Darwin and North-East Tasmania, 1993; Cairns and Townsville, 1994.
- Legislation to establish SBS as an independent organisation with its own charter will be introduced in the 1989 Budget session of Federal Parliament.

#### **Remote Commercial Television Service**

- Almost 500,000 people in remote areas of Australia now have access to commercial television programs transmitted by the Aussat satellite.
  - The first of these satellite-delivered services commenced in the Western Zone (Western Australia) in October 1986; followed by the Central Zone (Northern Territory and South Australia) in January 1988, and the North East Zone (Queensland) in April 1988. The Central and North-east Zones have been expanded to cover the major unserved population centres of the South-east Zone.

#### National Metropolitan' Radio Plan

- The Government's National Metropolitan Radio Plan of August 1988 has expanded the number of commercial FM radio stations in the mainland capitals.
- Six commercial AM stations were successful in their bids to be offered a frequency on the FM band - 3KZ and 3AK in Melbourne, 5KA in Adelaide, 6PM and 6GL in Perth and 4BK in Brisbane.
- The closing date for FM frequency conversions in Sydney has been extended to 11 October 1989, and tenders will be offered for a second FM frequency conversion in Adelaide and Brisbane.
- The AM frequencies vacated will be made available to Radio for the Print Handicapped broadcasting services, and to the ABC for a separate parliamentary broadcasting network.

#### **TELECOMMUNICATIONS**

#### **Telecom Rural and Remote Areas Program**

The Rural and Remote Areas program provides wider access to modern automatic telecommunications throughout Australia.

The program began in 1984 and is expected to cost more than \$530 million.

By the end of June 1989 it had modernised about 35,000 services and provided about 6,500 new services. Telecom expects to have the program completed in 1991/92 with 99 per cent completion by 1990/91.

#### Telecom Zonal Charging System

- Countrywide Calling was introduced by Telecom in 1983 to extend fully automatic services to all customers.
- Under the scheme extended zones were created which significantly increases the area over which customers can call at community call rates, and lowers many of the trunk (STD) rates that would otherwise apply between adjoining zones.

#### New Regulatory Framework for Telecommunications

The Telecommunications Act 1989 became fully effective from 1 July 1989 to implement the Hawke Government's decisions on a new regulatory framework for telecommunications in Australia.

The major features of the legislation are:

- establishment of the Australian Telecommunications Authority, AUSTEL, as the independent industry regulator;
- definition of those telecommunications services which will be reserved to Telecom, OTC and AUSSAT;
  - a streamlined regime for other services;
    - fair and open competition in the customer equipment market; and
    - mechanisms to ensure that consumer interests and the Government's social objectives are achieved.

# **COMMUNITY SERVICES**

Since its election to office in 1983 the Hawke Government has made an enormous investment in Australia's future by funding an integrated package of health and community services initiatives targeted to people most in need.

This approach acknowledges that today's investment will reap enormous savings in terms of both human suffering and financial outlays in the future.

Programs have been designed to improve the health and welfare of the most disadvantaged members of the community, with particular emphasis on women, children, the aged and the disabled.

#### Child Care

- . The Government's record in the provision of child care is unprecedented.
- . Since 1983, the Hawke Government has increased the number of child care places from 46,000 to 114,000.
- Expenditure on the Children's Services Program has increased from \$62 million in 1982/83 to an estimated \$232 million this financial year.
- In the 1988/89 budget, the Treasurer announced a new National Child Care Strategy to provide a further 30,000 places over four years.
- The national strategy includes 20,000 outside school hours places; 4,000 centrebased places; 4,000 family day-care places; and 2,000 occasional-care places.
- It involves extended cooperative arrangements with State and Territory governments, as well as a joint initiative with industry.
- Up to 1,000 of the 4,000 centre-based places will be available for the industry program, under which costs will be shared between employers, the Commonwealth and employees using the centres.
- An estimated 8,240 of the new places under the National Strategy will be available by the end of this financial year.
  - A package of measures to ensure that child care remains affordable to low income families was announced in the last Budget. Fee relief ceilings for long day care and family day care have been increased and will be indexed from now on. Operational subsidies for long day care, and occasional care centres, as well as family day care, are also being increased in 1989/90.

#### Medicare

Medicare was introduced by the Government in 1984 to provide a universal and equitable system of health insurance for all Australians. Before to its implementation, about two million people were without adequate health cover. Medicare's popularity continues to grow, with the latest survey commissioned by the Health Insurance Commission showing that support has increased from 52 per cent in 1984 to 71 per cent in 1989.

And despite the fact that Medicare has become an accepted part of Australian life and is the nation's most successful health insurance system - the Government continues to improve it.

#### Funding

Under a five-year Medicare hospital funding arrangement, the States and Territories receive \$3341 million in Federal Government funding.

These new arrangements guarantee specific public hospital funding, with indexation linked to national wage increases, the Consumer Price Index and the growth and ageing of the population.

The funding package includes a base grant, plus incentive arrangements designed to ensure: adequate access for Medicare patients to public hospital beds; encourage and assist treatment of AIDS patients; improve post-acute and palliative care services; expand day-only procedures; and develop cost-based case-mix hospital management and funding systems.

A new three-year Hospital Enhancement Program for capital equipment and clinical enhancement at major public hospitals incorporates the Public Hospital Waiting List Program which is enabling the treatment of 57,000 extra elective surgery patients a year.

#### Better Health

- A \$41 million National Program for Better Health targets preventive strategies to people most susceptible to avoidable injuries and diseases.
  - The Federal Government has committed \$20.5 million over four years to this program, to be matched by participating States and Territories.
- The program identifies five areas for priority action: control of high blood pressure, improved nutrition, preventable cancers, (lung, skin, breast and cervical), injury prevention, and improved health of older people.
  - A joint Commonwealth/State/Territory Health for All Committee has been established to coordinate the program's activities.

#### Women's Health

Australia's first National Women's Health Policy was launched by the Prime Minister in April 1989, after being endorsed by all Australian Health Ministers.

Based on the views of one million women around Australia, the policy provides a blueprint for improving the health and well-being of Australian women, and nominates five key action areas. These include the improvement in health services for women; provision of health information for women; research and collection of data on women's health; training of health care providers; and women's participation in decision-making on health.

A \$40 million package over four years was announced in the last Budget to implement this policy.

#### **Disability Services**

The Government has increased spending on disability services from \$72 million in 1983, to \$149 million in 1987/88.

A further increase of 11 per cent, to \$165 million, was included in last year's budget.

Implementation of the new Disability Services Act is proceeding, placing increased emphasis on opportunities for people with disabilities to achieve their maximum potential and to live as independently as possible in the community.

#### AIDS

The National AIDS Strategy (White Paper) sets out the policy directions and Budget commitment of the Commonwealth Government to the fight against AIDS for the next four years. The Strategy encompasses an extensive education and prevention program and the development of a strong treatment and care infrastructure to support those infected. It also funds research and international aid programs.

Total funds for 1989/90 are \$61 million, an increase of 43 per cent over last year's funding. Significant further growth is built into the Strategy.

1989/90 funds include \$22 million unmatched Medicare grant to the States for treatment; \$19 million Commonwealth monies to be matched by the States for education, development of infrastructure for services and protecting the blood supply; and \$18 million for Commonwealth programs including \$5 million each for research and the national AIDS campaign.

The national AIDS campaign is currently targeting general messages about AIDS to the ethnic communities, and will soon commence a multimedia Australia-wide campaign about preventing AIDS transmission by intravenous drug users.

#### Medical Research

In the Prime Minister's Science and Technology Statement in May 1989, the Government announced a commitment to invest some \$280 million in medical research over the next three years. This represents a real increase of 23 per cent with new funding amounting to \$24.7 million.

New initiatives in medical research will be the establishment of an environmental toxicology research unit and special research efforts into problems such as asthma, the menopause and lifestyle factors affecting hypertension.

# **CONSUMER AFFAIRS**

In 1987, the Prime Minister established the Federal Bureau of Consumer Affairs to consolidate in one portfolio all the Commonwealth consumer protection functions.

The Trade Practices Act, first enacted by the Whitlam Labor Government, lays down basic standards of consumer rights. Around that basic legislative framework the Labor Government has built industry specific codes of practice to further extend consumer rights and protection.

Through the Federal Bureau of Consumer Affairs, the Prices Surveillance Authority and the Trade Practices Commission, the Government constantly intervenes to guarantee the individual rights of consumers.

The Federal Bureau of Consumer Affairs is responsible for developing consumer rights in areas as diverse as consumer credit, insurance, food standards, and product safety. It promotes consumer representation on Government and private sector boards, and runs education campaigns to make sure consumers are aware of their rights.

### The Trade Practices Act - Rights Enshrined in Legislation

The Trade Practices Act (1974) enshrines basic consumer rights, and provides the power for government to intervene to uphold them.

In 1986, a major reform of the Trade Practices Act resulted in substantial upgrading of the consumer protection provisions and additional powers for government to intervene to protect consumers and penalties for infringing those rights were doubled to a maximum of \$20,000 for an individual or \$100,000 for a company.

Because the Australian Constitution has always limited the power of the Commonwealth to completely cover the area of consumer affairs, a priority of Labor since 1983 has been to have every Australian State and Territory adopt mirror legislation to the Trade Practices Act. 1989 saw the achievement of this with Queensland announcing that it would fall into line with other States. Now all Australian consumers have the protection of the Trade Practices Act, and the further . protection of State Fair Trading Acts.

#### Exercising Rights

In 1987, the Government introduced legislation that allows consumers to take action in the cheaper and quicker lower State courts. The new representative action provision of the Trade Practices Act also makes redress cheaper, because the Trade Practices Commission can act on behalf of consumers.

# Enforcement

In 1987/88, the Trade Practices Commission (TPC) completed prosecutions in about fifteen consumer cases, with fines totalling about \$130,000. In 1988/89, the TPC gave more emphasis to unconscionable conduct cases and the use of representative actions.

#### **Consumer Credit Legislation**

- In 1988 the Commonwealth decided that new Consumer Credit protection was an urgent priority. Current Consumer Credit Acts are hopelessly outdated and consumer protection has been left behind by the rapid change in the finance industry during the 1990s. The result is a draft Uniform Credit Bill which should be enacted by all State and Territory Governments in 1990.
- The draft Bill is a radical approach to consumer credit protection. It is drafted in plain English, so that people can read and understand it. The Bill extends the protection of legislation to all consumer credit, from finance companies to banks; and extends consumer protection to cover all lending, including the variable rate lending, which although it constitutes the majority of consumer lending, is currently completely unregulated.
- The Government also rejected in 1989 a proposal by banks to charge up front fees for credit cards. The Minister for Consumer Affairs was successful in 1989 in getting the Commonwealth Bank to exempt pensioners and low income earners from new fees on savings accounts.

#### **Electronic Banking**

- The rapid spread during the past decade of Automatic Teller Machines, plastic cards, and point of sale electronic banking (electronic funds transfer systems EFT's) has brought convenient banking to consumers but it has also brought a host of consumer problems.
- There are about 350 million EFT transactions made in Australia every year. In 30,000 of those transactions there is some sort of dispute between the consumer and the financial institution.
- In the early 1980s the Government concentrated principally on ensuring that consumers were educated about EFT systems and in 1986, a Code of Conduct was established which elaborated on the legal rights of consumers, and bound EFT providers to standards of fairness in service and complaint handling.
- The EFT code was only moderately successful because one of the main problems was that consumers continued to find it difficult to prove their claims in a disputed transaction.
- So in 1988 the Commonwealth and the TPC revised the EFT Code of Conduct and changes included:
  - time limits on the investigation of complaints;
  - provision of written reasons for decisions on complaints;
    - disclosure to customers of all documents/evidence relevant to an EFT providers ruling on a dispute;

liability to rest with an institution if their staff fail to observe the Code;

annual reporting to Government on compliance with the Code;

replacement of vertical with horizontal keyboards on teller machines;

signs at teller machines warning that customers may be photographed.

These changes were adopted in 1989 by all State and Federal Consumer Affairs Ministers.

# The Banking Ombudsman

In May 1989 the Government announced the appointment of an industry funded Banking Ombudsman to be supervised by a Council comprising three consumer representatives, and three industry representatives, with an independent Chairman -Sir Ninian Stephen.

The Ombudsman's role is to hear complaints on all consumer banking disputes. The Scheme provides for:

complaints unresolved at institution level to go to the Ombudsman;

all Australian banks to be members of the scheme;

- free access for consumers;
- the Ombudsman to have the power to require the provision of documents and evidence, and to make binding rulings on the banks;
- the decision of the Ombudsman will not restrict a consumer's right to other legal redress;
- substantial funding of about \$2 million.

The Ombudsman's office began operations in January 1990.

#### **Consumer** Overcommitment

Since 1983 Labor has fought consumer credit overcommitment with a rolling program of consumer education to help consumers handle credit responsibly.

In 1988, the Government proposed an industry-funded Credit Education and Research Foundation which would provide credit education programs, train financial counsellors and do research on consumer credit. The Foundation will be established in 1990.

The 1989 Budget has allocated recurrent funding of \$1 million for financial counselling centres to supplement State funding of counselling services. The Ministers for Social Security and Consumer Affairs will develop with the States a permanent, national, financial counselling program to extend financial counselling networks around Australia.

The new Uniform Credit Bill will give consumers added protection from harassment and harsh behaviour by regulating the procedures a credit provider must use if they wish to foreclose or repossess on a consumer. It also provides for the re-opening of contracts in cases of hardship.

Finally Government amendments to the Bankruptcy Act in 1988 have given further protection to consumers. The most important change was to give consumers considering bankruptcy the option of a seven day moratorium period where they are free from the harassment of creditors and are referred to community financial counsellors for independent advice.

# Credit Reporting - The Privacy Rights of Consumers

With the spread of increasingly sophisticated computers, credit reporting became difficult to control with potential for misuse and abuse of personal information.

In 1987, the Privacy Act was passed and extended basic rights to individual privacy which bind the Commonwealth public sector.

In 1989, the credit reporting industry proposed to introduce a system called positive reporting which involved a massive increase in the amount of personal information stored centrally. The potential for privacy abuse with such credit profiles is obvious.

So in June 1989, the Government introduced a Bill to prevent the introduction of positive reporting, and to guarantee fundamental rights to privacy in the credit reporting industry.

The Privacy Amendment Bill will:

define what types of information can be held by a central consumer credit reporting agency;

define who can access that information (access will be limited to credit providers)

define how that information can be used (purposes not related to consumer credit will not be allowed).

The Bill will give important rights to consumers:

the will have a right of access to and correction of their records;

they will have the right to ask the Privacy Commissioner to hear and determine a complaint about breaches of their privacy;

they will have the right to be awarded compensation or damages if the Privacy Commissioner upholds a complaint.

#### Prices

The importance of prices to consumers was recognised in 1983 when the Labor Party signed a Prices and Incomes Accord with the ACTU. Since the Whitlam Government lost a referendum for powers to control prices in 1974, Labor has focused on promoting the competition that will deliver price restraint. The Prices Surveillance Authority, which replaced the Prices Justification Tribunal, was established in 1984.

Although it does not have the power to control prices, the PSA selects target industries which are key industries or where competition is weak, and where individual consumers power is correspondingly low. It investigates the reasons for price increases, and can recommend against price increases and require notification of intended price increases. No PSA recommendation on prices has ever been flouted by industry.

The PSA also tries to deliver to consumers benefits of structural reform. Where industry is concentrated or where changes in the economy increase profit levels, the PSA aims to make sure consumers get their part of the benefit through lower prices. For example, the PSA restrains the price of petrol by setting maximum wholesale prices that can be charged by oil companies.

By its work, the PSA ensures direct price restraint for goods and services which have an annual value of about \$30,000 million.

#### Prices Action Groups

- The National Prices Network or Price Watch is an organisation that promotes 'competitive harassment' at a grass roots level. It was established at the suggestion of the Prime Minister in 1987 as a volunteer organisation to operate at the local level to monitor basic grocery prices.
- There are now more than 40 Prices Action Groups operating around the country, surveying more than 320 stores. The Network is expanding in Sydney's inner west, rural Victoria, in Queensland and in the metropolitan areas of South Australia.
- Prices Action groups operate by surveying a standard basket of basic grocery items for supermarkets in a local area. The results are published monthly in local newspapers and in newsletters, and the results are tabulated on a State and national basis. The aim is simple: to tell consumers where the cheapest stores are, and to put pressure on the more expensive stores to reduce their prices.

# Supermarket Scanning Code

- The introduction of new computer technology into many supermarkets has major benefits for consumers, but for many, particularly the elderly, the scanning technology has been confusing.
  - In 1988, the Government negotiated a Code of conduct for Scanning Stores with the Australian Retailers' Association.
    - Around 1200 supermarkets with computerised checkouts, responsible for up to 50 per cent of weekly supermarket spending in Australia, offer the new consumer protection arrangements:

all prices will be clearly marked on shelves in conformity with the Code;

consumers will receive a docket which describes and itemises each purchase, with the date, and place of purchase; and

shoppers not charged the shelf price, or a lower price, will be given that item free.

The Code provides rules for stores to ensure that price integrity is maintained and avenues for redress, from the store level, to State Complaints committees. The Code requires stores to train their staff in the provisions of the Code.

### The Quality of Food

Labor has two objectives in the consumer area of food - to guarantee the quality, safety and nutritional value of food through food standards, and to ensure that food is comprehensively labelled to tell consumers what is in it.

Since 1908, the Commonwealth and the States have been trying to make food standards uniform. In 1989, the Federal Labor Government can claim credit for finally achieving that goal with the announcement that the ACT will join it and the States in adopting the Australian Food Standards Code.

Amendments to the Trade Practices Act in 1986 gave the Government much wider powers to recall unsafe foods. Since then Labor has instituted a national food recall system, and 34 foods have been recalled since the new powers were introduced.

In 1985, Labor announced that Australia would use the internationally accepted system of coded numbers for food additives. All prescribed additives have been allocated a number, and must be listed on a food label, rather than just 'preservative' or 'flavouring'.

In 1986, the Trade Practices Act was amended to specifically prohibit false country of origin labelling. In 1988, a new Guideline was issued, further clarifying the new provisions so that consumers know the country where the food received its substantial character.

In 1989, the Minister for Consumer Affairs announced that the Government would take a much stronger line on deceptive packaging with new guidelines agreed to by the States.

#### Food Irradiation

In December 1989 the Federal Government agreed to a three year moratorium on the manufacture, sale and importation of irradiated food.

The Government believes that the need for food irradiation has not been adequately demonstrated and further research is needed on its health implications.

# **Product Safety and Standards**

Amendments to the Trade Practices Act in 1986 gave the Minister for Consumer Affairs increased powers to:

ban unsafe products;

require warning notices or other information to be placed on products;

to set minimum standards of quality and safety for particular products

A total of 560 recalls have been issued since the new provisions were introduced in 1986.

- Amendments to the Trade Practices Act in 1986 also expanded consumer rights to compensation or damages from suppliers or manufacturers of unsafe goods. The new section 87, which allows the Trade Practices Commission to take preventative actions on behalf of consumers, also means that consumer access to redress is easier.
- The Federal Bureau of Consumer Affairs has the principle responsibility for policing product safety. In the 1989 Budget, the Labor Government gave additional funding for compliance officers to ensure that the Bureau of Consumer Affairs can protect consumers rights around the country from unsafe products.
- The National Injury Surveillance Scheme is another Labor initiative to survey the causes of injury so that governments can act early to prevent injuries, including by unsafe products. In 1989, the Labor Government agreed to expand the program.
- The Government has also emphasised the role of education in prevention of injury. Campaigns include Safe Toys for Kids, and the bicycle helmet and sunglasses standards. The Government has also directed campaigns to industry, to education manufacturers and suppliers on the requirements of the Trade Practices Act.

#### **Disadvantaged Consumers - Promoting Consumer Action**

- In 1988, the Minister for Consumer Affairs commissioned a report on Disadvantaged Consumers which has provided the basis of an education strategy.
- Since then, the Labor Government has undertaken campaigns for:
- young people with a Streetwize Comic and videos;
- Aboriginal communities with the video "Flash Attack";
- aged consumers with the book "The Retiring Consumer";
- low income families with the booklet "Psst Want to Borrow some Money" and a video on overcommitment and bankruptcy.
- In 1989, the ethnic communities were the Government's consumer education priority as part of the Agenda for a Multicultural Australia.
- The Minister for Consumer Affairs and the Minister for the Environment announced in 1989 that they would consider means to promote consumer action on the environment by:
- the education of consumers about the waste and environmental qualities of products;
- the promotion of generic ranges of products with sound environmental impact;
  - the promotion of environmentally sound packaging and production processes.

In the 1989 Budget the Minister for Consumer Affairs announced the establishment of a new Research and Policy Unit in the Bureau of Consumer Affairs. Its first task will be the development of consumer environment programs.

The government also promotes consumer action by encouraging the participation of consumers on industry boards. In 1989, Telecom and the Australian Federation of Consumer Organisations announced that they had reached agreement for a Telecom Advisory Council.

The Government is committed to extending similar arrangements to other public and private sector bodies.

#### The Defence White Paper

In March 1987 Kim Beazley gave a blueprint for Defence by tabling in Parliament the Government's White Paper on Defence. This paper charts the course for Defence planning into the next century.

DEFENCE

Australians of all shades of political opinion have welcomed the new clarity which the White Paper has brought to Defence planning.

The Australian Defence Force is progressively being re-equipped with the most appropriate weaponry available as many of the programs outlined in the White Paper are being implemented. This involves the largest defence capital program in Australia's peace time history and a decade of development. This re-equipment includes the submarine project, ANZAC ship project, 67,000 Steyr rifles, 100's of trucks, 39 Black Hawk helicopters, 69 PC9 trainer aircraft, 75 F/A - 18s and a string of air bases across the north of Australia.

Australia's defence related industries are playing an integral role in this development by contributing to the industrial and technological base of Australia.

Over the next ten years we will spend more than \$20 billion on new capital equipment including more than \$9 billion on the largest naval shipbuilding program ever undertaken in this country.

#### **Defence Industry**

The defence capital program means more work and new skills for Australians.

- A key part of the Government's Defence policy is its commitment to a competitive industry. Australian industry is playing a major role in making Australia self-reliant in defence.
  - Because the government has been determined that Australian industry should play as large a role as possible in providing our defence self-reliance, it has not been content for tax payers money to subsidise inefficiency.
  - In May 1989, as part of revolutionising Australia's defence industry, the Government launched Australian Defence Industries (ADI), a private company, which has taken over the major defence industry facilities previously in Government ownership.
  - Within this more competitive environment the average level of local content in new equipment acquisitions has increased from 30 per cent when Labor came to office to 60 per cent.

This figure will continue to rise as more projects are directed towards Australian industry such as the submarine project and the ANZAC ships.

#### **Defence** Exports

- Through the Government's successful economic and defence policies, more Australian companies can now produce a growing range of internationally competitive defence products.
- In 1988 the Government revised its policy on defence exports so that Australian companies can viably invest in producing more defence goods and services, and gain the efficiencies of longer production runs.
- All defence exports have the proviso that they give full recognition to Australian's own defence, international and human rights concerns.

# **Other Defence Reforms**

# The Williamstown Dockyard

- Williamstown Dockyard was sold to Australian Marine Engineering Corporation (AMEC) in February 1988.
- Employment in the dockyard has reduced from 2,200 to 750 and the productivity of the dockyard has increased at least sixfold.

#### Aerospace Technologies of Australia (ASTA)

In October 1987, ASTA, a Government owned company took over the former Government Aircraft Factories (GAF) located at Fisherman's Bend and Avalon. GAF was heavily subsidised and highly inefficient. ASTA is now run strictly along business lines. (The Government intends to sell some equity in the company later in the year.)

# Education

# **Student Information Portfolio**

This is a pilot scheme introduced into 25 schools with significant numbers of Service children, across Australia last year. The Portfolio is a folder containing samples of student's work across all curriculum areas. The aim of the Portfolio is to minimise disruption caused to children when parent/s are posted by providing information about curriculum covered and level of attainment. An evaluation has commenced and it is expected to have the results with the Minister by early October.

# The Australian Education Council

The Australian Education Council (AEC) has Working Parties investigating mobility issues and common curriculum. Agreement was reached at the last meeting of the AEC on the development of a more common curriculum and moves toward eliminating unnecessary differences in handwriting and school starting ages.

# Family Issues

# Family Information Network for Defence

Family Information Network for Defence (FIND) is a 008 phone number which provides a confidential up-to-date plain English version of personnel provisions and issues. Launched on 8 March, FIND received more than 1000 calls in its first month. The FIND network:

- recognises a responsibility and commitment not just to the ADF personnel but to their families as well.
- does not by-pass the Chain-of-Command but provides general information which will allow individuals to better pursue their case or understand their rights.
- complements existing Service family support and welfare agencies.

The number is 008 020031.

# Housing

The Government has established the Defence Housing Authority to provide commercial flexibility in the management of defence housing to reduce management costs and to improve maintenance.

There is a commitment to spend \$1 billion for defence housing over 10 years. \$135 million was spent on defence housing during 1988/89, including expenditure on repairs and maintenance. This compares with an average of \$35 million per annum over the last 5 years of the Fraser Government.

The Defence Housing Authority will, on a progressive basis, take over the leases of private houses which are rented by defence families. The Authority will take out the leases and the member will be required to pay only the normal personnel rental contribution. Bonds paid by individuals will be eliminated, while the element of choice in rental housing will be preserved.

These new arrangements will remove the frustrations of house hunting in a new locality.

#### Spouses

- Following the Hamilton Report, the Government set up the National Consultative Group of Service Spouses (NCGSS).
- There are nine National Delegates selected by the regional groups.
- The NCGSS plays an important role representing the needs and interests of Service families. They have had a significant input on issues such as education mobility and education allowances, problems with storage and transport, drivers licences and housing.

#### **Disturbance** Allowance

This allowance is meant to cover the range of costs incurred by an individual or family during a removal that is not individually reimbursed. This allowance has had increases of up to 50 per cent in the last year. The present rate ranges from \$545 for the first and second removals to \$1095 after seven or more removals.

# **Drivers Licences**

The Defence Force is progressively introducing ADF identification to all Personnel and dependents which will enable them to use their current drivers licence, irrespective of the State or Territory in which they live or the State of issue.

The scheme commenced in South Australia, the Northern Territory, Queensland, New South Wales and the Australian Capital Territory on 1 July 1989. Victoria and Tasmania will be commencing shortly and Western Australia will commence later this year. Western Australia has agreed to allow personnel and their dependents to use their existing licences for up to twelve months until the scheme is introduced there.

# Home Ownership Assistance

- A new assistance scheme will apply to those who joined the Defence Force after 14 May 1985. The scheme will provide access to a portable housing loan up to \$40,000 at an interest rate subsidised up to 40 per cent below the market interest rate. This would mean an interest rate of 9.6 per cent on market rate of 16 per cent.
- The benefit will be available for a period equal to the member's service beyond the six years qualification period and the loan can be taken out up to two years after a member leaves the Service.
- The maximum subsidy period will be for twenty years and the entitlement of a member who dies will pass to the member's spouse.
- Serving members eligible for assistance under the pre-May 1985 Defence Service Home Loans Scheme who have not yet taken their entitlement will be able to transfer to the new scheme.

The new scheme will come into operation in May 1991.

#### Family Support Scheme

The need for defence families and the self help efforts of their local communities were recognised in the Government response to the Cross report.

- The Minister has given approval for grants of up to \$20,000 per year to be made to each major base for the allocation to organisations of defence families which are formed with the objective of assisting local community welfare. The priorities for use will be largely at the discretion of the local organisations.
- The grants will encourage innovative ideas on community support and be a useful mechanism for Defence communities to determine their own highest priority needs.

- A key element in the Government's defence policy is a shift in emphasis northwards.
- The Second Cavalry regiment will move from Holsworthy to Darwin in the early 1990's and the Government has established a northern command, NORCOM, based at Darwin.
- The largest military activity in Australia since the Second World War was held in August 1989 in the form of Kangaroo 89.
- Kangaroo 89 was designed to assess the kind of command, communications and logistic challenges our defence force would have to face in defending the north.
- The exercise involved naval and air units supporting more than 17,000 ground troops responding to widely dispersed low level threats.
- Planning for the creation of a genuine two-ocean navy, operating from bases on the east and west costs of the continent is well under way. Approximately half of the surface combatants and submarine forces as well as mine countermeasures vessels and an afloat support ship will be based in Western Australia by the end of this century. This will enhance our ability to deploy maritime forces in northern and north-western strategic areas.

# Our Role in the Region

Australia pursues defence self-reliance within a framework of alliances, agreements and friendly relationships with countries within our area of defence interest. We contribute to the maintenance of a stable regional environment through practical and sensitive cooperation with our neighbours in a range of areas.

# ANZUS

- Both Australia and the United States gain practical benefits from the ANZUS Treaty. The Treaty does not absolve Australia from primary responsibility for its own defence, but it does provide a level of assurance where a major threat may arise to our security.
- The ANZUS Treaty also means that mutually beneficial defence activities take place, such as combined exercises, cooperation in research and technology, and personnel and intelligence exchanges.
- Australia has made it clear that we will maintain our close defence relationship with New Zealand, notwithstanding the current difference between the United States and New Zealand over ship visits, which is for those two countries to resolve.

#### Women in the Defence Force

Since the proclamation of the Sex Discrimination Act, the Australian Defence Force has completed two major reviews (in 1984 and 1986) of positions involving the performance of combat or combat related duties. As a result 21,793 positions (35 per cent of all Australian Defence Force positions) have now been identified as available to women in competition with men. Approximately 6000 of these positions are in non-traditional areas of women's employment. In 1985 women comprised 6.9 per cent of the Australian Defence Force. By March 1989 this figure had increased to 10.6 per cent.

From July 1984 to March 1989 the number of women in senior officer positions (ie Major or equivalent ranks and above) increased from 101 to 185. While they represent only a small proportion of the approximately 4400 senior serving officers, policies in place and under development will ensure that this proportion will continue to grow. Senior non-commissioned women in the rank of Warrant Officer Class 2 (E) now number 118, and 36 women have achieved the rank of WO1 (E), the highest non-commissioned rank.

A further major review of the employment of service women, focussing on positions presently closed to women, is now under consideration by the Chiefs of Staff Committee. It is expected that the review will further enhance career opportunities for service women and increase the number of women recruited to the Australian Defence Force.

The first female apprentice to attempt the fitter and turner course at the Army Apprentices School began her course in January 1989.

Women won three of the four major prizes awarded in 1988 to graduates of the Australian Defence Force Academy.

# THE ECONOMY

Two fundamental beliefs have underpinned the Hawke Labor Government's economic strategy.

Unlike almost any other Government in the developed world we have successfully implemented a strategy which has attacked both inflation and unemployment at the same time and only through a growing economy can effective assistance been provided to the needy in the community.

Labor's economic strategy, forged with the Australian people and the trade union movement through the Accord, has been an outstanding success.

We have emerged from the economic doldrums of 1983 to be one of the fastest growing economies in the world, more than 1.6 million new jobs have been created, inflation has been cut and the massive budget deficit, inherited from the Fraser-Howard Government, has been transformed into a record surplus.

As well as restoring economic growth Labor has reformed the Australian economy to ensure that we can compete effectively in the international market place.

The financial system has been deregulated, the tax system made fairer, the labor market is being restructured and we are eliminating abuse in the welfare system.

All of these initiatives are making the Australian economy more flexible, more dynamic and more competitive.

# **Economic Growth**

- In the period of the Fraser-Howard Government economic growth averaged on 2.2 per cent, the 17th highest out of the 24 OECD (Organisation for Economic Cooperation and Development) countries.
- . Under Labor economic growth has been over twice as great, averaging 4.5 per cent from 1983 to 1988, the second highest of the 24 OECD countries.
- . Economic growth was also strong in 1989 averaging 4.5 per cent, stronger than the OECD region as a whole.

#### Jobs Growth

- From March 1983 to January 1990, 1,617,400 new jobs were created, 90 per cent of them in the private sector.
  - Between 1975 and 1983 jobs growth averaged less than 1 per cent a year; under Labor it has averaged 3.4 per cent a year.

# New Jobs in Manufacturing

For the first time in years manufacturing employment is growing strongly - over the past two years, 1987/88 and 1988/89, manufacturing employment has risen by 95,600 to 1,234,000 at November 1989.

#### **Unemployment Has Fallen**

- From December 1975 to March 1983 the number of unemployment benefit recipients rose from 209,700 to 625,100.
- From March 1983 to January 1990 the number of unemployment benefit recipients has fallen from 625,100 to 369,800.
  - Total unemployment rate has fallen to 6.2 per cent in January 1990 well down from the double digit unemployment rate this Government inherited in April 1983.
- Teenage unemployment has been more than halved since the Hawke Government came to office.
- In November 1989 the proportion of the teenage population unemployed and looking for full-time work was 6.4 per cent.

# Affordable Wage Rises

- While the Opposition has opposed every National Wage Rise since 1983, under its Accord with the ACTU, the Government has agreed to wage rises the economy could afford.
- Below are listed increases to full-time adult male average weekly earnings as a result of national wage case decisions since 1983;

March 1983	AWE	\$370.30
Dec 1983	4.3%	\$386.22
June 1984	4.1%	\$402.06
June 1985	2.6%	\$412.51
Dec 1985	3.8%	\$428.19
Sept 1986	2.3%	\$438.04
Mar 1987	\$10	\$448.04
Sept 1987	4.0%	\$465.96
Mar 1988	\$6	\$471.96
Sept 1988	3.0%	\$486.12
Mar 1989	\$10	\$496.12

# Household Disposable Income

Because of the combination of affordable wage rises and more jobs, real household disposable income has increased by 17 per cent under Labor.

# Inflation Has Fallen

Wage restraint has also contributed to a much lower inflation rate; from 11.5 per cent in March 1983 inflation has been cut to 7.8 per cent in the year to the December quarter 1989.

# **Business Profits Up**

Business profits were savaged under the Fraser/Howard Government, causing companies to sack thousands of workers. Under Labor the profit share of the economy has been restored back to the level of 15 years ago, and now is enough to finance worthwhile investment

Average:

· •	1966/67 to 1972/73	16.4
	1973/74 to 1982/83	12.6
Year -		:
	1982/83	11.3
	1983/84	13.6
	1984/85	14.6
	1985/86	14.6
	1986/87	14.8
	1987/88	15.6
	1988/89	16.5

#### Job Generating Investment

Because of better company profits business investment - the life-blood of the economy - is now rising to a higher level in real terms than at any time in the past 35 years - that is since comparable figures have been kept.

- The figures below provide a most striking illustration of 10 wasted years of business investment under the previous Government.
- These figures also take into account the resources boom, which had nothing to do with any policies implemented by the Fraser Government.
- If you subtract that investment from the general economy, then there was NO investment for a decade of conservative rule.

Compare this with 10.8 per cent average per year, for every year, under this Labor Government.

Average:

•			1978/79 1983/84	2.3 1.6
	1984/85	to	1988/89	10.8

- Because a big part of the new equipment needed to modernise Australian industry must be bought from overseas, this big surge of investment has put pressure on the balance of payments. Of the imports driven by the level of economic activity (endogenous imports), capital goods were the fastest growing component, accounting for some 40 per cent of the increase in the total.
- This naturally shows to our detriment on the current account deficit in the short term, but in the long run this investment will give Australian industry greater capacity to produce export and import-competing output, which is vital to any improvement in the current account.

# Manufacturing Exports

- While Australia must continue to rely to a significant extent on its traditional commodity exports, our export efforts have also diversified into new areas. In particular, the big surge in investment is leading to a strong growth in Australia's manufacturing exports.
- The most recent data shows that Australia's manufacturing exports in the December quarter of 1989 were 50 per cent above year earlier levels.

# The Budget Deficit

Because the Labor Government has stopped the haemorrhaging of the tax system through tax avoidance, coupled with rigorous efforts to cut back on Government spending, the massive prospective \$9.6 billion deficit inherited from the Fraser-Howard Government has been transformed into a surplus of \$9.1 billion in 1989/90.

# Spending Cuts

The important feature of the Budget surpluses achieved by this Government is that they have been achieved without increasing the level of taxation on the community. In the 1989 Budget revenue as the share of GDP is at the same level as it was a year before this Government came to office.

Real Government spending has been cut for the fourth year in succession to its lowest level relative to GDP in 16 years.

Budget outlays as per centage of GDP (including forward estimates)

	(%)		(%)
1984/85	30.0	1989/90	23.7
1985/86	29.5	1990/91	23.4
1986/87	28.7	1991/92	22.8
1987/88	26.5	1992/93	22.0
1988/89	24.5		

# Government Debt is Being Repaid

The Government has used all of the last three budget surpluses to pay off debt.

\$2.1 billion in 1987/88; \$5.9 billion in 1988/89; and every cent of this year's \$9.1 billion will be used to pay off debt.

This government is repaying both domestic and foreign currency raisings.

The Commonwealth's foreign currency debt has fallen from \$A15.1 billion at 30 June 1987 to \$A8.9 at 30 September 1989.

The Government has also repaid \$A4.9 billion of domestic debt over the last two financial years.

All of this contrasts with the previous Government's record of increasing total net foreign currency debt between 1975/76 and 1982/83 by \$A4.5 billion.

The Year 12 retention rate increased from 36 per cent in 1982 to 60 per cent in 1989. Indications for 1990 are that the proportion of young people completing a full secondary education will be about 62 per cent.

EDUCATION

The Government announced last year a National Torres Strait Islander and Aboriginal Education Policy in conjunction with the States and Territories and Aboriginal and Torres Strait Islander people.

The States Grants (Schools Assistance) Bill 1988, which passed all stages in the 1988 Budget Session of Parliament, provides for real increases in general recurrent grants to both government and non-government schools in each of the four years from 1989 to 1992.

#### A National Perspective On Schooling

In May 1988 the Minister for Employment, Education and Training, Mr Dawkins, highlighted the need for a national perspective on schooling to help Australia adjust to current economic and social pressures. Among other things, he identified the need for curriculum reform and especially the development of a common curriculum.

A curriculum Corporation of Australia has been launched to develop co-operative curriculum materials on behalf of State Education Ministers.

A statement of common principles and agreed areas for collaborative action in curriculum development for the mathematics curriculum has been developed by the Australian Education Council (AEC). This statement, commonly known as the "Hobart Declaration on Australian Schools", clearly sets out the mathematical knowledge and skills to which all Australian students are entitled.

The general curriculum and the mathematics curriculum have been mapped.

Ministers have also agreed to three further mappings - in science, English literacy and technology education - to take place over the next 18 months.

A second report on the progress of the National Schools Strategy was given to the Structural Adjustment Committee of Cabinet in late 1989.

# **Special Programs**

Funding for all special purpose programs has been maintained in real terms with the following exceptions:

funding for the New Arrivals Element of the English as a Second Language Program has increased in real terms to meet the anticipated growth in enrolments;

funding for ethnic schools has been maintained at the same level as in 1989 and the maximum per capita votes for eligible students will increase from \$35 to \$38.50 in 1990. \$7 million has been allocated for capital to student hostels servicing rural communities over the next three years. \$3.28 million will be available in loans.

# **Research Funding**

- The Federal Government has taken steps to reform higher education research funding and to improve both the quality of research and its relevance to national social and economic aims.
  - As the first part of this process, the Government established the Australian Research Council (ARC) in 1988. The Council, which reports to the Government through NHEET, gives advice on research policy and research funding as well as administering research funding programs to higher education institutions.
- Research for Australia released in May important improvements to the higher education system that will set the scene for the advanced training and research essential for Australia's future prosperity.
- The statement also announced a major boost in funds for infrastructure, research career opportunities and training.
- About \$978 million will be allocated through the ARC over the next five years. Of this, \$526 million will be allocated over the next three years (the 1990-92 higher education funding triennium). This is an increase of almost \$250 million over the 1989 funding. Funding through the ARC will be on a triennial basis, providing a new degree of certainty and opening up a new dimension of stability and an environment for planned development in the ARC's operations.
- Over the 1990-92 triennium, \$1075 million will go to maintaining and developing research infrastructures in higher education institutions. This money will be allocated competitively and will be used to help remedy deficiencies in the current infrastructure, boost support to areas of research strength and ensure that areas of research potential are able to obtain necessary support.

#### Higher Education

- The Government is providing resources for a substantial expansion in higher education between 1989 and 1992.
- Over 63,000 new places will be created, building on the expansion of opportunities in higher education that have occurred since Labor came to office.
  - By 1992 an extra 150,000 higher education places will have been created a massive 60 per cent increase over 1983 levels.
    - To support the Government's commitment to expand the higher education system and make it more accessible, the Higher Education Contribution Scheme (HECS) was established with effect from 1 January 1989.
    - The scheme requires students, as primary beneficiaries of higher education, to make a direct contribution towards the costs of that education. The scheme differs from tuition fees in that there are no up-front compulsory charges and payment of the contribution, which represents 20 per cent of the cost of the course undertaken, depends upon receiving about average earnings.

HECS means no up front financial barrier will be placed in the path of potential students.

- All funds raised by the Scheme are placed in a Higher Education Trust Fund and are used to help finance the expansion of the higher education system.
- Preliminary figures for 1989 show continued strong growth in participation and little impact of HECS on aggregate participation or on disadvantaged groups.

# **Education and Industry**

- The Government continues to foster close links between higher education and industry. Representatives of industry sit on the National Board of Employment, Education and Training and its constituent councils responsible for higher education policy advice, the Higher Education Council and the Australian Research Council.
  - In May 1989 the Government released its Science and Technology Statement and the related statement Research for Australia: Higher Education's Contribution.
  - In the latter document the Government took up those recommendations and issues highlighted by the Committee to Review Higher Education Research Policy, and the ARC review of the Commonwealth Postgraduate Awards Scheme. This will provide more initiatives for the development of higher education/industry links, such as:
  - the retention of the 150 per cent tax concession to encourage private sector involvement in research and development (R&D);
  - Grants for Industrial R&D (GIRD) Program which complements the taxation concession;
  - the continuation of the National Teaching Company Scheme to link tertiary institutions with companies;
  - the National Research Fellowship Scheme to strengthen co-operation between the academic and industrial research sectors;
    - the Offsets Policy which provides opportunities for higher education institutions to gain access to investment capital for R&D activity;
    - the Partnerships for Development Program the offsets obligations under this program can be undertaken in higher education;
    - establishment of the Australia Post Graduate Award which includes new industry-related awards to link higher education research directly with industry; and

The Government will continue to encourage the expansion of co-operative education courses which involve industry in course design, supervision of industry placements and payment of stipends to students.

The development of links between industry and postgraduate training will benefit industry and enhance career opportunities for research-trained graduates.

### Music

In June 1988 the Federal Government established the Australian Contemporary Music Development Corporation - a non-profit contemporary music development company to foster Australian music and young Australian performers.

The Federal Government has provided initial funding to the Company (\$600,000 over 1987/88 and 1988/89). More funds will be forthcoming in the 1989/90 financial year. It has negotiated with industry for 15 per cent of the new royalty on blank audio tapes (legislation for which is currently in the Senate), to be provided to the Company as on-going income to assist with its activities.

# **EMPLOYMENT**

# Job Creation

The policies of the Hawke Labor Government have produced a growing economy and more than a million new jobs.

Since 1983 almost 1.6 Million new jobs have been created 90 percent in the private sector and over 50 percent going to women.

And unemployment has fallen from over 10 percent when Labor won office to 6.2 percent in January 1990.

# The Long Term Unemployed

Under Labor there has also been a big decline in the number of long term unemployed.

- In 1982 there were 47,000 people registered as being unemployed for between 12 and 18 months. Within a year that figure had more than doubled to about 108,000.
- The policies of the Hawke Government have seen the number of long-term unemployed fall from 108,000 back to 47,000. That is, the Government has given tens of thousands of people, for whom unemployment had become a way of life, a new start.

The Federal Government has developed and implemented a range of new initiatives to increase workforce participation by traditionally disadvantaged job seekers.

NEWSTART is a joint Department of Employment, Education and Training and Department of Social Security approach to addressing many problems faced by long-term unemployed people between the ages of 21 to 54 who want to return to the workforce.

The Jobs, Education and Training (JET) Program aims to help sole parent pensioners gain employment through the co-ordinated services of three Federal Government Departments: Employment, Education and Training; Social Security; and Community Services and Health.

JOBTRAIN is specifically designed to help disadvantaged adult and young job seekers by providing job training to meet the needs of both the individual and the local labour market.

Training is provided through TAFE colleges, industry and employer associations or other training providers. The average training period is around nine weeks, although it may extend to 12 months. Priority is given to helping people who meet the NEWSTART criteria and sole parents participating in the JET program.

Skillshare is a community-based program which began early in 1989 to provide skills training and other employment-related assistance to the most disadvantaged job seekers to help them find jobs or go on to further education or training. The Government has allocated \$70 million for Skillshare's first year. By November 1989 there were 371 projects operating throughout Australia, including 11 Information Technology Centre's (ITeC's) which focus skills training on high technology industries and labour market needs. It has helped more than 50,000 people so far and has proven to be one of the most successful schemes of its kind because of the high degree of community involvement.

The JOBSTART program helps disadvantaged job seekers to find jobs by providing wage subsidies to private sector employers who provide employment experience for up to six months. Subsidy rates are geared to the job seeker's age and type of disadvantage.

The disadvantaged groups in the labour market include the long-term unemployed, disabled people, overseas-born job seekers who have English language difficulties or cultural barriers, Aboriginals and sole parents.

Since 1983, JOBSTART and former wage subsidy programs have helped 318,000 people get jobs.

The Government allocated \$97 million for JOBSTART in 1988/89.

#### Help for the older unemployed

- The Federal Labor Government will spend an extra \$10 million a year to help the older unemployed.
- . The new measures announced in the 1989 Budget are aimed at unemployed people 55 years and older.
  - Initiatives to assist the 37,000 unemployed over 55 -of whom 56 percent have been out of work for a year or more - include an \$11 a week rise in benefit older single people who have been out of work for long periods and extensions of eligibility for the telephone rental concession and pharmaceutical benefits.

The following measures have been introduced to assist the older unemployed between 55 and 64 years:

- More incentives for involvement in full-time training or voluntary work, especially for the long-term unemployed, while still retaining the unemployment benefit.
- Acceptance of continual and substantial part-time work as an alternative to full-time work for those on unemployment benefits for 12 months or more.
- Trials of three new interview/training/referral procedures involving the Commonwealth Employment Service, the Department of Social Security and community organisations.
- Better access to training programs such as JOBSTART, SkillShare and JOBTRAIN by relaxing the usual minimum period of unemployment needed to qualify. More places for the older unemployed will be created under the New Enterprise Incentive Scheme.

The launch of a campaign to change negative community attitudes about the older unemployed.

New measures for unemployed people 60-64 years include:

An \$11 a week increase in sickness, unemployment and special benefits for single people who have been out of work for six months or more. This will bring these rates in line with benefits for single pensioners.

Entitlement to telephone rental concessions and a health benefit card - which provides free pharmaceuticals - for beneficiaries who have been out of work or on special benefits for 12 months or more.

Immediate entitlement to rent assistance for those beneficiaries without dependent children.

# THE ENVIRONMENT

Over the past seven years the Hawke Government has made Australia a world leader in conservation. Our efforts to save forests and wilderness, protect the ozone layer and Antarctica and prevent the damming of the Franklin River have won international praise and respect.

# World Heritage

- The World Heritage Convention, which protects the world's cultural and natural heritage, is the must successful and respected international agreement in the field of heritage conservation. Australia is a world leader in implementing the Convention, as it is the only country which has enacted legislation to carry out its World Heritage responsibilities.
- . The Government introduced the World Heritage Properties Conservation Act in 1983 to fulfil its obligation under the Convention to conserve areas of outstanding universal value within Australia.
- The Act was used to prevent the construction of the Gordon-Below-Franklin Dam and the logging of the North Queensland rainforests.
- Australia has eight properties on the World Heritage List: Kakadu National Park; the Great Barrier Reef; the Willandra Lakes region of Western NSW; the Lord Howe Island Group off the Coast of NSW; the Tasmanian Wilderness Area; the Australian East Coast Temperate and Sub-Tropical Rainforest Parks (the NSW rainforests); Uluru National Park; and the Wet Tropics of Queensland.

# South West Tasmania

Almost 1.4 million hectares or about 20 percent of Tasmania, is protected by World Heritage following the successful listing of the second Tasmanian nomination in December 1989. The new area includes spectacular examples of the tallest forests in the Southern Hemisphere - the increasingly rare, pristine, tall eucalypt forests. These areas adjoin the Western Tasmania Wilderness National Parks which were declared a World Heritage area in 1982.

South-West Tasmania is one of the world's greatest temperate wilderness areas. The World Heritage nomination, which was favourably reviewed by the World Heritage Bureau in Paris in June 1989, protects the valuable areas of rainforest, King Billy pines estimated to be several thousand years old, alpine vegetation, archaeological sites, rare and threatened species and the tall forests.

As part of the World Heritage agreement in November 1988 the Federal and Tasmanian Governments signed a \$30 million five-year timber industry assistance package which encourages responsible and sustainable forestry while protecting important environment values. A major commitment to plantations in the package will offset resource losses, and help the industry become less reliant on native forests in the future.

- The Australian East Coast Temperate and Sub-Tropical Rainforest Parks were placed on the World Heritage List in 1986.
- Uluru National Park became Australia's seventh World Heritage property in 1987. In 1985, the Federal Government granted inalienable freehold title of the Park to the traditional Aboriginal owners. The area is now leased back to the Government for use as a national park for the benefit of all Australians and the international community.

# Wet Tropical Rainforests

- The World Heritage Committee formally inscribed the Wet Tropics of Queensland on the World Heritage List in December 1988. Earlier in the year, regulations made under the World Heritage Properties Conservation Act ended rainforest logging in the nominated area of about 8,900 square kilometres.
- To compensate those affected by the listing, a \$75 million package of job creation, management, plantation and infrastructure initiatives was introduced.

# National Rainforest Conservation Program

In June 1986 the Government provided \$22.25 million to establish a national program on rainforest conservation with the States.

#### East Gippsland Forests

- Negotiated a halt to National Estate logging this season. The Commonwealth and Victorian Governments have agreed to a \$10 billion three year package of measures which will better protect National Estate forests, significantly boost plantations, and establish a review mechanism to examine alternatives to the logging of National Estate forests. The review mechanism will involve the two Governments, industry, unions, conservation groups and the local community.
- The agreement guarantees resource security to industry and protects jobs

#### **Ozone Layer Protection**

- In March 1989, the Commonwealth passed tough legislation placing Australia at the forefront of international action to phase out the use of ozone-destroying chlorofluorocarbons (CFC's) and halons. Australia and Sweden are the two countries which have acted fastest in this area.
  - Under Commonwealth legislation, the import and manufacture of aerosol sprays with CFC's was banned from the end of 1989. A range of other controls on the end uses of CFC's and halons in air-conditioning, refrigeration, fire extinguishers, foams, insulation and electronic and fabric cleaning were also introduced.
  - A National Ozone Strategy developed by the Commonwealth and State Governments, in consultation with industry and public interest groups, was adopted in July 1989. The National Strategy will cut CFC and halon use in Australia by about 95 percent by 1995. This is significantly faster than required under the Montreal Protocol which Australia signed on June 8, 1988, and is also far tougher than new controls expected to come from the revision of the Protocol to be finalised in 1990.

#### Greenhouse

Australia has committed itself to a comprehensive program of research, public education and immediate action on the Greenhouse Effect.

A preliminary report on the technical aspects of reducing Australia's Greenhouse gas emissions has been prepared. The Prime Minister's 'Our Country, Our Future' Environment Statement said that Australia will play its part in reducing global Greenhouse gas emissions, both domestically and internationally.

The Federal and State Environment Ministers, at a meeting of the Australia New Zealand Environment Council in October, 1989, resolved to investigate ways of reducing Greenhouse Gas emissions by up to 40%. In addition, the Council adopted the Commonwealth's proposal to reduce energy use by examining:

- minimum energy efficiency standards in new Government buildings and for domestic appliances;
  - more efficient domestic water heating and household lighting; and

fuel consumption standards for cars and light duty vehicles.

In April 1989, the Government announced an additional \$7.8 million for Greenhouse research to 30 June 1990. The Prime Minister has said that this is only the first stage of an on-going commitment which will ensure Australia is at the forefront of international Greenhouse research. More than \$5 million of this year's research funding has been allocated to the CSIRO and the Bureau of Meteorology for climatic modelling to ensure that global models now being developed are accurate and relevant to southern hemisphere nations.

Australia has also pledged another \$6.25 million over five years to establish a network of climate modelling stations which will record and help predict changes in sea levels, air temperature and rainfall patterns in the South Pacific as a result of the Greenhouse Effect. It is anticipated that this program will be maintained for at least 20 years.

A National Greenhouse Advisory Committee was set up in 1989. It will provide expert policy advice and promote public understanding of the issues. \$350,000 has been allocated for the first two years of a public education program.

These new funding commitments are in addition to more than \$17 million being spent in 1989/90 on Greenhouse research by the CSIRO, the Bureau of Meteorology, the Australian Antarctic Division and the National Energy Research Development and Demonstration Scheme.

#### Antarctica

The Government decided that Australia should not sign the Antarctic Minerals Convention and initiated discussions with Antarctic Treaty countries to negotiate a comprehensive Antarctic environment protection convention to declare Antarctica a 'Nature Reserve - Land of Science'. Mining would be banned.

Australia has successfully pushed for, and continues to seek improvements in, environmental protection among Antarctic Treaty nations.

This includes a new Antarctic protected area category, environment impact assessment, Southern Ocean ecosystem conservation, and stronger waste disposal requirements. The Convention on the Conservation of Antarctic Seals was ratified.

Australia initiated a comprehensive program to clean up Australian Antarctic stations; introduced strict waste disposal guidelines for stations; implemented environmental training for all expedition participants and began management plans for Antarctic stations.

The Antarctic has emerged as a critical laboratory for study of the Greenhouse Effect and the depletion of the ozone layer. Research on the history of climate change and future trends makes up more than one-quarter of the Antarctic science program.

Since 1986, the Antarctic Science Advisory Committee (ASAC) and the ASAC Grants Scheme has given \$1.4 million to Antarctic scientific research projects. This adds to scientific research undertaken by the Australian Antarctic Division which in 1988/89 spent more than \$10 million on its land-based and marine science programs.

- An animal care and ethics committee was established to oversee Antarctic scientific work involving animals.
- The 'Aurora Australis', the first Australian built, crewed and flagged icestrengthened research and supply ship was launched in September 1989.
- A major construction program has rebuilt the Casey Base and significant parts of the Davis and Mawson bases.
- ANARESAT is a satellite system which has brought rapid and reliable voice and data communications between Australia and its Antarctic stations, replacing the old, unreliable radiotelephone system.

A recruitment drive to attract women to work in Antarctica was initiated, and in 1988/89 Australia became the first country to appoint women station leaders to Antarctica.

# **Endangered Species**

In July 1989, the Prime Minister announced a 10-year Endangered Species Program and pledged \$2 million in both 1989/90 and 1990/91 to the program. An Endangered Species Advisory Committee and an Endangered Species Unit within the Australian National Parks and Wildlife Service (ANPWS) was established in 1988. The advisory committee representing conservation groups, the rural community and Commonwealth and State nature agencies has formulated and will coordinate a national strategy to conserve endangered species and their habitats.

# Great Barrier Reef Marine Park

One of the first environmental actions by the Hawke Government after assuming office in 1983, was extending the Great Barrier Reef Marine Park from 14 percent to 98 percent of the Great Barrier Reef Region.

By August 1988, zoning plans for all the 344,000 square kilometre marine park area were in place making it the world's largest and most significant marine conservation project. It is cooperatively and jointly managed by the Commonwealth and Queensland Governments.

The Government has supported the world's most extensive research program on problems associated with the Crown of Thorns starfish to determine the causes, measure the effects, and identify suitable control mechanisms. Population outbreaks on coral reefs are now a problem throughout the Indo-Pacific region. Three million dollars will be spent on this research over the next three years.

#### Kakadu

Stage 2 of Kakadu National Park was declared in 1983 and placed on the World Heritage List in 1987. In 1986, the Government purchased the Gimbat and Goodparla pastoral leases and about 65 percent of Gimbat and Goodparla became Stage 3 of the Park in June 1987.

The remainder of the Gimbat and Goodparla leases became a 2,252 square kilometre Conservation Zone under the provisions of the National Parks and Wildlife Conservation (NPWC) Act. On October 5, 1989, the Government decided to prevent mining in 98% of the Conservation Zone by incorporating this area into Stage 3 of the Park. The remaining 37 square kilometre strip along a small section of the South Alligator River will be examined by the Resource Assessment Commission which will report on the values and potential uses of this area. The RAC inquiry will also investigate the Jawoyn Aboriginal sacred site claim under the Commonwealth's Aboriginal and Torres Strait Islander Heritage Protection Act.

In 1987, the Government amended the NPWC Act to prohibit mining in the entire Park.

The wetlands of Stage 1 of the Park were included on the list of areas recognised under the Convention on Wetlands of International Importance especially as waterfowl habitat. The wetlands of Stage 2 are expected to be added soon.

Significant work has been done by the ANPWS to eliminate mimosa and buffalo from the Park. Mimosa, an introduced plant, is seriously degrading Top End flood plain ecosystems. The elimination of buffalo from the Park during the past few years has dramatically improved the recovery of vegetation on the floodplain and in Stage 3. Fears have been raised that cane toad migration will eventually invade Kakadu with devastating effects on wildlife. The Government is investigating possible biological control agents.

#### Sand Mining

A revised proposal for sand-mining in the Shelburne Bay/Margaret Bay region of Cape York was stopped in 1988 on environmental grounds. The ALP platform was amended at the National Conference in June 1988, to clarify the Party's opposition to sand mining in the region as well as on Fraser and Moreton Islands.

# The Australian Heritage Commission

By almost doubling the resources of the Australian Heritage Commission in 1988, the Government strengthened its leading role in the conservation of the national Estate. A series of legislative changes designed to improve the operating efficiency of the Commission were also approved.

The National Estate Grants Program was set up by Labor in 1974 to help conserve and present the National Estate. It plays an important role in maintaining Australia's natural and cultural heritage for present and future generations. Since 1973/74 almost \$45 million has been allocated to more than 3000 projects throughout Australia.

#### Wilderness

The Government initiated a National Wilderness Inventory in 1986. The Australian Heritage Commission has already completed the inventory for Tasmania and Victoria, and North Queensland and South Australia are still being examined. Funding for the program will be accelerated to ensure its rapid completion.

#### Native Forests

A total of \$2.9 million has been allocated during the next three years to establish a National Forests Inventory, which will include a survey of old growth forests in Australia.

#### **Resource Assessment Commission**

Legislation establishing the Commission was passed in June 1989 with Justice Stewart as Chairperson. The Commission is an independent body which will investigate major, complex resource, land use and environment issues referred to it by Government. Its first inquiries will be into forests and timber resources, and the values and potential uses of the Kakadu Conservation Zone.

#### Wesley Vale

The North Broken Hill/Noranda Forests Inc. joint venturers dropped their plans for a \$1 billion pulp mill at Wesley Vale in north-east Tasmania after the Federal Government insisted on tougher environment conditions than the companies had negotiated with the Tasmanian Government. The Government was particularly concerned about the impact of 13 tonnes of organochlorines which would have been dumped in Bass Strait every day at a point where there was virtually no title movement.

# National Industrial Chemicals Notification Scheme

The Government enacted legislation setting up a notification and assessment scheme for hazardous industrial chemicals. The scheme evaluates and assesses potential hazards of new and some existing industrial chemicals.

# Pulp Mill and Paper Industry Package

The Government announced in December 1989 a comprehensive set of environmental guidelines that enforce the world's toughest standards for new bleached eucalypt kraft (BEK) pulp mills. The Government also committed \$7.7 million to a joint Federal, State and industry research program aimed at monitoring international developments in improved kraft technologies, examining alternative technologies, and further reducing known pollutants.

The Industry Commission is to produce two interim reports which will assess:

- the effects of Government policies on and the environmental and economic cost-benefits of recycling; and
  - the market prospects for unbleached chlorine free paper products and the potential for non-wood feedstocks.

Following the second report the Bureau of Industry Economics will continue to monitor changes in market demand for unbleached and chlorine free products.

The guidelines, monitoring and baseline study requirements, and environmental assessment procedures outlined by the Government constitute a far more stringent set of rules than those negotiated by the Tasmanian Liberal Government for the original Wesley Vale project in early 1989.

#### Waste Management

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- The Government has enacted legislation controlling hazardous waste exports and imports. Australia was active in the successful drafting of the UNEP Convention on Hazardous Wastes and was also a party to the London Dumping Convention decision to phase out incineration of noxious liquid wastes at sea by the end of 1994.
- Australia has previously had to export intractable wastes for disposal overseas, mainly in the United Kingdom where wastes have been destroyed by high temperature incineration.
- The Commonwealth is cooperating with NSW and Victoria to develop a national high temperature incinerator for the disposal of certain intractable wastes such as PCB's and some organochlorines. The proposal is being developed by an independent task force and as a result of agreement by the NSW Government, the facility will be located somewhere in NSW.
- The Commonwealth played a leading role in the development by the Australian Environment Ministers Council of National Guidelines for the Management of Hazardous Wastes agreed to in 1986. These Guidelines describe a comprehensive set of measures for the satisfactory management of these materials which are currently being implemented.

# **Voluntary Conservation Organisations**

When the Government came to power in March 1983, grants to voluntary organisations totalled about \$350,000 for many years. During the following two years, grants increased to \$635,000 then \$850,000.

In 1989/90, 50 voluntary conservation organisations received \$1.219 million in Federal grants.

The Government also initiated a system of regular meetings with peak conservation organisations to allow the groups to raise major environmental issues directly with the Minister. The Government also provides VCO's with assistance to attend some conferences as part of Australian delegations.

# **Murray Darling Basin**

- In November 1985, the Federal, Victorian, NSW and South Australian Governments established the Murray Darling Basin Ministerial Council. The Council provides a focus for planning and managing the Basin natural resources to achieve sustainable use.
  - One of the first projects initiated by the Council was a major Environmental Resources Study published in 1987. The Study detailed the extent and severity of the degradation of the Basin's environmental resources which is causing losses to agriculture of about \$260 million each year. River salinity costs are established at a further \$35 million per year.
  - In addition to the Environmental Resources Study, the Council has also:
    - initiated studies involving on-farm water use and irrigation;
    - released a salinity and drainage strategy; and
      - developed a draft natural Resources Management Strategy with a three-year budget of \$45.2 million.

# **One Billion Trees**

- The One Billion Trees Program was announced by the Prime Minister in the 'Our Country, Our Future' Environment Statement on 20 July 1989. With direct Commonwealth funding of \$4.7 million a year supplemented by State, industry and community contributions, the program means that at least one billion additional trees will be growing by the end of the century. More than 200 million trees have been established since the National Tree Program was established in 1982.
  - The Save the Bush program, also announced by the Prime Minister on 20 July 1989, provides \$1 million in 1989/90 and increasing funds in future years for conserving the last vestiges of our once extensive forests, woodlands and grasslands over two thirds of Australia's original tree cover has been removed since European settlement.

# Driftnet Fishing

- Australia was instrumental in framing the Tarawa Declaration at the 20th South Pacific Forum meeting in July 1989 stating that driftnetting violates international law and calls on Japan and Taiwan to immediately abandon their operations in the South Pacific. It also called on the rest of the world to support a Convention banning the use of driftnets in the Pacific. It is claimed driftnet fishing could lead to the collapse of the South Pacific tuna fishery in the next few years.
- In February 1990, the Prime Minister signed the Convention for the Prohibition of Fishing with Long Driftnets in the South Pacific.
- Driftnet fishing is banned in Australian waters and Australia refuses to allow driftnet fishing vessels access to Australian ports.

FOREIGN AFFAIRS & TRADE

Australia under the Hawke Government has been playing an active, prominent and highly constructive role in regional and world affairs. We have not only kept pace, in a period of extraordinarily fast moving and far-reaching change, but have been one of the countries helping to set the international agenda.

The conceptual foundations of Australian external policy have been identified - on the basis of realistic assessments of both our national interests and our capacity to advance them - and priorities clearly articulated in the areas of regional and global security, trade and economic policy and good international citizenship objectives.

Trade and economic diplomacy, and traditional political diplomacy, have been welded into a single coherent whole with the highly successful amalgamation of the Departments of Foreign Affairs and Trade.

The balance between defence policy, foreign affairs and trade policy and other external policy areas have been the subject of close and effective consultation between Departments and Ministers, and clearly articulated Ministerial statements.

In multilateral diplomacy, Australia's most significant achievements in recent times have been the launching of the Cairns Group and Asia Pacific Economic Cooperation (APEC), and our initiatives in Antarctic environmental protection, chemical weapons, driftnet fishing and Cambodia. In bilateral diplomacy, important highlights have been the Timor Gap Treaty and the development of new dimensions in our relationship with Indonesia, and the signing of the Joint Declaration of principles and establishment of a new ministerial forum with Papua New Guinea.

### **MAJOR MULTILATERAL INITIATIVES**

#### Asia Pacific Economic Cooperation

- In 1989 Australia successfully launched the process of economic cooperation in our region a concept that had been promoted for two decades, but never brought to fruition. The Australian initiative is designed to create a regional economic consultative forum to improve the prospects of successful international trade liberalisation through the Uruguay Round, to promote the liberalisation of regional trade barriers and to advance sectoral cooperation in areas such as infrastructure development and transport and communications.
  - Twenty-five Ministers from 12 countries attended the first APEC meeting in Canberra in November 1989 and agreed on measures to promote the Uruguay Round, the initiation of a meaningful work program, and further Ministerial-level meetings in Singapore in 1990 and the Republic of Korea in 1991.

#### Cambodia

On 24 November 1989, Senator Evans detailed a new Australian proposal as a possible means of breaking through the impasse which had arisen following the

Paris Conference on the question of a peace settlement for Cambodia. The essence of the proposal is that, as part of a comprehensive settlement, a United Nations transitional administration should be established in Cambodia until free and fair elections can be held, rather than having power shared by the four internal Cambodian parties, including the Khmer Rouge. At the same time, the Cambodia seat at the UN, presently occupied by the CGDK, would be vacated, until such time as it can be occupied by a representative of a democratically elected Cambodian Government.

The Government followed up the proposal with an extensive round of discussions and consultation, at both Ministerial and official level. By January 1990 it had become very widely acknowledged as the most practicable presently available way forward. This was most recently demonstrated on 16 January when the Permanent Five members of the UN Security Council - the US, USSR, UK, France and China - met in Paris to discuss the proposal. Their agreed communique reflects all the main points of the Australian proposal.

Australia will continue to play a concerted and appropriately active role during 1990 as efforts continue to bring to an end the tragedy of Cambodia.

# The GATT Uruguay Round and the Cairns Group

The Government has worked vigorously to achieve an open and fairer world trade system through the GATT Uruguay Round. For medium-sized trading nations like Australia, fair and internationally agreed rules for trade are essential to our capacity to export. The Government recognises that fair competition and access to world markets is a crucial complement to our efforts to promote a more efficient industry structure domestically.

The Hawke Government in 1986 successfully established the 14 member Cairns Group of fair agricultural trading nations, which has become a powerful third voice (along with the United States and European Community) in the Uruguay Round negotiations on agriculture.

Australia is also working to ensure that our interests in other areas, including services, export of natural resources, manufacturing and intellectual property are all properly addressed in the Round, which is due to conclude in December 1990. Australia is widely recognised as one of the most constructive and active participants in all areas of the Round.

In its review of Australia in December 1989 the GATT Secretariat concluded that the Hawke Government's trade policy reforms would significantly improve Australia's economic performance.

#### Antarctic

Australia and France in 1989 launched an international initiative to protect for all time the fragile and unique Antarctic environment by setting aside the Convention on the Regulation of Antarctic Mineral Resource Activities (CRAMRA) in favour of a Comprehensive Environment Protection to make the Antarctic a wilderness reserve.

The initiative has already attracted encouraging support from a number of influential countries, and in October 1989 the Antarctic Treaty Consultative Meeting in Paris agreed to Australia's objective of having convened in 1990 a special meeting of the Consultative Parties to the Antarctic Treaty to draw up and adopt a comprehensive

convention which would lay down principles for regulating and prohibiting human activities which are harmful to the Antarctic environment.

# Chemical Weapons

In August 1989 Australia hosted a regional seminar for officials from 23 South East Asian and South Pacific nations to promote awareness of chemical weapons issues and increase support for the early conclusion of a Chemical Weapons Convention to ban for all time the use, manufacture or storage of chemical weapons.

Even more significantly, more than 70 countries attended the Government-Industry Conference Against Chemical Weapons (GICCW), chaired by Australia in Canberra in September 1989. The Conference produced for the first time a united statement from companies representing 95 per cent of the world's chemical industry, expressing strong support for the early conclusion of a Chemical Weapons Convention. GICCW also lent impetus to the Convention negotiating process in Geneva, with a general view now held that the major substantive issues for negotiation should be able to be completed by the end of 1990.

### **Driftnet Fishing**

- Prime Minister Hawke proposed an important initiative which was unanimously supported at the Twentieth South Pacific Forum in Kiribati in July 1989 seeking a ban on driftnet ("wall of death") fishing in the region.
- Australia and all other South Pacific countries signed the Final Act of the <u>Convention for the prohibition of Fishing with Long Driftnets in the South Pacific</u> in Wellington in December 1989.
- The Convention bans driftnet fishing activities by parties to the Convention in their territorial seas and Exclusive Economic and Fishing Zones. It also bans driftnet fishing by nationals or flag vessels of parties in the Convention area.

# SIGNIFICANT BILATERAL INITIATIVES AND ACHIEVEMENTS

#### Indonesia

- Senator Evans signed the Timor Gap Zone of Cooperation Agreement with Indonesian Foreign Minister Alatas on 11 December 1989, clearing the way for joint exploration of an highly prospective and long-contested area which could yield up to 2 billion barrels of oil or gas.
- This is the most important Agreement, and probably the single most important development, in bilateral relations, since Indonesia's independence 40 years ago.
- It culminates one of the busiest years in the history of relations, a year characterised by sustained diplomacy and practical results, including the restoration of regular, high-level talks between the two countries, the framework for resolution of longstanding difficulties concerning Indonesian fishermen intruding into Australian waters, and the establishment of the Australia Indonesia Institute to further peopleto-people contacts.

#### Japan

Following Australian action against Japan in the GATT, Mr Duffy and Mr Kerin oversighted the negotiation of a bilateral beef settlement with Japan in June 1989.

This agreement, coordinated with a similar move by the US, has assured that Australian beef exporters will not face quota controls in Japan after 1990, and holds potential for a multi-million dollar increase in sales.

# Republic of Korea

A Trade and Commercial Development for Australia and ROK was announced by Mr Duffy on 9 September 1988.

Following action against ROK in the GATT, Australia has secured a partial reopening and re-entry into supplying the ROK beef market. The Government is continuing to pursue a liberalisation program in Korea similar to the Japan beef agreement.

# New Zealand

Mr Duffy co-ordinated with his New Zealand counterpart a review of the Closer Economic Relations Agreement (ANZCERTA) with New Zealand in August 1988. This will provide for continued improved access to markets across the Tasman in a wider range of primary, manufacturing and service industries.

#### Papua New Guinea

This Government ushered in a new, more genuinely post-colonial bilateral relationship with Papua New Guinea with the conclusion in December 1987, of the Joint Declaration of Principles, representing a new and total framework for relations, and the initiation of regular high-level, wide ranging consultations in the new Papua New Guinea-Australian Ministerial Forum.

Other more specific bilateral agreements have been, or are being concluded, most significantly the Review PATCRA (PNG/Australia Trade and Commercial Relations Agreement), an Investment Protection Agreement, and a Development Assistance Agreement.

#### **United States**

The Review of ANZUS, one of the Hawke Government's first foreign policy decisions, has strengthened the alliance and ensured that Australia's role in it is more sharply defined as a partner, rather than - as the Conservatives implicitly accepted for so many years - as a subordinate.

The strength of the US/Australia Alliance has been in particular evidence since New Zealand's withdrawal from ANZUS, with Australia US Ministerial talks each year being conducted in an atmosphere of frankness but constructive accord.

The Hawke Government has also increased Ministerial and officials contacts on bilateral trade matters through the establishment of permanent Ministerial trade talks. The most recent, held in October 1989 and led by Mr Duffy, saw Australia's access to the US steel market doubled. Australia has also succeeded in securing changes to the US draft Farm and Trade Bills, so protecting our farming and commercial interests, both in the US and third country markets.

#### **Global Warming**

- In March 1989 Senator Evans, on behalf of the Prime Minister, signed the historic Declaration of the Hague on the Protection of the Atmosphere.
- Australia further established its international credentials with the Prime Minister's announcement at the South Pacific Forum in Kiribati in July 1989 of a major Pacific-based study of climate warming and its impact on sea levels.

#### Peace and Disarmament

- The Hawke Government has earned a reputation as a vigorous and respected promoter of arms control at the United Nations, the Conference on Disarmament in Geneva and elsewhere. We have created the full-time position of Ambassador for Disarmament, vigorously opposed French nuclear testing in the Pacific, played a key role in the creation of a Nuclear Free Zone in the Pacific, and pressed strongly and effectively for the early conclusion of a Chemical Weapons Convention.
- Australia has remained a strong proponent of the early conclusion of a Comprehensive Test Ban Treaty to ban all nuclear tests in all environments, by all countries, for all time. We have proposed the establishment of a fully operational global seismic network to monitor such a ban, and have upgraded Australia's seismic monitoring facilities accordingly.

#### Human Rights

- Australia maintains an extremely active effort, in both the multilateral and bilateral fields, in support of fundamental human rights.
- Multilaterally, we have been active in the United Nations in the negotiation of new international instruments to cover the rights of the child, the rights of human rights defenders and the rights of migrant workers.
- In terms of bilateral human rights representations, Australia raises more individual cases than probably any other country in the world. In the 12 months to May 1989, for example, Australia raised more than 400 cases with 68 different countries, covering both the plight of particular individuals and situations of widespread and systematic abuse.

#### **Regional Security**

In December 1989 Senator Evans released a major statement on <u>Australia's Regional</u> <u>Security</u>, setting out a comprehensive and integrated approach to Australia's security interests and policies in the South East Asian and South Pacific region.

#### **Overseas Aid**

As one of Australia's most important arms of foreign policy, Australia's overseas aid program has undergone major reform following the commissioning in 1983 by then Foreign Minister Bill Hayden of the Committee to Review the Australian Overseas Aid Program under the chairmanship of Sir Gordon Jackson. Following the presentation of the Jackson Report to Mr Hayden in 1984, the Hawke Government undertook a series of major reforms to the program encompassing:

- clear articulation of aid objectives
- greater geographic focus and sectoral concentration
- the introduction of country programing to enhance aid effectiveness
  - management autonomy for the Australian International Development Assistance Bureau (AIDAB) and an upgrading of its administrative resources.

Under the Hawke Government, AIDAB has become a leaner, more efficient administrative machine, only 2.2 per cent of its budget of over \$1.1 billion in 1989-90 being allocated to administrative expenses against an average of about 3.5 per cent for other OECD donor countries. It has for the first time been given a clear objective upon which to base the implementation of Government policy:

"To promote the economic and social advancement of the peoples of developing countries in response to Australia's humanitarian concerns, as well as to Australia's foreign policy and commercial interests."

The aid program, as with all other areas of Government expenditure, has been forced to respond to the harsh economic circumstances confronting Australia through the 1980s. Despite this, in constant (1987-88) prices the aid budget is now higher than it was in 1979-80 although the rapid growth in the Australian economy in aid expenditure as a proportion of GNP in recent years.

Nevertheless, the Hawke Government remains committed to the United Nations target of an 0.7 per cent ODA:GNP ratio, and has ensured that Australia's aid delivery remains of the highest standard despite the stringency required of it by tight budgetary parameters.

#### North Asia

That Australia is coming of age in recognising that the hub of its economic and trading future lies in the Asia Pacific region has been further epitomised in the commissioning by the Prime Minister and Senator Evans of Professor Ross Garnaut to prepare a report on Australia and Northeast Asia. On the completion in November 1989 of <u>Australia and the Northeast Asian Ascendancy</u>, the Government moved quickly to act on some recommendations while undertaking to scrutinise others expeditiously but carefully at Cabinet Committee level.

In acting on the report the Hawke Government has undertaken to:

establish a Korean Studies Centre with core funding of \$300,000 in 1990 and \$200,000 for three years thereafter.

fund 12 postgraduate research scholarships from Korea and Taiwan together with teacher development and exchange programs.

examine at Cabinet Committee level a variety of micro-economic and other reforms suggested by Garnaut, recognising that Australia's export success in this region cannot be presumed to continue in the future without continuing close scrutiny to emerging opportunities, and concerted effort to capitalise on them. The Hawke Government has defined more clearly than ever before Australian interests in South East Asia.

We have finally expunged the distortions in our relations imposed in the past by our involvement in the Vietnam War, and continuing post war conservative paranoia about that country.

Our diplomatic and economic initiatives have concentrated increasingly on this region, and enhanced Ministerial and official contact has been facilitated by new or improved economic consultative processes, such as the Thai and Malaysian trade forums.

Along with the more imaginative, and energetic approach we have brought to our contacts with the nations of ASEAN, Australia now also enjoys strong and productive relations with Vietnam, a nation undergoing fundamental economic change which presents us with important commercial opportunities.

These prospects have been significantly facilitated by Government-to-Government contacts, as evidenced in the success of Australian companies, such as OTCI and Telecom International, who have secured important contracts in several countries in South East Asia.

Further evidence of Australia's high reputation with <u>all</u> countries of the region, has been the standing we have been accorded in consideration of regional issues, such as Cambodia.

Although there is no immediate prospect of a satisfactory solution to that tragic country's problems, Senator Evan's most recent contribution in his Parliamentary statement of 24 November 1989, has been widely acknowledged, both as constructive in itself and as further evidence of the role Australia plays in the Region. Senator Evans suggested that a United Nations administration be appointed in Cambodia in the lead-up to free and fair elections, and that the Cambodia seat at the UN be declared vacant, or held by the UN administration until a democratically elected government comes to power.

#### South Pacific

The Hawke Government has brought a focus, intensity and sophistication to Australian relations with the independent states of the South West Pacific, by comparison with the neo-colonialist, neglectful and patronising approach to such contact in the past.

This Government's approach has been encapsulated most clearly in the doctrine of Constructive Commitment enunciated by Senator Evans in September 1988, a policy founded on the twin principles of respect for sovereignty and intense engagement in the region - a policy which has drawn a strongly appreciative response from regional leaders.

The Government's aid program has been squarely focussed on the region. Aid to the South Pacific was increased by 20 per cent in the 1988-89 Budget and has been maintained in real terms. Australia remains the largest bilateral aid donor in the South Pacific, even excluding aid to PNG.

#### European Community

The European Community plans for a single market and its implications for Australia have led to close consultations with the EC and its individual country members. Trade Ministers have met annually and led to agreements to safeguard important Australian exports such as beef and sheepmeat.

# Southern Africa

Australia has worked assiduously to press for the abolition of apartheid in South Africa. We have been an active participant in the Commonwealth Foreign Ministers' Committee on Southern Africa (CFMSA), and hosted a meeting of the Committee in Canberra in August 1989.

At Australia's initiative the Commonwealth Heads of Government Meeting (CHOGM) in Kuala Lumpur in October 1989 decided to establish an independent agency to review and report on South Africa's international financial links - a crucial step given the demonstrated capacity of financial sanctions to exert real pressure on the South African Government.

# HOUSING

# The Hawke Government's housing assistance initiatives during the past six years have been effectively targeted, with assistance distributed equally between private and public rental, and home ownership.

The Government's record in housing assistance is clear:

- \$1.4 billion in assistance for first home buyers;
- twice as much assistance for public housing;
  - 260,000 families accommodated in public housing over the last six years, (compared to 194,000 over the previous six years);
  - 92,000 home loans to low-income households have been provided over the last six years, (compared to 59,000 over the previous six years);
  - 82,000 additional rental dwellings provided, (compared to 47,000 over the previous six years);
- 322,000 homeless people and people in crisis accommodated and supported through this Government's Supported Accommodation Assistance Program;
- increases in assistance to private renters through the social security system and its coverage extended; (\$480 million will be provided for this purpose in 1989/90) and
  - arising from the Special Premier's Conference on Housing in March 1989, the provision of \$15 million over three years for implementation of measures aimed at improving the supply of serviced land and housing in a more cost effective manner in the capital cities.

#### **Commonwealth/State Housing Agreement**

- Following a detailed review of current arrangements, the Commonwealth/State Housing Agreement (CSHA) has been revised, and now embodies the most significant reform of public housing funding since its introduction in 1945.
  - The key features of the new Agreement are:
  - all Commonwealth funding will now be provided in the form of grants rather than as a combination of grants and loans;
    - a three-year forward commitment of funds;
    - States will match half the value of Commonwealth grants with State grants and the other half through home purchase assistance loans;

States will be encouraged to gear up funds in their home purchase assistance accounts with private sector funds to expand their lending programs;

- a joint Commonwealth/State planning process will be established to meet the needs of priority groups; and
  - user rights and participation mechanisms will be introduced.

The new arrangements will:

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- place public rental housing on a long-term financially viable basis (by removing debts from the system);
- increase the level of CSHA home ownership assistance;
- improve the quality of State contributions to public housing;
  - ensure a more efficient and effective use of Commonwealth funding for public housing assistance by the joint planning process; and
    - strengthen the CSHA's position in the security of tenure of public tenants, increased choice of assistance and establishment of appeal mechanisms.

During the next five years, based on current funding levels, the new arrangements will allow:

- around 650,000 people (360,000 adults and 290,000 children) to be offered public rental housing;
- around 20,000 home loans for low and moderate income earners; and
  - an estimated 52,000 net additions to the public rental stock.

The Commonwealth/State Housing Agreement (CSHA) has been the Commonwealth Government's major housing assistance program since 1945.

- At June 1988 the total national stock of public housing was 316,000 dwellings.
- While only 5.4 per cent of all households lived in public housing as at the 1986 Census, the provision of public housing through the CSHA is well targeted to those groups identified as in greatest need:
  - at 30 June 1987, approximately 67 per cent of public housing tenants were pensioners or beneficiaries, accounting for 26 per cent of all renting pensioners and beneficiaries;
- approximately one in four of families with children who rent property live in public housing;
- around 25 per cent of households in public housing are aged; and
- one-third of renting single parents are in public housing.

In 1987/88, about 46,000 households entered public housing:

80 per cent of these were pensioners and beneficiaries;

19 per cent were single people (mainly single aged/invalid pensioners), 38 per cent were single parents and 38 per cent were couples.

# The First Home Owners Scheme (FHOS)

About 230,000 families will receive FHOS assistance this financial year.

Approximately 341,000 households have been assisted under FHOS since it began in October 1983 at a cost of \$1.467 billion.

FHOS is a well targeted program:

84 per cent of approvals are to households with lower than average weekly earnings;

70 per cent of assistance goes to households with dependent children;

over one-third of approved applicants are 25 years or under.

The maximum available subsidy under FHOS is currently \$5,000 for applicants with 2 or more children.

This level of mortgage repayment assistance over 5 years can effectively increase an applicant's borrowing capacity by around \$10,000 and therefore considerably reduce the deposit required to purchase their first home.

#### Mortgage Relief

- The Federal Government announced in the 1989 Budget a one-year payment to States under the CSHA of \$15 million in 1989/90 for mortgage relief, due to the pressure of current high interest rates.
- The scheme will be administered by State Housing Authorities.
- This assistance will be in addition to that provided by the Federal Government to the States under the Mortgage and Rent Relief Scheme; \$30.4 million has been provided for this program in 1989/90. States are required to match this dollar-for-dollar.

Eligible applicants for assistance are owner occupiers who face a real danger of losing their homes, and who own no other real estate.

The income criteria and levels of assistance vary between States reflecting the variations in housing costs.

# The Rent Assistance Scheme

The Commonwealth Government has made significant improvements to Social Security Rent Assistance since coming to office and announced further improvements in the 1989 Budget.

These changes have included widening the eligibility criteria, increasing the maximum level of assistance, recognising the higher housing costs faced by families with children, and removing the inequities in assistance levels between pensioners and beneficiaries without children.

Currently the maximum rate is \$20 a week for families with children, \$15 for pensioners without children and \$10 for beneficiaries without children.

- In December 1989 the maximum rate was lifted to \$25, and will increase to \$35 in June 1990,
- From September 1990, the maximum rate for families with 3 or more children will be \$40, \$35 for families with 1 or 2 children and \$30 for pensioners and beneficiaries without children.
  - From March 1991, Rent Assistance will be indexed to CPI increases.

# **Rental Housing Trusts**

The Government is also pursuing a program of further assistance for renters and potential home buyers who are being disadvantaged by the current shortages of land and housing, particularly in NSW.

An offer of \$13 million in 1989/90 rising to \$65 million in 1993/94 has been made to States to subsidise the provision of rental housing for low to moderate income earners.

Within 5 years, up to an additional 35,000 rental dwellings could be added to the stock - 12,500 in NSW - which will considerably ease the rental supply problems particularly in Sydney.

# Supported Accommodation Assistance Program (SAAP)

SAAP is a joint Commonwealth/State program that provides recurrent funding for non-government organisations and local government to provide crisis accommodation and support services for homeless people. Capital funding is provided under the Crisis Accommodation Program (CAP) within the CSHA.

A new SAAP program commenced on 1 July 1989 focusing on five target groups; young people, women with or without children who are escaping domestic violence, families, single men and single women. This new program built in the previous program that this Government introduced in January 1985. Under the new program there will be greater emphasis on community consultative processes in planning for the program and user-rights.

SAAP services are predominantly used by people who are poor, have insecure housing and who have experienced problems such as physical or emotional abuse, institutionalisation or addiction. Prior to the introduction of SAAP, these people were assisted on a piece-meal way through a number of unrelated measures. The introduction of SAAP also significantly increased funding and hence services and accommodation for these people.

The SAAP allocation for 1989/90 is \$125.6 million (of which the Commonwealth will contribute \$75.2 million). This represents a significant increase over 1988/89 expenditure of \$105 million. In addition, growth funds of \$5 million (to be matched dollar for dollar by the States) have been committed by the Commonwealth up to 1991/92. This will involve an injection of about \$40 million over this period.

In 1989/90, \$39 million will be provided by the Commonwealth under CAP, compared with \$19.5 million in 1988/89. These funds are for the provision of housing stock for people in housing crisis, including those helped under SAAP.

#### Homeless Youth - A Commonwealth Priority for 1989/90

The Commonwealth has identified youth as a priority target for 1989/90 and a comprehensive four year \$100 million package of initiatives for disadvantaged young people was announced in the 1989 Budget. This is specifically in response to the problems identified in the Burdekin Report and include accommodation and support for homeless young people. The initiatives include:

- a further \$17 million to be made available over four years under SAAP (\$34m when matched by States), to underpin the expansion of accommodation services and to link homeless young people with other services.
- an extra \$10 million capital funding in 1989/90 which together with funding under the CSHA, will significantly increase the availability of medium and long-term accommodation specifically for homeless youth; and
  - the earmarking of some \$15 million under CAP and the Local Government and Community Housing Program for youth housing over and above the usual allocation for youth in those programs.

These additional funds will significantly increase the number and range of housing and accommodation options available to homeless youth with particular emphasis on medium to long-term accommodation. The funds will also promote the development of innovative support services to assist young people accommodated in refuges and the medium to long-term accommodation options to move towards independence by establishing links to education, training, employment and income support.

Over the 4 year period 1989/90 to 1992/93, these initiatives will assist 6,000 homeless young people.

# Commitment to Improve the Supply of Serviced Land and Housing

- The Special Premiers' Conference in March 1989 agreed to a series of new housing supply programs to be administered by the Department over the next three years, including releasing new land and more affordable housing programs.
  - The Commonwealth will be providing \$15 million over the three years for implementation of measures aimed at improving the supply of serviced land and housing in a more cost effective manner in the capital cities, including:
    - \$7 million for a package of measures agreed at the Special Premiers' Conference namely, a program of assistance to local government to review the technical content of residential development regulations to be administered with the States, a national land information program coordinated by the Indicative Planning Council to re-address inadequacies in land supply and demand data and the establishment of a task force to examine the scope for reform in building codes and standards;

a further \$6 million to be administered by the Department of Industry, Technology and Commerce (DITAC) to be allocated over the next three years for the implementation of the Housing Development Program which has recently been established to implement further co-operative housing development initiatives with the States. Program priorities for 1989/90 include analysis of community housing patterns, infrastructure, financing and costs, planning and regulatory processes. A major emphasis will be on expansion of the Joint Venture for More Affordable Housing or the 'Green Street' Joint Venture and medium density residential demonstration projects.

Other complementary initiatives by the Commonwealth in which DITAC is represented include:

Commonwealth land releases by the Department of Administrative Services

a program to improve local government administration of development approval processes by the Department of Immigration, Local Government and Ethnic Affairs.

# IMMIGRATION AND ETHNIC AFFAIRS

Since coming to office the Government has carefully developed the Migration Program and it has grown steadily since its low level in 1983 following the 1982 collapse of the labour market.

Despite divisive debate in 1984 and again in 1988 the Government has remained committed to the principle of non-discrimination on the grounds of race or ethnic background.

Significantly in 1989, its efforts saw a return to bipartisanship on this issue.

1987/88 were key years in the history of migration with the establishment and report of the Committee to Advise on Australia's Immigration Policies (CAAIP).

Over the past two years the Government has introduced the most fundamental changes to immigration policy in thirty years.

These changes include:

- the introduction of a floating passmark to ensure that the number of people migrating to Australia is controlled;
- codification of selection criteria so that fairness and equity is clearly defined and is subject to both Parliamentary and public scrutiny;
- legislation which cracks down on illegal immigrants resulting in a dramatic reduction in the number of illegal immigrants in Australia;
- the setting up of a two tier, independent system of review which is fair, just, economical and quick;
- the introduction of rules of conduct for migration agents to ensure a responsible relationship between the agents and their clients; and
- the setting up of an independent bureau of immigration research.

### Citizenship Program

- . The Government has progressively refined citizenship legislation to ensure equality before the law and to encourage those eligible to do so to make their ultimate commitment to Australia by taking out citizenship.
- Following a major review of the <u>Citizenship Act 1948</u>, the Government introduced a package of amendments in 1984.

The focus of these changes was to remove discrimination from the Act and, in line with the Government's 1982 pre-election commitment, to enable people to apply for citizenship as soon as possible after settling in Australia. The main changes introduced were:

the removal of discrimination from the Act based on sex and nationality;

- the reduction of the residential requirement from three to two years; and
  - an easing of the English language requirement from "an adequate knowledge" to "a basic knowledge".

The Government introduced a further package of amendments in 1986. These aimed to:

- exclude children born in Australia to visitors, temporary entrants and prohibited non-citizens from automatically acquiring citizenship by birth; and
- remove the requirement to renounce expressly all other allegiances.

# New Points Selection System

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- In its response to CAAIP the Government developed a new points selection system to apply to the Independent and Concessional Family categories.
- It is a system designed to deliver a skilled intake consistent with the rationale of these categories which is to enhance a broad-based labour force.
- Independent migrants are assessed against the skill, age and language factors each of which has an important bearing on the employability of the migrant.
- Concessional Family migrants are assessed against the skill and age factors and are awarded extra points depending on family sponsorship arrangements, the citizenship status of the sponsor and the sponsor's labour market settlement record and location.
- Concessional Family migrants are not assessed against the language factor because it may represent a barrier to family reunion in ethnic communities.
  - The main differences from the previous points test are:
    - Concessional Family migrants no longer compete with Independent migrants there are two separate categories;
    - there is no longer a residential requirement before people can sponsor in the Concessional Family category, reflecting Australia's immediate needs for skills offered by Concessional Family migrants;
      - emphasis of the new skill factor is on more broadly defined occupation skills rather than simply formal qualifications, tying in with moves towards competency-based award restructuring in Australian industry;
        - the in-built bias towards applicants with professional/technical occupations has been removed so that skilled tradespeople are treated equally.

#### **Refugee And Humanitarian Entry**

- In the period 1983 to the present, the Government has been responsive to the needs of people throughout the world who have fled their own countries having suffered abuse of their human rights or various forms of discrimination and persecution.
- In this period the Government's Refugee and Special Humanitarian (SHP) resettlement programs have provided the opportunity for approximately 72,000 people to resettle in Australia free of such discrimination.
- In this period the Government has also provided humanitarian resettlement to the victims of disturbances, inter-communal conflict and civil war in countries as diverse as Poland, Sri Lanka, Afghanistan and countries in Central and South America.
- In view of our regional responsibilities, the resettlement of Indo-Chinese refugees was a priority.
- In Lebanon and Sri Lanka special concessional arrangements were introduced in the period to facilitate entry into Australia, particularly for those with family here.
- The Government also introduced several in-country Special Humanitarian entry programs for victims of discrimination and human rights abuses who remained in their own countries.
- Such programs were introduced in Poland, Chile, El Salvador and South America.
  - This on-going commitment is most clearly expressed by the Government's Refugee and Special Humanitarian resettlement programs.
- In 1989/90 these programs will provide about 12,500 resettlement places in Australia (a contingency reserve as been set at 1,500 places).
- The Government will continue its close association with UN and other international agencies to assist refugees and displaced persons, including the office of the High Commissioner for Refugees (UNHCR) and the Intergovernmental Committee for Migration (ICM).

#### Settlement Services And Programs

- Funding under the Community Refugee Settlement Scheme (CRSS) was doubled in 1988/89 in recognition of this scheme's achievement in settling the most disadvantaged people in the Refugee and SHP Program. Approximately 3,200 refugees will be settled in 1988/89 under the CRSS.
- There has been a 54 per cent increase in grants-in-aid (and a 78 per cent increase in funds) from 140 grants worth \$4.45 million to 216 grants worth \$7.92 million.
  - The introduction in 1989 of a project grants scheme (Migrant Access Projects Scheme) will incorporate the Migrant Project Subsidy Scheme grants program and will provide two levels of grants up to \$10,000 for small projects and up to \$50,000 and a maximum of two years for larger projects. These projects will help fill gaps in services to migrants or improve access to services.
- There has been a significant upgrading in the technology in use by the Telephone Interpreter Service, such as the use of conferencing techniques.

In 1987/88 an Australia-wide 008 service was introduced.

In the Adult Migrant Education Program there has been expansion of the English in the Workplace Program, introduction of teacher permanency and implementation of childcare arrangements for immigrants undertaking English courses.

#### Integration Of Immigration With Domestic Labour Market Issues

Since 1983 the Government has been trying to integrate skilled migration policies and programs with other labour market training and industrial relations strategies.

The Tripartite Negotiated Agreement is an industry-wide agreement between the Government, employers and unions which provides for overseas recruitment (permanent and temporary) of an agreed number of workers in a defined set of occupations.

Under new arrangements the Government offers employers ready access to overseas skills through streamlined immigration processing. In return, it expects a greater commitment by industry to education and training, award restructuring, the development of viable industry career paths and other industrial relations issues.

Since 1985 negotiated arrangements have been developed for the following industries:

- metals and engineering;
- printing;
- merchant banking;
- housing in New South Wales;
- furniture trades in Western Australia;
- accounting:
- information (for "partnership" firms only); and
- textile, clothing and footwear trades in the Northern Territory Trade Development Zone.

This coverage is expected to increase over the next two years. Possible new arrangements include:

- airlines/aerospace;
- building and construction;
- health;
- hospitality;
- motor vehicle building;
- information (whole of industry); and
- Australian Chamber of Manufacturers.

# **Recognition Of Overseas Qualifications**

In its May 1988 report, the Committee to Advise on Australia's Immigration Policies (CAAIP) identified the need for urgent reforms in the way that overseas skills were treated in Australia.

The Government acted promptly and a report from an expert working party of the National Population Council (NPC) and other related enquiries were examined by the Structural Adjustment Committee (SAC) of Cabinet.

The rationale was that any reforms to overseas skills recognition would be far more effective if integrated with developments in national standards for training and accreditation.

On 12 April 1989, as part of the April Economic Statement, the Ministers for Immigration, Local Government and Ethnic Affairs and Education, Employment and Training announced a package of training reforms that will significantly improve the opportunities for migrants to have their skills recognised.

Key elements of the package are:

rationalising and simplifying administrative processes and improving flexibility between occupations;

treating all workers fairly through the development of national skill-based standards that do not discriminate between skills gained in Australia and overseas;

establishing a fair and open system with clear assessment and appeal procedures; and

developing a program that builds on unused and unrecognised skills by providing personal support services, such as better access to education and training for remedial and bridging courses.

The reform package is being addressed through a number of initiatives, including:

- the establishment of a National Office of Overseas Skills recognition in the Employment, Education and Training portfolio;
- administrative reforms to the machinery of the Tradesman's Rights Regulation Act which assesses trade skills in the metals, electrical and footware trades;
  - encouraging State initiatives, including State overseas qualifications units and better Commonwealth/State co-operative arrangements; and

better access to bridging and remedial education.

The National Office of Overseas Skills is providing a focus for the reform package. It incorporates the role and functions of the Council on Overseas Professional Qualifications which were previously in the Immigration portfolio.

It will promote national standards for skill recognition, encourage competency-based assessments, develop counselling and referral services and promote improvements to occupational regulation.

#### Sharper Economic Focus To Immigration

Since 1983 the Government has increased its emphasis on economic migration. This has centred around a more tightly integrated economic immigration policy with the Government's major macro and micro economic reform packages.

There has been a steady expansion in the Business Migration Program, a key element in the Government's economic migration strategy through:

- the technology and entrepreneurial skills transfer, which aids industry restructuring;
- the transfer of funds, which helps with balance of payments;
- the transfer of knowledge of overseas markets, which enhances export capacity; and
- job creation, which assists in employment growth.

The introduction of the Accredited Agents Scheme in 1988 to attract business migrants has been particularly successful. rising from 1,403 in 1983/84 to an expected 10,000 in 1988/89. Capital accompanying these migrants has jumped from \$133.9 million to an expected \$1.6 billion over the same period.

A better targeting of skills needed by Australia has been achieved through a more flexible and streamlined Employer Nomination Scheme and the introduction of Tripartite Negotiated Arrangements.

These arrangements can play an important role in micro economic reform as they provide a mechanism for linking overseas recruitment with training and award restructuring in all industries, especially in export industries.

Since 1983 there has been a tightening of the points selection system applying to independent and extended family migrants in order to maximise the labour force enhancement effects of immigration. During this time the per centage of the intake in professional, technical and skilled trades occupations has risen from 13.7 per cent in 1983/84 to an expected 22.0 per cent in 1988/89.

The Government has also increased the flexibility of policies relating to the temporary entry of workers. The Skills Transfer Scheme was introduced in 1987 to streamline the procedures for managerial and specialist personnel to work in Australia. Emphasis is placed on the transfer of skills to Australian workers.

# Agenda for a Multicultural Australia

The Hawke Government's new National Agenda for a Multicultural Australia announced on 27 July, includes:

- more English language training;
- new processes for recognising overseas qualifications;
- legislation to establish the independence of SBS, and the extension of its services; and
- a campaign against prejudice and racism.

The National Agenda is the result of two years of extensive community consultation, research and development by the Office of Multicultural Affairs, in conjunction with the Advisory Council on Multicultural Affairs.

It is a demographic fact that new less than half of the Australian population is of pure Anglo-Saxon descent and immigrants now constituted 40 per cent of the population from 140 countries.

The Agenda comprises three key elements:

- the definition and articulation of the long-term goals and objectives of the policy;
- the establishment of enduring structural and institutional changes; and
- program initiatives involving approximately \$50 million during the next three years, and more than \$70 million in total.

### **Overseas Skills**

- The Agenda establishes a National Office of Overseas Skills Recognition and initiates other reforms to ensure the resources of our people are better used.[see earlier section]
- The Government believes that too many migrants miss opportunities to use their overseas skills.
- This short-changes them and denies Australian access to a pool of skills given to us courtesy of their countries of origin.

#### Improved Language Training

- The Government plans to undertake major improvements to the Adult Migrant Education Program (AMEP) as part of the new National Agenda.
  - A three year national plan for AMEP will:
  - bring migrants' English to a level that would optimise their ability to function well in Australia;
  - ensure co-operation with other agencies so that language skills were recognised; and
  - provide additional measures to help disadvantaged groups attend classes.
  - The vital process of award restructuring is diminished if lack of English precludes workers from participating in new re-training and career opportunities.
- The Government is also increasing and improving English language teaching for adults and children at a total cost of about \$30 million during the next three years.

#### **Improved Community Relations**

Another major initiative is a three-year community relations campaign that will tackle personal prejudice and intolerant behaviour.

# **SBS Television**

As part of the National Agenda SBS has been given its own legislation and has been extended to the Northern Territory and non-metropolitan areas of Queensland, Victoria, South Australia and Tasmania.

SBS Television will be extended from 1991 to the La Trobe Valley, Bendigo, Ballarat, the Darling Downs, the Spencer Gulf, Darwin, North-eastern Tasmania, Cairns and Townsville.

# Women's Access

The National Agenda will help women get jobs and give them a greater say in Government decisions.

The new arrangements for recognition of overseas qualifications, the expansion of bridging courses and more adult migration education will all help women overcome barriers to entering the workforce.

The Government has made remarkable progress in improving the Australian industrial relations climate and reforming workplace practices since its election in 1983.

INDUSTRIAL RELATIONS

# This progress has been delivered through an historic Accord with the trade union movement.

#### Among its achievements are:

wages policy that has delivered wage and productivity increases and has boosted employment growth and dramatically lowered industrial disputation;

changed wage-fixing procedures, and an industrial climate which is helping to bring about sweeping changes to the way in which Australian workplaces are organised;

improved employment conditions for workers, including improved superannuation provisions and enhanced job security;

legislative reforms which created the Industrial Relations Commission, with wider powers to prevent or settle industrial disputes;

greater equity in the workforce, especially for women.

the participation rate for women in the workforce has risen from less than 45 per cent to over 52 per cent since 1983;

a new emphasis on occupational health and safety with a range of key strategies being put into place; and

wide-ranging changes to Commonwealth public sector employment.

#### Wages Policy

Since 1983 Government wages policy has been directed at achieving both macro and microeconomic objectives in an equitable manner.

The key macroeconomic objective has been to secure wage outcomes in a way that promotes employment growth, lowers inflation and improves international competitiveness.

Since the move away from wage indexation in early 1987, wages policy has increasingly been directed towards labour market reforms designed to lift the productivity of Australian industry and provide more satisfying jobs for Australian workers.

The Government's wages policy has been based on a co-operative approach. The Accord with the trade union movement has provided the framework for achieving an orderly co-operative and equitable approach to industrial relations.

#### Achievements

- Through its sound wages policy the Government has been able to generate outstanding employment growth, and a very low level of industrial disputation.
- Acceptable wage outcomes have been achieved without the need to severely depress the economy.
- The Government expects living standards to be maintained and improved over time as the nation's trade position improves.
- Under the Hawke Government, more than 1.6 million new jobs have been created.
- By providing an orderly approach to industrial relations, industrial disputation has been more than halved. Under this Government working days lost per thousand employees have been on average, 60 per cent lower than under the Fraser Government.

The current wages system is providing significant impetus for labour market reform. Its central element is the Structural Efficiency Principle (SEP) which provides a way for the parties to overhaul their awards. They will make industry more competitive and provide better paid and more satisfying jobs.

Through award restructuring the Government's wages policy will play a significant role in the structural adjustment of the Australian economy making it more efficient and internationally competitive.

#### Workplace Reform

Workplace reform involves a comprehensive review of Australia's industrial awards - the process known as 'award restructuring' - and the changes to work practices that will flow from that process. It has been set in train by the Structural Efficiency Principle.

The policy is based on the Government's view that:

- the changes needed in Australian industry to make it more competitive internationally will be best achieved through negotiation and agreement;
- responsibility for change rests with the parties, with government having an 'enabling' rather than prescriptive role; and
  - restructuring should take place and individual outcomes should be consistent with broader objectives and requirements.

#### Award restructuring

Award Restructuring is designed to tackle the institutional barriers that hamper the efficiency and productivity of Australian industry. It was given its initial impetus by the Structural Efficiency Principle, established by the Australian Industrial Relations Commission in August 1988, and it involves overhauling our industrial awards to make them more relevant to the needs of industry and workers.

The process involves;

- revising job classifications;
- changing the way in which work is organised;
- establishing skill-related career paths and providing incentives for training;
- broadening the range of tasks, which a worker may perform;
- eliminating discriminatory award provisions; and
- setting new minimum rates in awards.

The Government has undertaken a range of initiatives to help industry meet the challenges involved in award restructuring.

In industrial relations policy, the Government's main initiative is the Workplace Reform Program. It has allocated \$12 million in the 1989/90 Budget to advance this program which is directed at key industries where award restructuring is a priority. There were initially metals, textiles, clothing and footwear and motor vehicles. The range of industries targeted by the Program has been expanded.

The Workplace Reform Program consists of three elements.

#### Workplace Resource Centres

- A network of Centres, each with a tripartite board, which will provide expertise in human resource management, industrial relations and production planning and design on a commercial basis.
- The Centres are to become self-sufficient within three years (the Department has provided the seed funding).
- Five centres have or are due to be opened shortly in NSW (two), Victoria, South Australia and Western Australia.
- . The network of Workplace Resource Centres will be expanded to at least 10 throughout Australia.

#### Work Change Assistance

. Work Change Assistance supports employers and unions undertaking innovative projects under award restructuring to sponsor pilot projects and research activities.

# Work Change Training

- Work Change Training funds courses which are designed to train management and union shopfloor personnel in the skills they need to introduce change to their workplaces, and to help them to manage that change.
- . Continuing effort will be made to advance the reform of Australian work places and provide opportunities for management and employees.
- A range of training materials will be prepared to help companies and unions manage change in the workplace.

#### **Employment Conditions**

The Government is dedicated to promoting fair wages and conditions for all Australian workers.

The Government has improved key aspects of working conditions by giving inprinciple support to various ACTU claims before the Industrial Relations Commission.

Employees' job security was improved by the Termination, Change and Redundancy Case decision of 1984 by:

requiring consultation between unions and employers before technological change or redundancies take place;

extending the required periods of notification of change or redundancies; and

improving provisions for severance pay.

Adoptive mothers won 52 weeks' unpaid leave to care for their children without jeopardising their job security as a result of the Adoption Leave Test Case decision of 1985.

Superannuation provisions have been extended to the vast bulk of workers employed under awards through consent agreements or by arbitration. The change was brought about by a National Wage Principle dealing with award-based superannuation which was established in 1986 and amended in 1987.

The Government will also give-in principle support to the ACTU's Parental Leave Test claim. Parental leave will help working parents to look after children by allowing fathers to share in caring without losing job security. This will allow women to participate more fully in the workplace.

# **Industrial Relations Legislation**

It is Government policy to provide and maintain an industrial relations system which promotes a competitive, efficient and flexible labour market and fair wage outcomes.

In 1983 the Government appointed the Hancock Committee of Review to inquire into and report on the Australian industrial system and laws.

- Its recommendation formed the basis of the Industrial Relations Act which came into operation on March 1, 1989.
- The new Industrial Relations Act 1988 came into effect on 1 March 1989. Its main features are:
  - new institutional arrangements, with the Industrial Relations Commission replacing the Conciliation and Arbitration Commission, and having wider powers in dispute-prevention and settlement;

greater emphasis on public-interest and economic factors, so that the interests of the parties and the wider community can be taken into account; and rationalisation of union structures to make the industrial relations system more efficient.

In 1984 the Government fulfilled election undertakings in creating the Defence Force Remuneration Tribunal which is empowered to make legal determinations.

The Arbitration Inspectorate was re-established within the Department in July 1983. It has the responsibility of ensuring that parties fulfil their obligations under their relevant awards.

Access to award information will be greatly improved through the operation of FATEXT, which provides computerised access to the full text of federal awards, award variations, and decisions of State tribunals.

# Position of Women in the Workforce

As part of its general objective to improve the efficiency and equity of Australian workplace, the Government has pursued policies to improve women's employment opportunities and experiences based on the premises:

- that women are fully entitled to the same opportunities as male workers; and

that, as the Prime Minister has said, it is a nonsense for a country to ignore half its human resources - half the total number whose creativity, dedication and vigour are needed to improve our economic performance. Hence, affirmative action makes good business sense.

The Government has pursued a comprehensive strategy to improve the participation and status of women in the labour market with the industrial relations context, a key part of this strategy has been the enactment of the Affirmative Action (Equal Employment Opportunity for Women) Act 1986, and the work of the Affirmative Action Agency.

Affirmative action programs aim to break down barriers in the workplace which prevent women from catering or participation in rewarding career paths.

The Government has also recognised that award restructuring provides a unique opportunity to improve the status of women workers, within the context of the opportunities available to Australian workers through the Award restructuring process.

The Government will shortly establish within the Department a EEO/Womens' Unit to monitor evaluate and address the particular issues affecting women in the workplace.

# The Affirmative Action Act

- The Affirmative Action Act was proclaimed in October 1986 and the Affirmative Action Agency created in the same year to administer the Act.
- The Act requires all higher-education institutions and all private-sector organisations with more than 100 employees to set up an eight-step affirmative action program for their female employees, and to report annually on its progress.

The Act has raised awareness of the benefits of giving women a fair chance, a fact reflected in the high level of compliance with the legislation. 99 per cent of employers covered by the Act reported on their programs in the first year of their operation.

The program has already brought significant gains:

- the participation rate for women in the workforce has increased from 44.3 per cent in April 1983 to 52.2 per cent in January 1990;
- the female unemployment rate has dropped from 10.4 per cent in 6.9 per cent over the same period; and

917,000 jobs for women have been created since April 1983; that is, women have taken up more than 56 per cent of the total number of jobs created under the Hawke Government.

The combination of affirmative action and award restructuring will give women access to a wider range of occupations, and to higher levels within these occupations, as womens skills are improved and revalued.

And the gains will accrue not only to women, but to the economy as a whole.

# **Occupational Health and Safety**

The Government is committed to improving the standards of occupational health and safety in Australia by promoting healthy, safe and productive working environments and reducing the incidence and severity of occupational injury and disease.

The Government established Worksafe Australia (the National Occupational Health and Safety Commission) to co-ordinate national preventative strategies, research, training and education, collect and disseminate information and develop common approaches to occupational health and safety legislation.

Award restructuring will also provide the opportunity to ensure that special attention is paid to occupational health and safety issues in individual workplaces.

Worksafe Australia has endorsed strategies to attack four national OHS priorities:

- occupational back pain;

- noise-induced hearing loss;
- occupational skin disorders; and
- the management of chemicals at work.

And is developing strategies on two more:

- occupational cancer; and

- mechanical equipment injury.

A range of National Standards, Codes and Guidance Notes have been established, including:

a national workplace injury and disease recording standard has been fixed;

a code on the prevention and management of occupational over-use syndrome;

standards established for the safe removal of asbestos and for handling timber preservatives and treated timber; and

guidance notes on the prevention of occupational over-use syndrome in keyboard employment and in manufacturing industry.

Worksafe has established a number of Multidisciplinary Intramural Research Programs including:

a study of traumatic work-related fatalities in Australia 1982/84;

establishing an Australian mesothelioma register; and

conducting an epidemiological study of coal mining hazards.

Worksafe has established information services on OHS, including a national telephone enquiry and referral service.

Through Farmsafe Australia, the commission is concentrating on the special problems of farm safety:

- it is providing funds to help establish a national secretariat which will serve a network of community-oriented Farm Safety Action Groups; and
  - it will develop a resource package which the groups can adapt to their needs.

#### The Commonwealth as Employer

The Government is committed to improving the efficiency of the public sector, while at the same time ensuring greater equity and safety in its workplaces.

To achieve this, award restructuring negotiations are underway following successful implementation of a second tier agreement. The Government has introduced reforms to improve decision making processes, reduce duplication of services, reduce administrative expenditure and allow more flexible use of Australian Public Service staff.

The Government has materially improved industrial relations within the Australian Public Service.

APS employees are now subject to the same industrial jurisdiction as the rest of the community, following the abolition of the separate Public Service Arbitrator jurisdiction in 1984.

The Government has restructured the major office-based employment groups within the APS, amalgamating more than 100 classifications into a single eight-level structure.

Changed employment conditions have given greater mobility to members of the Senior Executive Service.

Equal employment opportunity provision became law on 1 July 1987, requiring all authorities and government business enterprises to implement EEO programs for women and members of designated groups.

- The Government has reformed the operations of its business enterprises, giving them greater autonomy to develop wages and conditions proposals and responsibility to determine the pay of chief executives.
- Most authorities have adopted guidelines which provide for new procedures and consultative approaches on the introduction of new technology.
- An award permitting permanent part-time employment for clerical staff in the APS was introduced in 1988. Similar awards have been negotiated in other areas of government employment. They provide for more flexibility in using staff resources.
- Additional arrangements introduced in 1985 allow fathers and mothers to take up to 40 weeks' leave without pay to care for newborn babies and adopted children.
- The Government's determination to reform compensation procedures resulted in the establishment of the Commission for the Safety, Rehabilitation and Compensation of Commonwealth Employees (Comcare) on 1 December 1988.

### **Other Achievements**

The Passenger Motor Vehicle Manufacturing Plan aims to:

- increase the industry's efficiency so as to compete with exports with lower levels of assistance by 1992; and
- minimise disruption during the adjustment process.

The Government introduced a three-year <u>Heavy Engineering Development and</u> <u>Adjustment Program</u> on 1 July 1986, designed to stabilise and revitalise Australian heavy engineering.

<u>The Steel Industry Plan</u> was established in 1983 to help create a long-term viable steel industry. Given relative stability in employment in the industry, and BHP's record 1988/89 profit, it would seem to have achieved its aim.

- The Building and Construction Industry has enjoyed buoyancy since 1986, partly as a result of the Government's efforts to achieve more stable industrial relations in the industry.
- Major operational gains in the Coal Industry are attributable to the major role the Government played in arbitration proceedings in 1988. These introduced the most significant changes in the industry's working arrangements in 40 years.

In 1983 the Government played a key role in finding a solution to the Shearing Industry dispute over the use of wide combs.

<u>The West Australian Iron Ore Industry Consultative Council,</u> formed in 1984 on an initiative of the Prime Minister, has helped to markedly reduce the overall level of disputation in the iron ore industry. It was established to improve the industrial relations climate in the industry and thereby lift the industry's productivity and export performance.

The Australian Meat and Livestock Commission is considering recommendations from the Government working group formed in 1984 to seek a long-term solution to disputation surrounding the export of live sheep from Australia.

In the interim disputation over the issue has ceased.

# **Future Programs**

To improve our factual knowledge about how Australian workplaces operate, the Department of Industrial Relations will conduct the Australian Workplace Industrial Relations Survey nationally in 1989/90. It will provide a data base from which employers, unions and governments can develop workplace reform policies and practices.

# **INDUSTRY & COMMERCE**

# Introduction

The main goal of industry policy is to improve the international competitiveness of Australian industry. Improved competitiveness requires changes on many fronts:

- managers and workers must adopt better practices,
- industry needs to continue to invest;
- companies need to develop global rather than just national strategies; and
- there must be a change in the culture of manufacturing and service industries.

Although the agriculture and mining sectors provide the bulk of Australia's exports, as a result of natural competitive advantage, Australia must continue to diversify its economic base.

Our independence on commodity exports tends to lock the economy into the boom and bust cycle of the international commodity markets.

Australia must continue to improve its competitiveness in manufacturing and service industries if our living standards are to improve.

Labor's industry policy will continue to target the removal of distortions and increase competition in product, labour and financial markets so that the development of new and existing firms and industries is not impeded.

# Major Achievements

#### The National Industry Extension Service-

The National Industry Extension Service (NIES) was established in 1986/87 to rationalise the provision of extension services to manufacturing industry.

The Service has been one of the Government's most successful industry programs, providing a wide-range of services through Federal and State Government cooperation.

- To date, NIES has:
  - established a Business Office in each capital city with an information service designed to respond rapidly to industry enquiries;
  - networked with other information providers such as Small Business Agencies, CSIRO, AUSTRADE and State Libraries;

mounted awareness campaigns not only about NIES services in general but also about specific management issues;

- developed and delivered tailor made business planning strategies based on the World Competitive Manufacturing model to 150 companies;
- developed and applied to about 50 companies world-first information about the application of modern manufacturing techniques and technologies;
- established a National Quality Forum;
- implemented a Contribution of Labour program to maximise the contribution from the workforce; and
- encouraged the establishment and development of centres of excellence which assist companies throughout Australia.

# **Research and Development**

The Government has implemented several programs to stimulate private sector Research and Development.

These include:

- a 150 per cent tax incentive to operate from 1 July 1985 to 30 June 1993, then phased down to 125 per cent until 30 June 1995;
  - the Grants for Industry, Research and Development Scheme was introduced on 1 July 1985 to provide an incentive to smaller, younger firms which may be innovative but not yet making a taxable profit; and
- The level of funds committed by firms to Research and Development has risen significantly under Labor rising from \$721 million or 0.34 per cent of GDP in 1984/85, to \$1,327 million or 0.45 per cent of GDP in 1987/88.

# **Partnerships for Development**

- Partnerships for Development, introduced in September 1987, is a key element of the Government's Information Industries Strategy.
- The program aims to utilise the resources of transnational information technology (IT) corporations to help develop Australia's export and R & D capabilities in this field and to deepen their commitment to this country.
  - Since the program's inception 16 transnational corporations have joined it a number of other firms have committed to joining the program in the near future, and about 90 local firms and institutions are beneficiaries under the program.
  - The first annual reviews of nine Partnership agreements have shown that compared with pre Partnership activities, exports have increased from \$128 million in 1987 to \$169 million in 1988 and R & D expenditure has increased from \$28.5 million to \$60 million.

#### General Tariff Reductions

In its May 1988 Economic Statement, the Government announced that over the period to July 1992, general customs tariff rates above 15 per cent would be progressively reduced to 15 per cent while rates between 10 and 15 per cent would be reduced to 10 per cent.

At the same time, the two per cent revenue duty was abolished, as it was seen to impose an unjustifiable cost on imports to industry.

Tariff initiatives include:

- tariff reductions in five equal instalments to be made on 1 July each year;
- the exclusion of tariff rates for passenger motor vehicle and textiles, clothing and footwear as they are covered by other arrangements;
- phasing arrangements already in place at that time were left unchanged;
- a more open trading environment being pursued in the Uruguay Round of Multilateral Trade Negotiations; and
- a predictable tariff policy environment is now set in place providing a stable environment in which industry can plan and make investment decisions for the future and can concentrate on non-tariff issues.

#### The Steel Industry Plan

- The Steel Industry Plan commenced on 1 January 1984 and terminated on 31 December 1988. During this period, the Australian steel industry moved from virtual collapse to an internationally competitive position no longer requiring special assistance. BHP is now one of the world's lowest cost producers of primary steel.
- The Plan helped create a favourable environment for industry development and delivered only limited financial assistance to the industry through a system of bounties on the production of certain iron and steel goods. Total bounty payments under the Plan amounted to approximately \$150 million.
- In particular, the Plan promoted a more cooperative industrial relations climate in the industry, now being reflected in industrial agreements providing for productivity improvements, job security, training programs and job and award restructuring.
- Industry price competitiveness and production efficiency have improved; industry profits have been restored and under investment in the steel industry has been reversed.

#### The Heavy Engineering Development Program

The Heavy Engineering Adjustment and Development Program (HEADP) was implemented on 1 July 1986 with an initial funding of \$90 million and terminated on 30 June 1989.

The Program led to a significant improvement in efficiency and productivity in the industry.

The program was administered by the Heavy Engineering Board and included development assistance, labour adjustment and concessional loan finance.

The Board required participating companies to establish a formal management - shopfloor consultative committee to address existing restrictive work practices and management and pursue more productive work practice arrangements in supervision, work organisation, skills enhancement and the introduction of new technology.

Expenditure under the Program from 1986 to 1989, totalled \$68 million.

# Notable Programs

#### The Passenger Motor Vehicle Plan

In early 1988, a mid-term review of the Passenger Motor Vehicle (PMV) Plan was undertaken by the Department, the Automotive Industry Authority (AIA) and the Minister's office; the review examined the progress of the Plan.

The Review led to the following changes to the Plan:

- the abolition of tariff quotas on cars;
- the reduction of tariffs on cars from 57.5 per cent, phasing down to 35 per cent by 1992;
- the reduction of tariffs on light commercial vehicles and 4WDs;
- the removal of local content penalties; and
- the modification of export facilitation to better achieve Plan objectives.

#### The Shipbuilding Industry

- In the early 1980s the Australian shipbuilding industry was highly protected.
  - It sought principally to maintain its domestic market against highly competitive overseas builders by producing a broad range of vessels which met most of Australia's needs, and exporting little.
  - The industry, having undergone restructuring is now exporting over half of the vessels produced.
  - The Australian shipbuilding industry has grown to the extent that vessels under construction and on order now exceed \$600 million more than half of the vessels are intended for export markets.
  - The Government decided in November 1988 to continue bounty assistance of another six years but with significant phase-downs through that period. The bounty will cease by the end of June 1995.

The Government is fostering the industry's establishment of joint export marketing arrangements through agencies such as Austrade, Export Finance Insurance

Corporation (EFIC) and the Australian International Development Assistance Bureau (AIDAB).

# The Australian Civil Offsets

The Australian Civil Offsets Program was established in 1970 with the objective of using the Government's position as a major purchaser to gain access for Australian industry to markets, technologies and business opportunities which would not otherwise be available.

Since its inception, the offsets program has generated work exceeding \$1.6 billion.

In 1987/88 \$344 million was obtained including:

\$203 million of high technology exports;

\$45 million of overseas markets activities; and

almost \$50 million of R & D and technology transfer.

#### National Procurement Development Program

The National Procurement Development Program (NPDP) was established in September 1987 to encourage R & D into new products, following the Government's consideration of the Inglis report on High Technology Purchasing.

The Program provides grants on a collaborative basis between industry and government organisations.

100 applications for grants have been made and 40 have been successful.

As a result of the program's success to date, an additional \$2 million has been made available in the 1989/90 Budget.

The program has effectively been in operation for only 18 months but has already achieved a number of successes, including:

a grant of \$372,400 to Kel Aerospace in collaboration with NSW Fish Marketing Authority for an Australian-designed and built computer-based 'Dutch Auction'; and

a grant of \$91,050 to Special Purpose Vehicles in collaboration with NSW Department of Motor Transport.

# Vendor Qualification Scheme

The Vendor Qualification Scheme was established to assist Australian hardware firms to achieve the necessary process and product safety standards required to supply goods into international markets.

The Scheme, which has directly contributed to the awarding of over \$12 million worth of work, aims to:

establish a pool of Australian firms who are product safety qualified to supply goods to firms in the Partnerships for Development Program and internationally;

- establish a local capability to product safety test hardware products and components to recognized international levels; and
- raise the general awareness of the international requirements throughout Australia's hardware community.

#### **Investment Promotion Program**

- The Investment Promotion Program has been established to facilitate overseas investment in Australian manufacturing and service industries.
- The program is designed to increase industrial capacity, enhance the flow of technology and business skills, and widen access to foreign markets.
- The program's activities have made possible a national approach to overseas investment promotion and the marketing of Australia as a site for investment in high value-added, export-oriented manufacturing and service industries.

The Program includes:

- the targeting of investors for specific projects; and
  - identifying areas where there are good commercial opportunities, principally high technology industries and industries which add value to our mineral and agricultural resources.

#### **Export Credits**

- The purpose of this program is to provide efficient and competitive export finance and insurance facilities to Australian exporters. Official export financing support is provided to Australian exporters through the Export Finance and Insurance corporation within AUSTRADE.
  - The most important development in the export credit field in recent years has been the increasing demand for export finance loans for exports of capital goods and services. This trend reflects the increasing international orientation of Australian industry and the capability of Australian firms to undertake major projects in the region.

On 30 June 1988, Australia entered into a Bilateral Debt Rescheduling Agreement with Egypt, as a follow-up to multilateral undertakings agreed to at the Paris Club. This is the first major debt rescheduling agreement which Australia has entered into.

# Textile, Clothing and Footwear

- The Textile, Clothing and Footwear (TCF) Plan became fully operational on 1 March 1989.
- The Plan, which is being administered by the recently established TCF Development Authority, is a comprehensive initiative aimed at restructuring and revitalising the TCF industries.

The main elements of the Plan are:

an Industries Development Strategy, to provide a positive impetus for restructuring and revitalisation;

- Labour and Regional Adjustment Programs to minimise disruptions caused by restructuring;
- Barrier Assistance Reforms, progressive reductions in bounty assistance and rationalisation of tariff rates; and
  - reforms to the handicraft provisions to harmonise them with the TCF reforms and to facilitate their administration.

Substantial progress has already been made in achieving the objectives of the Plan including:

- an integrated package of programs to provide equity for demonstration plants for processing raw materials; and
- facilitating improvements in international competitiveness and export performance.

The restructuring of the TCF industries is underway as firms consolidate their operations, invest in new equipment, improve efficiency and increase exports; and free trade with New Zealand has been achieved (and earlier than scheduled).

#### Taxation Relief for Australians Working Overseas on Approved Projects

The rationale of these tax concessions is to ensure that Australian consultants and contractors are able to compete on an equal footing with foreign firms for overseas projects.

Benefits to Australia that result from the operation of the scheme include:

- a net foreign exchange benefit for overseas projects worth over \$220 million in 1987/88;
  - successful tendering by Australian consultants and contractors for overseas projects encouraging the export of Australian manufactured goods and services; and
  - creating goodwill and increasing Australia's prestige in the countries in which our consultants and contractors operate.

#### Joint Venture for More Affordable Housing (JVMAH)

JVMAH or the Green Street Joint Venture is a co-operative program between Commonwealth, State and Local Governments, which has been particularly effective in demonstrating a wide range of low-rise predominantly detached housing choices and cost-effective residential land development practices.

# JVMAH has:

led to the establishing and documenting of a series of demonstration estates funded by public and private developers;

- undertaken an extensive program of awareness activities involving preparation of visual material, seminars for government and industry practitioners and more recently community awareness (the Green Street Program) activities; and
- developed a Model Code for Residential Development, broadening the focus from detached housing to all low rise housing.

#### **Public Awareness of Industrial Competitiveness**

One of the features of the Government's industry policy is the objective of raising awareness within industry and the community generally of the issues involved in developing an internationally competitive manufacturing sector.

The Bureau of Industry Economics [BIE] has a major responsibility for undertaking policy relevant economic research and disseminating the results of that research widely by means of its publication program and conferences.

- Two significant elements in the BIE's dissemination program were introduced last year and include:
  - the Manufacturing Outlook Conference, to provide information on manufacturing development to industry and policy-makers;
  - raising community awareness of manufacturing issues; and
  - the publication of Australian Industry Trends, focussing on developments in the manufacturing and service industry.

#### **Future Commitments**

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- The Government is committed to:
  - the development of a National Agreement on Standards, Accreditation and Quality.
    - the negotiation of a National Agreement on Standards, Accreditation and Quality (NASAQ) was agreed to by the Government in its consideration of the Foley Committee Report on Standards, Accreditation and Quality Control and Assurance.
      - the concept was endorsed by the Commonwealth, State and Territory Governments at the AITC meeting held in December 1987 and the intention to proceed was announced in a Ministerial Statement to Parliament by Senator Button in February 1988. Negotiations on a draft text was initiated at the AITC meeting in February 1989.
    - raising awareness and understanding of the role of science and technology in economic and social development.
    - a public awareness program which was outlined in the May 1989 statement, Science and Technology for Australia.
    - funding at \$800,000 each year, a package of measures intended to address the concern expressed in an OECD Examiner's Report in 1986. That report stated that there seemed to be less agreement in Australia than in other

industrial nations about the central relationships between technology, science and economic well-being.

modernising and streamlining Australian Industrial property legislation and regulations.

the Budapest Treaty on the International Recognition of the Deposit of Micro-organisms for the Purposes of Patent Procedure, which Australia acceded to in July 1987.

implement the Government's response to the review of marine industries, science and technology.

the report, Oceans of Wealth, launched by Minister Barry Jones on 26 July 1989

the report, by a review committee chaired by Professor Ken McKinnon, which reviews Australia's marine industries, science and technology and makes recommendations for their joint development.

improving the Supply of Services Land and Housing

the Special Premier's Conference on Housing in March 1989 which agreed to a series of new housing supply programs to be administered by the Department over the next three years, including releasing new land and more affordable housing programs.

further internationalise Australia's Engineering Industry

a range of measures to boost Australia's major export industries by reducing input costs for mining, construction and agricultural equipment and parts announced by the Government on 13 June last year. This was complemented by announcements in the Budget of the new Metals Based Engineering Program (MBEP) to increase the export capacity of the metal based engineering industries.

# LAW AND JUSTICE

# Fighting Organised Crime

In the six years the Hawke Government has provided law enforcement agencies and prosecutors with the legislation and the resources to equip them to effectively fight organised crime.

Particular emphasis has been placed on the battle against drug trafficking and major fraud against the Commonwealth.

We have drawn on the experience of other countries, particularly the USA, to ensure that the Australian Federal Police, the National Crime Authority, and the Director of Public Prosecutions, have an effective armoury of anti-crime weapons.

Specific measures include:

- The appointment of an extensive Australian Federal Police overseas liaison officer network, with 25 officers at various posts throughout the world North and South America, South-East Asia, Europe and the Middle East. 4 more will be posted during 1988/90 to the important posts of Chiang Thai, Rome, Manilla and Tokyo.
- These posts provide timely and crucial intelligence, and have already proved an invaluable front-line defence against drug traffickers.
- The extensive powers granted to the National Crime Authority have given it the capacity to pursue serious matters which have sometimes proved intractable to other police methods. Its success in putting the Cornwell and Bull drug trafficking syndicate out of business (leading also to the eventual recovery of more than \$7 million from the proceeds of their activities) is but one indicator of the NCA's success.
- Following the "Money Trail". Establishment of the Cash Transactions Report Agency has given the Commonwealth a new and effective weapon against money laundering, and a means of tracing the proceeds of crime back to their source.
- The Proceeds of Crime Act is the legislative mechanism by which the Commonwealth is working to ensure that for these major drug, fraud and other offenders, crime does not pay. No longer will major criminals be able to look forward to retaining, on release from prison, their palatial homes, flash cars or luxury yachts. Instead their assets will be confiscated and the proceeds forfeited to the Commonwealth.
- Mutual Assistance Treaties have been signed with 9 overseas countries to strengthen international co-operation in criminal matters. The treaties help Australian law enforcement agencies to gather evidence overseas, and facilitate the freezing of assets and the repatriation of profits of crime. 13 further treaties are in various stages of negotiation.

# In 1983 the Labor Government established the first Federal Ministry for Local Government.

LOCAL GOVERNMENT

The Ministry's main role is to provide a focus for Local Government in its dealings with the Commonwealth and to co-ordinate Commonwealth initiatives in respect of Local Government.

The creation of a Ministry for Local Government has improved co-operation amongst the three spheres of government; assisted in strengthening Local Government's ability to adapt to the rapidly changing economic circumstances and given Local Government a more important role within the Australian Federation.

#### Local Government Finance Assistance Grants

- The Government has continued to provide a high level of untied general purpose assistance to Local Government. In 1989/90, Local Government received \$675.3 million, more than 50 per cent higher than similar assistance made available in 1982/83.
  - And in recent years these grants have increased more rapidly than similar grants to the States.
  - At the same time the distribution of the grants has been changed following a major review by the National Enquiry into Local Government Finance in 1985. Under the new distributional arrangements, which are now being phased in, the more disadvantaged councils will receive a higher proportion of the grants.
  - Aboriginal councils and communities performing Local Government function have received increased recognition under these new arrangements. The number of these bodies receiving assistance increased from 2 in 1986/87 to 75 in 1988/89, while funding increased from \$138,000 to \$4,423,000 over the same period.

#### Rating of Commonwealth Business Enterprises

- For the first time in the history of the Federation the Commonwealth Government has explicitly recognised the general right Local Government has to tax its business properties.
- As a first step in implementing the new arrangements Local Government was permitted to levy rates and charges on Telecom and Australia Post properties from 1 July 1989.
- Telecom and Australia Post have estimated that these new arrangements will require them to pay out \$28 million in Local Government rates in 1989/90.

#### Annual Consultations with Local Government

In April 1989 the first high-level consultations between the Federal Government and Local Government were held.

The Federal Government was represented by the Prime Minister and five other Ministers. Local Government was represented by the Australian Local Government Association (ALGA), the Municipal Officers Union, the Municipal Officers Association and the Australian Council of Local Government officers.

- The consultations were designed so each sphere of Government could express its view about issues of common concern.
- These consultations were highly successful and will be held annually.

#### Local Government and Ethnic Affairs

- The Government is providing a better deal for ethnic communities by encouraging Local Government to be more sensitive to the needs of its residents from non-English speaking backgrounds.
- During the past six years, 19 projects totalling \$450,000 have been funded under the Local Government Development Program for research and development of Local Government's improvement of services to ethnic communities.
  - The Government also sponsored, in co-operation with the Municipal Association of Victoria, a national workshop with the theme "Linking Cultures Locally" which was a miletone in bringing together ethnic communities and Local Government. It is expected to provide a major impetus for the development of more responsive local policies and services for people of non-English speaking backgrounds.

### Reform of Local Land and Building Development Approval Processes

- This new \$1.3 million program will be undertaken during the next three years and forms part of the broad package of initiatives agreed at the Special Premiers Conference on Housing on 3 March 1989.
- The aim of the program is to produce a more cost efficient and simple system of land and building approval administration at the Local Government level, and to achieve associated potential savings of about \$1,000 million to consumers and the development industry.
- These savings were identified by a recent report commissioned by the Office of Local Government. The report received a positive response during consultations with the States, Local Government and the Development Industry.
- The program planned to include approximately 20 demonstration projects and to support research on key issues which are relevant to local authorities.
- As co-operation is the keystone of such an initiative, it will be guided by a broadlybased committee comprised of representatives from Commonwealth, State, Local Government and Industry Organisations, Unions and Consumer Groups.
- This will ensure the diffusion of new ideas and practices and create a positive climate for reform.

The program was launched by the Minister for Local Government in June.

- The Local Government Development Program (LGDP) has been operating for six years and has funded about 680 projects throughout Australia.
- It has assisted Local Governments' capability to accommodate change by supporting projects in the areas of management development, local economic initiatives, community development and inter-governmental relations.

Its major achievements have been the successful completion of many projects by Local Government-related organisations including:

- greatly increased scope of Local Government activity in areas such as stimulating local economic development, regional cooperation and the development of human services,
  - development and dissemination of improved techniques and procedures in Local Government's traditional areas of involvement such as the provision of basic services, waste disposal and building and land development regulation; and
- increasing Local Government contribution towards the achievement of national goals such as tackling environmental issues, and labor force restructuring.

# National Awards for Innovation in Local Government

- The National Awards for Innovation in Local Government have been held each year since 1986 and have attracted approximately 1,000 entries.
- The awards recognise Local Government bodies and others in the industry who have implemented innovative solutions to the management organisation and socioeconomic problems confronting Local Government.
- Details of all entries are published each year so that other councils may take advantage of these new initiatives and methods.
  - These awards have fostered an 'innovative culture' in the Local Government industry and are now keenly sought.

#### National Review of Local Government Labour Markets

- Under the auspices of the Local Government Ministers Council, Local Government labour markets have been comprehensively reviewed consistent with Labor's microeconomic reform agenda.
  - The review team has undertaken considerable research and produced a series of discussion papers on matters related to impediments in labour mobility, labour shortages in industry and in improvements in personnel management practices.
    - At the Local Government Ministers' Conference in May 1989 the Ministers were concerned that the Local Government Industry now assume a higher profile in the process of industry reform. They endorsed several general principles for the industry, in particular those that will improve its personnel management practices in areas of the recruitment, education and training of staff.

They also recommended that each State and the Northern Territory establish a committee, comprising State Government, Local Government Associations, professional bodies, union and education and training authorities, to provide advice and to support action outlined in the Review, and to promote close co-ordination with the progress of award restructuring negotiations.

# PRIMARY INDUSTRIES & ENERGY

Since March 1983, the Government has been implementing a consistent five point plan:

- Maximising the competitiveness of the sector through general economic policy issues.
- . Maximising returns to farmers through active trade policy and reforms of marketing systems and institutions.
- . Minimising farm costs, through lower overall inflation and a number of specific measures.
- . Securing a long term resource base for the sector through improved arrangements for research, soil conservation, and fisheries and forestry management; and acting on the welfare and service needs of all country residents.

# **Major Achievements**

- Secondary industry tariff protection reductions were announced in the May Economic Statement (1988). These reductions will result in estimated cost savings to rural and mining industries of \$460 million each by 1992.
  - The Government has introduced major reforms including:
    - the Kerin Dairy Plan;
    - domestic wheat market and grain transport deregulation;
    - statutory marketing authority reform; and
    - the creation of the Australian Horticultural Corporation which is designed for rural industries to remain internationally competitive and operate at at least cost while maintaining Australia's reputation for quality.
  - The Innovative Agricultural Marketing Program and Marketing Skills Program have been developed to further enhance our export opportunities.
- Agricultural research programs directed by industry now receive more than \$125 million a year in Federal Government funding through Rural Industry Research Fund arrangements an expansive commitment based on dollar-for-dollar industry and Federal Government support. Other reforms ensure Research and Development is more in line with industry needs.
  - The Government has made available a workable Income Equalisation Deposits Scheme to allow primary producers to spread their incomes for taxation assessment. The previous Fraser Government scheme was used by nine and six per cent of Australia's primary producers in its last two years of operation.

The Federal Government is working closely with the National Farmers Federation and the Australian Mining Industry Council to further reduce input costs imposed by duties on farm and mining machinery and spare parts (such as cutting tariffs on tractors, grain harvesters, cultivation machinery, and a wide range of other machinery and parts).

The Rural Adjustment Scheme introduced by the Hawke Government in 1985 has helped primary producers adjust to changing conditions, with the aim of long-term viability. Budget allocation for 1988/89 was \$55.4 million.

# Land Degradation

- Even though land degradation is Australia's biggest single environmental issue, there was no direct Federal Government involvement in the issue before 1983.
  - In 1983 the Labor Government established the National Soil Conservation Program and \$35 million was spent supporting State programs such as the creation of the Murray-Darling Basin Commission.
  - 1990 is the year and the beginning of the Decade of Landcare with the Federal Government providing \$320 million during the next 10 years for land rehabilitation, related tree planting and bush conservation work.
  - A Murray-Darling Basin Strategy will be implemented with additional Federal Government assistance of up to \$18 million during the next two years.
  - The Federal Government will fund the planting of one billion trees before the turn of the century and devote \$2.5 million in funding over the next two years to save remnant bushland vegetation.

#### **Resource Assessment Commission**

- Reporting directly to the Government, the Resource Assessment Commission examines conflicting claims for natural resources. The Commission does not take decisions on behalf of the Government, but provide an avenue for the presentation of factual evidence.
- The Chairman is Mr Justice Stewart, former head of the National Crime Authority.

# **Rural and Provincial Affairs**

The Hawke Government has recognised that because more than five million people live and work in rural and provincial centres with reduced access to Government services, it has introduced a range of initiatives including:

Rural Women's Access Grants.

The program recognises the role of women in rural Australia and their needs in areas such as education and training, family day care services, domestic violence support, and health information. A total of 71 projects costing \$430,000 have been assisted since 1986.

Rural Education and Training Strategy (April 1989)

This strategy was designed to improve the level of education and training

in rural areas through the encouragement of higher school, TAFE and postsecondary retention rates. The Federal commitment for 1989/90 is \$637 million.

### Rural Education Access Program

The program provides grants for community-based groups to provide better access to education and training programs. It commenced in 1988/89 and receives \$500,000 per year.

#### Rural Counselling Program

Since 1986/87 the Federal Government has contributed \$2.8 million for local communities to employ financial counsellors to assist rural families affected by low farm incomes.

# Countrylink

This program improves access to Government services through a 008 information line, the Rural Book (now in second print), community information display stands, country show circuit displays and a computer data base of Government services. The program cost \$920,000 to establish in 1988/89 and has an annual budget of around \$450,000

#### Other Achievements

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Through the establishment of the Cairns Group of fair-trading nations the Government now has agricultural trade protection examined in multi-lateral trade negotiations.

Government initiatives have seen specific General Agreement on Tariffs and Trade (GATT) actions against illegal trading blocks such as the Republic of Korea (beef) and the USA (sugar).

The Government has opened access to the Japanese beef market after 1991, and increased quotas significantly in the meantime.

The Australian Coal Marketing and Technology Council has been established to advise the Government on trends and developments in the coal industry and overseas markets.

In December last year the Government announced a comprehensive policy for the management of Australia's sea fisheries, with particular emphasis on the conservation of stocks and the development of a more dynamic fishing industry.

It is reviewing Statutory Marketing Authority reform instigated in 1986 and will be guided by industry in formulating new policy.

The Hawke Government is strongly committed to an increase in knowledgebased activities. It sees the important role that science and technology play in revitalising industries, in achieving competitiveness and in general economic and social growth.

**SCIENCE & TECHNOLOGY** 

The world competitive position of most of our primary resource-based industries is dependent on the quality and relevance of our science. The same can be true of the new and enlarged world-class manufacturing and service sector enterprises, which we must develop in order to have a more robust economy.

**Reviews and Policy Statements** 

- During the past year, concerns from many areas have lead to a range of inquiries in the science and technology field, including:
  - the Group of Officials Review of Science Capacity;
  - the review of Research and Development in Primary Industries and Energy;
  - the Smith Committee Review of Higher Education Research Policy;
  - the Wilson Committee Review of Postgraduate Research Award Levels;
  - the McKinnon Committee Review of Marine Science and Technology; and
- -
- Australian Science and Technology Council's (ASTEC) Reports on 'The Core Capacity of Australian Science' and 'Profile of Australian Science'.

Major Government statements with implications for science and technology have included:

- 'Science and Technology for Australia' (May 1988);
- the Statement on the Environment 'Our Country, Our Future' (July 1989); and
  - 'Research, Innovation and Competitiveness Policies for Reshaping Australia's Primary Industries and Energy Portfolio' (May 1989).

# Science and Technology for Australia

- This key policy statement was presented by the Prime Minister and the Minister for Science, Customs and Small Business.
- The statement set out the major elements essential to developing the nation's scientific and technological capacity.

In the statement, additional funding support of \$1 billion over five years was announced for science and technology initiatives.

The funding includes:

\$51 million over five years to increase the number and value of postgraduate research awards administered by the Australian Research Council and the National Health and Medical Research Council.

thirty new industry research scholarships to be available each year linking directly with industry, opening up joint industry - higher education research training opportunities, and leading to closer interaction between the two sectors.

#### New Arrangements for Advice and Co-ordination

A number of new arrangements for advice and co-ordination have been introduced and include the establishment of:

a Prime Minister's Science Council consisting of senior Ministers, members of the scientific community and leading industrialists;

a Co-ordination Committee on Science and Technology consisting of officials and complementing the Prime Minister's Science Council;

positions of Chief Scientist and Chief Science Adviser within the portfolios of the Prime Minister and the Minister for Industry, Technology and Commerce;

a Primary Industries and Energy Research Council within the Primary Industries and Energy portfolio; and

a National Greenhouse Advisory Committee of eminent scientists to advise on priority areas of research and set objectives for a dedicated research grants scheme to begin in 1990/91.

### Major Recent Initiatives for Support of Science and Technology

#### Industry, Science and Technology

An extension of the 150 per cent tax incentive to June 1993 and a phased reduction to 125 per cent from that date to June 1995.

A new program to enhance awareness of the role of science and technology in economic and social development, including;

creation of the Australian Prize, an annual \$250,000 international award for achievement in science and technology in promoting human welfare,

establishment of an Industry-Science Foundation to alert business leaders to research-based business opportunities,

activities for increased communication about and understanding of science and technology, and

enhanced and additional awards for journalists and teachers,

- additional funds for equipment and priority programs for CSIRO, the Australian Nuclear Science and Technology Organisation (ANSTO) and the Australian Institute of Marine Science (AIMS);
- CSIRO to retain all external income without reduction in its Budget appropriation;
- increased funding to bring marine R&D more in line with industry requirements and for international co-operation in marine science and technology; and
  - new funds for international co-operation in pre-competitive R&D and the human frontiers science program.

### **Education and Research Training**

- Substantially increased funds to be allocated through the ARC, which will in future operate under triennial funding in line with higher education institutions;
- The upgrading of the Commonwealth Postgraduate Research Awards Scheme by providing new places and increasing stipends; and
  - A program of direct support to higher education institutions to support research infrastructure.

# Primary Industries and Energy

- The establishment of two new R&D Corporations to administer R&D for natural resource management projects and for rural industries; and
- Additional equipment funding for the Bureau of Mineral Resources.

#### Environment

- . New funding for R&D projects under the National Soil Conservation Program; and
- . New funding for research into the greenhouse effect.

# Health and Medical Research

- Significantly increased funding for medical research through the National Health and Medical Research Council (NH&MRC); and
  - An increase in the number and value of postgraduate research awards granted by the NH&MRC.

# SOCIAL JUSTICE

# The Hawke Government's fundamental objective is to develop a fairer, more prosperous and more just society: a society in which every Australian receives a fair share of the nation's growing wealth.

The four key elements of such a just society are:

- equity in the distribution of economic resources;
- equality of civil, legal and industrial rights;
- fair and equal access to essential services such as housing, health and education; and
- the opportunity for participation by all in personal development, community life and decision-making.

After seven years of the most wide ranging reform ever undertaken, Australia now has a society in which:

- the nation's income and access to services are more fairly shared;
- the standard of living for the poorest Australians has been protected and improved; and
- rights and opportunities for women and disadvantaged groups have been enhanced.
- These achievements have been built on a unique approach to managing the economy, an approach which has put jobs first.
- Despite the economic difficulties which faced Australia in 1983, the Government has created more than 1.6 million jobs and significantly reduced unemployment.
- Under the terms of the innovative Prices and Incomes Accord, the Government, the ACTU and ordinary workers have joined in a partnership which has delivered jobs and wages moderation matched by massive improvements in the social wage even though total Government spending has been restrained.
- These measures include:
  - the introduction of Medicare;
  - major improvements to the social security system including increased cash assistance to the disadvantaged and better targeting of assistance on the most needy;
  - improvements to the education and training systems to give young people, particularly the underprivileged, a better chance in life;
  - increases in assistance for housing, including public housing crisis

accommodation and assistance to young first home buyers;

a complete overhaul and expansion of essential community services, such as child care and home based care for the aged and people with disabilities;

enhancing the position of women, Aborigines and members of disadvantaged groups by expanding choices and ensuring true equality of opportunity;

reform of the taxation system to improve its fairness, to stop tax avoidance and evasion used by the rich, and to provide tax cuts; and

the spread of occupational superannuation to give all workers access to a post-retirement income which previously was largely the preserve of the rich.

#### Social Security and Assistance for Low Income Families

By 1983 the living standards of the poorest Australians had fallen substantially and the social security system had become overburdened by the growth in the number of people who were unemployed.

In addition, the system embodied a structure of support and incentive arrangements which no longer met the needs of large numbers of people caught by poverty traps or insufficient training opportunities.

The Hawke Government set about removing the scourge of unemployment, dramatically lifted social security payments to those in the greatest need - low income families with children and those paying rent - and began to review the structure of incentives and support provided by the social security system and government programs generally.

Along with creating over 1.6 million jobs - which have made a major contribution to the reduction in poverty - this approach has resulted in:

significant increases in payments for children of pensioners, beneficiaries and low income working families;

- rent assistance payments being increased for pensioners and extended to unemployment beneficiaries and low income working families;

a new Child Support Scheme which ensures for the first time, that all children of divorced and separated parents receive financial support from the non-custodial parent; and

new programs to facilitate the training or retraining of the jobless, including sole parents.

These measures, and others, have resulted in marked real increases in incomes for the most needy.

The Government has also moved to enhance the dignity and living standards of the aged.

The approach is two-pronged, increased age and other pensions and an overhaul of the services for the aged.

In addition, the Government has addressed the barriers which previously discouraged pensioners and beneficiaries from engaging in small amounts of paid work because of the fear of loss of pension. These 'poverty traps' have been ameliorated through a series of measures.

# Education, Training and Youth

Adequate and relevant education and training is the essential first step to giving the young, particularly the underprivileged, the chance in life which they deserve.

Over the past seven years the Government has increased substantially real recurrent funding for schools and steps have been taken to encourage and assist the States to improve educational outcomes.

Income support arrangements for young people from low and middle income families have been totally restructured to improve financial incentives for them to continue studying or opt for further training rather than unemployment.

This restructuring has provided major increases in financial assistance to secondary and tertiary students in low-to-middle income families.

Such measures have contributed directly to a major increase in the proportion of young people undertaking a full secondary education, from 36 per cent in 1982 to 61 per cent:

These measures have been complemented by enhancing training programs for young people and retraining programs for mature age workers who seek to improve skill levels and employment opportunities.

#### Health and Community Services

Health and community services have a vital role to play in providing ordinary Australians with a reasonable quality of life. Accordingly, the health and community services systems have been thoroughly overhauled to ensure their adequacy and appropriateness.

The introduction of Medicare in 1984 has provided a fairer system of health insurance based on equality of access.

Almost two million Australians who previously could not afford health insurance now receive the health care cover to which the Government believes they are entitled as a basic right.

The Home and Community Care Program, introduced in 1984, provides real choice for the aged and the disabled.

There has been a complementary restructuring of assistance provided for people with disabilities. The approach has been to facilitate independent living wherever possible so that disabled people can play the more active role in society that they desire.

Similarly, the Government has sought to broaden the choices available to women through expanding the provision of child care. While recognising the value of the work of women in the home, the Government has moved to break down barriers which have prevented women from participating fully in the paid workforce.

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Education and training are important, as are measures to eliminate discrimination and harassment at work and the landmark affirmative action legislation.

#### Housing

- Adequate and affordable shelter is basic to Government's social justice strategy.
  - Accordingly, the Government has doubled funding for public housing in real terms, a major step towards removing housing-related poverty for low income groups. Over 260 000 families have been accommodated in public housing since 1983, up from 194 000 over the last six years of the Fraser Government.
  - The shelter needs of homeless people have also received special consideration.
- The First Home Owners Scheme was introduced in 1983 to assist people in low and middle income groups to purchase their first home. Since then the Scheme has assisted 341,000 people.

### **Improving Participation and Opportunities**

- social justice requires equal opportunities for all.
  - The Government recognises that some Australians have been limited in their opportunities by explicit or implicit forms of discrimination or disadvantage and has acted steadily to overcome those limitations.
  - In addition to the major expansion in child care places mentioned earlier, the Affirmative Action and Sex Discrimination Acts introduced by the Government have given women greater freedom and opportunity particularly in relation to labour force participation.
    - To provide a blueprint for further progress by the year 2000 the Government developed the National Agenda for Women in consultation with women around the country.
    - The Government has also made significant progress in overcoming the deprivation suffered by many Aborigines and Torres Strait Islanders:
      - land rights have been granted in the Northern Territory;
      - greater assistance has been provided to encourage Aborigines to participate in education;
      - increased housing assistance has been provided and the number of community controlled health services has been doubled to cover virtually all Aboriginal communities.
    - The Government has introduced the Multicultural Access and Equity policy to ensure that every Australian, including those from non-English speaking backgrounds, receives equal access to Government services.

#### **Future Directions**

. It is clear that despite the advances in social justice which have been achieved so far by this Government more remain to be done.

The Government recognises that social justice cannot be measured by a simple yardstick of dollars spent or by reference to an arbitrarily decided poverty line; nor achieved by sticking bandaids onto social problems when they become too big to ignore or through any single initiative. Accordingly, Labor is committed to take the broad strategic action required to achieve social justice.

As Australia enters the 1990s, with economic policies starting to bear fruit, the Government is committed to continuing and sharpening its social justice strategy - drawing in particular on the findings of the Government's Social Security Review.

The Government's priorities will be:

- creating jobs;

- improving the position of working families and eliminating the need for children to live in poverty;

- assisting the long-term unemployed to re-enter into the workforce;

- improving the education and training opportunities of young people;

- caring for the aged;
- further improving the circumstances of women, Aborigines and members of disadvantaged groups; and

increasing employee participation in workplace decisions.

Meeting these challenges will require a consistent policy approach across the full range of Government activity, including economic policy formulation, health policy, policies on education and training and social security.

Underlying the Government's approach to all of these issues is the simple fact that there can be no social progress without social justice. That principle has influenced Government decision making for the past seven years and will continue to do so.

# SOCIAL SECURITY

Since 1983, the Government has done much to implement its commitment to achieve a fair and just society - a society in which economic resources are distributed fairly; individuals' rights are enhanced; access to essential community services is fair; and where all have the opportunity to participate and achieve individual development.

# Social Justice

- Government programs and payments have ensured better access to essential community services as well as assisting both low income wage and salary earners and those outside the workforce. These measures have included:
  - the introduction of Medicare a universal and fairer health insurance system;
    - increased assistance for housing, including increased public housing funding and the introduction of the First Home Owner's Scheme to assist first home buyers; and
      - the repair of the social security safety net by increasing assistance for those in most need and ensuring that assistance is better targeted.

The latter has included:

- major increases in assistance for social security recipients with children and the introduction of the tax free Family Allowance Supplement (FAS) in 1987 to assist low income working families;
- the easing of social security income tests to address 'poverty traps' and encourage recipients to supplement payments through part-time work; and
- the introduction of the Home and Community Care Program to assist elderly and disabled people to remain in their own homes.

#### Child Support

The introduction of the Child Support Scheme to ensure that non-custodial parents meet their responsibilities to support their children.

The Government has created about 68,000 additional child care places, with an additional 30,000 places to be provided by 1992/92 - a 200 per cent increase since 1983/84.

There have been major improvements in the education and training systems to give young people, particularly the disadvantaged, a better chance in life. These improvements include:

a major overhaul of youth income support programs to increase assistance for young people in education from low income families; an increase in the year 12 retention rate from 36 per cent in 1982 to 61 per cent; and

a significant expansion of higher education places, including an extra 40,000 places by 1991 announced in the 1988 Budget;

#### Help In The Workplace

The introduction of new programs, JET and NEWSTART, has increased access to education, training and employment opportunities for sole parents and long-term unemployed people to help them overcome barriers to employment and develop a springboard for more active, satisfying lives;

Occupational superannuation coverage has been extended across the workforce.

Labor has introduced Sex Discrimination and Affirmative Action legislation to give women equal opportunity and greater freedom from discrimination, especially in employment;

There has been a major reform of the tax system providing greater equity and efficiency through broadening the tax base, taxing capital gains, effectively pursuing avoidance and evasion and reducing marginal tax rates.

#### Family Assistance

- Following the Government's Social Security Review Report on 'Income Support for Families with Children', the Family Allowance Supplement (FAS) was introduced in 1987 to direct additional assistance to low income families.
- This major social reform was introduced as an integral part of the Government's commitment to end child poverty by 1990. To achieve this commitment, family payments have been increased to an adequate level of assistance.
- For the first time standards of adequacy were established to increase family payments to:
  - 15 per cent of the combined married rate of pension for children aged less than 13 years; and
  - 20 per cent of the combined married rate of pension for children aged 13-15 years.
- The Social Security Review also highlighted the importance of providing assistance to all families with children, in recognition of the additional costs they incur and their lower capacity to pay tax.
- The increases in family payments, provided from July 1989, meet both of these objectives.

#### Family Allowance

- The four-rate structure of Family Allowances has been replaced with a simple system of two rates.
  - From July 1989, Family Allowance rates were increased to \$9 a week for each of

the first three children and \$12 a week for the fourth and each additional child.

The FAS for children aged 13-15 years was also increased by \$3.10 from July 1989. In conjunction with the Family Allowance increases, this ensures that the Government's child poverty commitment was honoured in full in July 1989.

The Family Allowance increases also provide, as part of the 'social wage', major improvements in assistance for most families.

A two-child family, for example, receives an additional non-taxable \$5.25 a week assistance (an increase of 41 per cent) from this measure alone.

In total, almost 2 million families and 3.8 million children benefit.

#### **Benefit Indexed**

In recognition of the importance of ensuring that these increases are not eroded over time, the Government will also, for the first time, index Family Allowances each January so that the Government's major commitment to assisting all families with children is maintained. FAS will also be adjusted annually so the child poverty benchmarks are permanently met and that low income families with children need not slip back into poverty.

#### **Other Benefits**

Other payments made to families - the Mothers'/Guardians' Allowance provided to sole parent pensioners, Double Orphans' Pension, Child Disability Allowance and Multiple Birth Payments - will also be indexed from January 1990 to maintain their real value over time.

#### Tax Benefits

In addition, family assistance provided through the taxation system was increased from 1 July 1989.

The Dependent Spouse Rebate [DSR], provided to one-income families, was increased by \$170 to \$1,000 a year, plus an additional \$200 for those with dependent children, and the Sole Parent Rebate was increased to \$940 a year.

These, and associated, rebates will also be indexed from 1990/91 to maintain their real value.

#### Administrative and Policy Reform

Since winning office in 1983 the Government has implemented significant reforms in social security programs.

The challenge for the Government has been to maintain social security services and strike a balance between the twin objectives of 'care' and 'accountability'.

Five broad objectives have been employed to meet this challenge. They are:

- to maintain and improve real levels of support to ensure the adequacy of social security payments;
- -
- to encourage entry or return to education, training and employment as the

most effective route out of poverty;

to further assist low income families with children in order to tackle the problem of child poverty;

to ensure that social security programs are targeted to those most in need; and

to introduce administrative reforms for greater efficiency, effectiveness and integrity.

The Government's success in meeting these objectives, outlined in the booklet 'Towards a Fairer Australia', include:

- real increases in the value of social security payments and the removal of poverty traps;
- the closer integration of social security, education and labour market systems to help people back into the workforce;

the introduction of special programs to help low income families;

better targeting of benefits.

Administrative changes have been made to reinforce targeting without compromising the needs of those reliant on social security assistance.

The big savings that have come from better targeting have been augmented by savings from administrative changes.

For example, the various changes in the unemployment benefit area have produced a bigger fall in numbers than employment growth alone would suggest.

#### **Retirement Income Policy**

The Governments new retirement income policy, announced in the 1989 Budget, will ensure that those people already on pensions have opportunities to supplement their income and those still in the workforce are able to save more for their retirement years.

Policy proposals for the next decade will provide a retirement incomes system that will take Australia confidently into the next century.

While the Government has a firm undertaking to provide support for people who have not been able to save during their working lives, the new retirement income policy will enhance the opportunities of greater savings during that time.

New policy directions will increase long-term community savings and meets the needs of the ageing population by:

maintaining the adequacy of the pension and improving incentives to save for retirement;

providing opportunities for the better use of savings during retirement;

ensuring the labour force is covered by improved superannuation benefits;

providing better employment opportunities for older workers,

Labor's long-standing commitment to pensioners with no extra income and an aged pension of 25 per cent of Average Weekly Earnings will not only be met but exceeded in April 1990 when single pensions will increase by \$2 a week and married pensions will go up by \$3.30 a week - on top of indexation.

The lag between price increases and the indexation of the pension is to be reduced by 12 weeks by September 1990, and the pensioner tax rebate is to be increased so that most pensioners will no longer have to pay any income tax.

Government concern about the problems of pensioners, especially women, renting privately has led to a \$5 increase a week in June 1990, and a further \$5 a week the following September.

These increases will be indexed twice yearly in line with the CPI from March 1991.

The Government in recognising that the overlap of the income test and taxation gives rise to very high effective marginal tax rates (EMTRs) for part-rate pensioners, will implement a three-stage reform beginning with a 100 per cent tax free income test-free area by July 1990.

The second stage is an annual indexation of the income test-free area for social security and veterans' pensions from July 1991 - the first time a Government has done this.

The third stage of the Government's reform is that from 1995, no age or service pensioner will pay income tax.

To help older people use their savings better in retirement the Government will:

provide opportunities for pensioners whose only asset is their house, to increase their income by allowing them to borrow \$40,000 against their home without losing the pension, from November 1989; and

ensure that easily understandable information on social security and tax rules is available by introducing a new information service for pensioners at 20 DSS Area Offices from November 1989.

#### Superannuation

The Government will provide incentives for people to use superannuation for more stable levels of income in retirement.

The Government's strategy is to change superannuation Reasonable Benefit Limits (RLBs) to encourage annuities (equal annual payments) and to remove the disadvantage of purchasing annuities in pension and benefit income tests.

To increase total retirement income adequacy the Government is:

- extending superannuation coverage across the labour force;
- increasing the levels of contributions;
- ensuring that superannuation benefits are not lost when an employee changes jobs;
- making superannuation more responsive to women's patterns of working; and

ensuring that superannuation is not wasted before or at retirement.

# SPORT AND RECREATION

In 1989/90 the Commonwealth directly allocated \$54.15 million to sport and recreation. There has been a 12.6 per cent increase in sport and recreation funding in real terms since the Hawke Government came to power in 1983. Funding for sport and recreation under the previous Coalition government experienced an average annual decline by 1.4 per cent in real terms between 1975/76 and 1982/83.

#### A Plan for the Future

The Labor Government is the first to introduce a comprehensive plan for sport, and to commit funds on a long-term basis. Over the next four years, sport and recreation will receive an additional \$100 million, bringing total Commonwealth spending to \$230 million.

#### The Australian Sports Commission

The Australian Sports Commission (ASC) was established in 1985 to provide assistance to national sporting organisations and encourage participation in sport at the grassroots level. Commonwealth Sports administration was rationalised through the amalgamation of the Australian Institute of Sport (AIS) and the ASC in September 1987. This merger was formalised following proclamation of the Australian Sports Commission Act 1989 on 1 May 1989 and has resulted in a stronger, more expert body to serve Australian sport.

#### The Australian Institute of Sport

The Institute's Residential Sports Program was significantly expanded. The program was allocated \$6.4 million in 1988/89 and there are now eighteen sports. These sports are: Hockey, Basketball, Gymnastics, Swimming, Athletics, Cricket, Rugby Union, Weightlifting, Tennis, Waterpolo, Canoeing, Cycling, Diving, Rowing, Soccer, Squash, Netball and Volleyball.

The Institute has decentralised its functions and many sports' programs are located in capital cities outside Canberra (hockey in Perth; cricket in Adelaide; squash and diving in Brisbane) and regional centres.

An additional \$27 million has been committed to the development of intensive training centres throughout the country for up to 25 sports over the next four years.

National Sporting Organisations have been provided better access to AIS facilities and services through the AIS National Sports Program. Each year, over 50 sporting organisations, including the Australian Olympic Federation and over 2,000 athletes have access to the Institute's facilities through this scheme. The Anti-Drugs Campaign, established in 1985 and now called the Australian Sports Drug Agency (ASDA), conducts random drug sampling and testing of athletes at sporting events and during training in Australia. The Agency will conduct 2,000 tests this year.

The ASDA is promoting an increased knowledge and awareness of the dangers associated with performance-enhancing drugs throughout all levels of the sporting community through education programs. This Agency's budget has been more than tripled this year to \$0.83 million to conduct its program of education and testing in 1989/90. More than \$4 million will be allocated directly to the ASDA over the next four years.

The Labor Government has implemented a policy that no Australian sport will receive Government funding unless they comply with our 'no drugs' requirement.

Australia's national program is a focus for other international anti-drug programs which will be discussed at the 2nd World Anti-Doping Conference in Moscow in October 1989.

#### Drug Testing

A sports drug testing facility was established at the Australian Government Analytical Laboratory (AGAL) in Sydney. The laboratory (already accredited for testing at a national level) is expected to receive full international accreditation by 1990 and was used as the centre for testing for the Auckland Commonwealth Games. One of only seventeen units world-wide, it will service the entire Oceania region.

#### Olympics

The Government provided approximately \$10 million assistance for Australia's participation in the 1988 Summer and Winter Olympics. The contribution included a record \$2 million direct grant to the Australian Olympic Federation's fundraising campaign. This was Australia's most successful Olympics since the Melbourne Games in 1956.

The Federal Government committed \$0.6 million in support of Brisbane's bid to host the 1992 Olympic Games. The Government announced it will fully support Melbourne's bid for the 1996 Games.

The Australian Sports Commission will provide up to \$7 million over the next three years towards the cost of international competitions for Olympic sports in the lead-up to the 1992 Winter and Summer Olympics.

#### **Commonwealth Games**

The Commonwealth Games Association received \$1 million in Government funding to assist in the training and preparation of Australian athletes competing in the 1990 Auckland Games.

#### **Community Recreation and Sporting Facilities Program**

The Commonwealth has allocated \$13 million over three years for the construction and upgrading of community-based sport and recreation facilities with the aim of ensuring all Australians have a better opportunity to participate in sport and recreation activities. The first round of grants was announced on 8 June 1989. There were 173 successful recipients totalling more than \$6 million.

### National Sports Facilities Program

Introduced in 1984, the program provided \$27 million to assist in the development of international standard sports facilities throughout Australia. For example, the Commonwealth provided \$1.5 million towards the construction of the synthetic Hockey pitch at the Queen Elizabeth II Jubilee Sports Centre in Brisbane.

# **COMMUNITY PARTICIPATION PROGRAMS**

#### Aussie Sports Program

Established in April 1986. Using modified rules and equipment and through the provision of Resource Kits, the program has encouraged many children to participate in sport. Currently 28 per cent of primary schools have bought the Aussie Sports Resource Kits and 1,000 clubs are enrolled in the program. Approximately 500,000 primary school-aged children have participated in the program. In 1989/90 the AUSSIE SPORTS budget will be doubled to \$1.41 million. In the next four years it will receive \$5.8 million.

#### Youth Sport Program

This new program will:

- find out how young people can benefit more from sport;
- foster sports leadership; and
- investigate and address the reasons for teenage drop-out from sport.

In 1989/90 \$1.74 million has been provided for this program. In the next four years \$8.54 million will be allocated.

#### **Recreation and Fitness**

A Recreation and Fitness Program, which was discontinued by the previous coalition government in 1981, was revived in 1983/84 to improve all Australians ability to participate in healthy, safe and satisfying leisure activities.

#### Women's Sport Promotion Unit

The Unit was established to assist in the promotion of women's involvement in sport, to raise awareness and encourage participation at all levels of sport. The Unit's budget for this year has been doubled and over the next four years an additional \$640,000 has been provided. In particular the WSPU will further develop a campaign to promote sport for adolescent girls.

#### Water Safety

The Government has doubled funding to the major water organisations (eg, Surf Life Saving Association of Australia and the Royal Life Saving Society - Australia, and Austswim) to encourage the development of safe water-based activity programs. In 1989/90, \$1.49 million was allocated for this purpose.

#### Coaching

The National Coaching Accreditation Scheme (NCAS) is conducted through the Australian Coaching Council. There are now more than 63,000 accredited coaches in Australia compared with about 17,000 in 1983.

The Government has more than quadrupled funding for the Council between 1982/83 and 1988/89. Funding for the NCAS will be doubled in 1989/90.

The Government announced coaching initiatives which will result in an additional \$15.6 million to improve the number and quality of coaches in Australia over the next four years. Salary support will be provided for national coaches, assistant coaches and national directors of coaching; Master Coach Awards will be developed; and more international coaches will be brought from overseas to share their experience and knowledge of Australian coaches.

### Direct Athlete Assistance

Since 1983, \$4.2 million has been provided to elite Australian athletes (individuals and teams) to assist in training and competition preparation. Last year the program was expanded to include coaches.

An additional \$8.5 million over four years has been allocated to provide direct financial assistance for training and competition to assist athletes. This year's funding has been increased from \$680,000 to more than \$2.5 million. There are two components:

The Sports Talent Encouragement Plan (STEP): This will be expanded to provide increased grants to help our potential champions; and

<u>Elite Athletes Assistance Scheme:</u> This new scheme is an expansion of STEP. It will provide increased assistance to Australia's elite athletes and teams. The maximum grant to a top athlete will double to \$10,000 per year.

The Government will provide \$300,000 in each of the next four years for the establishment and running costs of an advisory service for athletes education and employment. This Athlete Advisory Service will assist athletes to gain employment and pursue education opportunities.

Subsidies will rise from 10 per cent to 20 per cent of travel costs to approximately 40 per cent for national teams attending international championships.

### The Private Sector

The Australian Sports Foundation was established to promote public participation in the funding of sport and to complement the financial support provided by the Government. The Foundation has received close to \$15 million since its inception in February 1986. Responsibility for providing assistance to groups representing people with disabilities has been transferred from the Department to the ASC with the objective of providing a more diverse support system. Funding levels are now higher than ever at over \$1 million per year, with further increases planned.

#### **National Sporting Organisations**

Funding for National Sporting Organisations through the Sports Development Program, was doubled between 1982/83 and 1988/89. Funding will be increases planned.

### **National Sporting Organisations**

Funding for National Sporting Organisations, through the Sports Development Programs, was doubled between 1982/83 and 1988/89. Funding will be increased by a further \$12.6 million over the next four years for grassroots activities.

# The National Sports Information Centre

National Sports Information Centre provides a vital service to the sporting community. The Government has provided \$1.25 million over four years for this service to be expanded. The Centre is a library and resource centre. It has videos, books, journals and other materials available for use by coaches, administrators, sports science and sports medicine personnel, students, libraries and the general public.

#### Sports Science, Sports Medicine and Applied Sports Research

Physiotherapists, sports scientists, dieticians, and sports psychologists as well as computers are becoming increasingly important in the sports scene. There are three principal elements in this field:

- the delivery of medical and sports science services to athletes

- applied research injury control, coaching and technique enhancement

- education, for the coach, athlete and the general public.

\$7.15 million has been provided for this program over four years.

# The Prime Minister's 1984 election campaign policy speech included a commitment to a genuine reform of the taxation system to promote growth and equity.

TAX REFORM

Since then the Government has undertaken the most sweeping reforms of the taxation system in Australia's history despite the noisy, self-interested objections of a previously privileged minority.

- The principal elements of the Government's tax reforms are:
- the abolition of entertainment expenses as a business deduction;
- introduction of a capital gains tax;
  - introduction of a tax on non-cash fringe benefits;
  - a foreign tax credit system;
- ending the double tax on company dividends through a full imputation system;
  - the delivery of substantial reductions in marginal tax rates and the most significant income tax cuts in the post war period.

#### Tax Cuts under Labor

Following are the cuts in marginal income tax rates since Labor won office in 1983.

Personal income tax cuts effective from 1 November 1984.

Old Tax Scale

# New Tax Scale

	(%)		(%)
\$ 0 - \$4595	0	\$ 0 - \$4595	0
\$ 4595 - \$19500	30	\$ 4594 - \$12500	25
\$19500 - \$35788	46	\$12500 - \$19500	30
\$35788 and over	60	\$19500 - \$28000	46
		\$28000 - \$35000	48
		\$35000 and over	60

Personal income tax cuts to apply from 1 December 1986.

 Income Range
 (%)

 \$ 0 - \$5100
 0

 \$ 5100 - \$12600
 24

 \$12600 - \$19500
 29

 \$19500 - \$28000
 43

 \$28000 - \$35000
 46

 \$35000 and over
 55

Personal income tax cuts to apply from 1 July 1987.

 Income Range
 (%)

 \$ 0 - \$5100
 0

 \$ 5100 - \$12600
 24

 \$12600 - \$19500
 29

 \$19500 - \$35000
 40

 \$35000 and over
 49

Personal income tax cuts to apply from 1 July 1989.

Income Range	(%)
\$ 0 - \$5100	0
\$ 5100 - \$17650	21
\$17650 - \$20600	29
\$20600 - \$35000	39
\$35000 - \$50000	47
\$50000 and over	49

The top marginal rate was reduced to 47 per cent from 1 January 1990.

#### A Fairer Tax System

Overall, Labor's tax reform package has done two things.

First, it put all income earners and taxpayers on a fair basis - cracking down on tax avoidance and evasion.

Second, it has restored incentive and neutrality to the tax system - helping establish an improved financial and economic future for Australia.

The whole Australian community will benefit from these reforms. They put an end to the major growth industry of the Fraser-Howard years - tax dodging. They help direct resources to more productive uses; and they help distribute the product of our economy more fairly.

The Government has not rested on these laurels. A further review of the business tax area has resulted in a cut in the rate of company tax and sensible reforms of the business tax system.

# Attack on Tax Avoidance

The efficiency and effectiveness of the taxation collection agency (Australian Taxation Office) has also been strengthened.

Under the Labor Government, the Australian Taxation Office has been given the resources and laws needed to pursue tax avoiders, whatever segment of society they may come from. As a result extra tax collected from companies because of special audits has increased  $4 \frac{1}{2}$  times.

\$ 86m
\$123m
\$228m
\$248m
\$336m
\$303m
\$484m

International visitor arrivals in Australia increased from 1.2 million in 1982 to 2.25 million in 1989.

TOURISM

Foreign exchange earnings from international tourism are now \$6.5 billion a year and domestic tourists spend a further \$16.3 billion. The industry employs approximately 442,000 people or 5.8 per cent of the workforce.

- Tourism has become Australia's number one export earner.

International arrivals have grown at over 24 per cent per annum since 1985 and now contribute \$4.2 billion to GDP and help to employ some 115,000 people.

Funding for overseas promotion through the Australian Tourism Commission has increased almost 300 per cent from \$10 million in 1982/83 to \$37.7 million in 1989/90.

The Labor Government has substantially improved the statistical base available to the tourism industry through the establishment of the Bureau of Tourism Research in September 1987.

The highly successful Paul Hogan series of commercials revolutionised the promotion of Australia overseas, particularly in the United States, and the extension of television promotion to Japan, parts of East and South East Asia, the United Kingdom and Canada.

The Labor Government has created the economic environment for the dramatic increase in infrastructure development in the tourism industry, developments valued at over \$19 billion under construction or formally committed (as at March 1989) through:

an increase in depreciation rates on buildings for the tourist industry from 2.5 per cent to 4 per cent during the period 1984/1987;

the easing of Foreign Investment Review Board guidelines, to allow 100 per cent equity in the provision of tourism infrastructure.

In February 1986 the Government fostered a high level Japanese tourism mission to Australia to assist the expansion of Japan/Australia tourism.

A tourism investment mission to Japan was organised in November 1987, comprising senior Australian tourism officials, to increase awareness of investment opportunities in Australia's tourism industry.

\$10.1 million has been provided to the Hunter and Illawarra regions of NSW under the Steel Regions Assistance Program for the development of tourism.

#### Aviation

The Labor Government has:

encouraged the introduction of more flexible airfares for domestic travellers and discounted airfares for international visitors to Australia;

decided to deregulate domestic aviation from 1 November 1990;

restored interlining to Qantas from July 1988;

- introduced a new approach to negotiating air service agreements which ensures all interests, including tourism interests, are taken into account;
- introduced new guidelines for the approval of international passenger charter services aimed at fostering inbound tourism;

established the Federal Airports Corporation and Civil Aviation Authority to increase the efficiency of airport operations;

- substantially upgraded infrastructure at major airports, including Sydney, Brisbane and Perth airports. Further major works planned include:
- agreed to a third runway at Sydney Airport, subject to an environmental impact study, and to commence work on a new airport at Badgery's Creek;
- introduced a master plan for passenger processing designed to improve the speed and efficiency with which visitors to Australia are processed through airports;
- introduced inwards duty free shopping at Australian airports;
- reduced departure tax from \$20 to \$10; and
- introduced an enhanced visa insurance system to reduce delays and minimise inconvenience to international tourists.

#### Infrastructure

- Labor has introduced the 'National Arterial Roads' category under the new Australian centennial roads development program where funding may be provided for roads of economic and tourist importance.
- The Government has developed uniform legislation to licence travel agents and established a national compensation fund.

#### Training

Since 1983, \$50 million has been spent on tourism training facilities in TAFE colleges and \$70 million per annum on training placement activities of direct benefit to the tourism industry, through the TAFE system, labor market programs, CES hospitality placement activity and the skills training program.

The Government has also:

- increased financial support for participation in the National Tourism Industry Training Council;
  - prepared reports with the industry on "Tourism Training in Australia Future Needs" in 1985 and 1987, setting the priorities for training initiatives in the hospitality and related sectors;
- helped tourism and other industries through wide-ranging industrial reforms from the prices and incomes accord of 1983, and through centralised wage fixing to award restructuring;
- introduced the Department of Immigration, Local Government and Ethnic Affairs' skills transfer scheme to speed recruitment of overseas personnel to meet short-term labour shortages in the industry;
- introduced the workplace reform program in 1988, administered by the Department of Industrial Relations, to help industries in their restructuring process; and
- assisted training through the BTR labour force market survey of 1988 which highlighted specific training needs.
- A committee of inquiry into tourism shopping reported in September 1988.
- An implementation committee is now overseeing action on the report's recommendations to improve tourism shopping, enhance Australia's reputation as a shopping destination and maximise the economic benefits from this sector.

The Government has also:

-

- introduced the Australian Tourism Awards to encourage excellence in the provision of tourism services;
- provided for accelerated development of visitor facilities in Kakadu National Park and provision of \$5 million for visitor facilities in the SW Tasmanian World Heritage Area;
- facilitated the development of the Yulara Tourist Resort on the perimeter of Uluru National Park to provide for better park management and visitor facilities;
- provided \$6 million towards the redevelopment of the Port Arthur Historic Site;
- provided \$22.5 million for a National Rainforest Conservation program. Projects funded under the program included tourism and interpretive facilities, tourism studies and national rainforest visitor facilities in rainforest areas; and
  - provided funding for the Great Barrier Reef and development of Wonderland complex at Townsville. The Great Barrier Reef Aquarium, opened on 24 June 1987 as part of the Great Barrier Reef Wonderland Bicentennial Commemorative project, provides a readily accessible onshore reef environment and interpretative facilities to enhance community understanding of the reef and the authority.

# **Current Initiatives**

- The Government has established an Industries Assistance Commission Inquiry into the travel and tourism industries to identify impediments to their development.
  - A discussion paper has been prepared, proposing broad government objectives for tourism. The paper has been circulated to state governments, industry representatives, conservation groups and academics and will form the basis for a national tourism strategy.

Draft environmental guidelines for tourism developments and a report of the relationship between tourism and the environment are also being prepared.

# TRAINING

#### Apprenticeships

Over the past three financial years apprenticeship intakes have been at record levels. Intake levels are as follows:

1986/87 52,082 1987/88 55,405 1988/89 60,000 (estimated)

Recent figures have indicated continued strong growth in recruitment.

The entire budget for skills formation has increased from \$490 million in 1988/89 to \$569 million in 1989/90, an increase of 16 per cent.

New Skills

A new Skills Training Program which subsumed funding for the national Industry Training Committee (ITC) network and provided for the establishment of Innovative Training Projects (ITP) was announced in the 1987/88 Budget.

Through ITP, assistance is now provided in a variety of ways:

- packages of direct financial support to industry and firms to upgrade workforce skills to meet structural and technological change and encourage skill upgrading and refresher courses;
- assistance with the development and expansion of industry skill centres in conjunction with industry TAFE colleges and state governments;
- encouragement of the development of innovative industry approaches to improved workforce training;
- assistance for the Industry Training Committee Network of National and State/Territory tripartite committees and industry organisations to develop improved training in Australian industry;
- training services involving the provision of a range of trainer instruction courses through Training Services Australia (TSA), the production of basic training manuals and the provision of high quality technical support to TSA and Industry Training Committees.

#### Training and Award Restructuring

In recognition that the award restructuring process will increase pressures on the training system, the Government announced special measures in its April 1989 Statement detailed in the publication "Improving Australia's Training System".

. These included:

- additional support for industry skills audits and analysis of training needs;
- additional support for award restructuring related curriculum development;
- additional support for the assessment of competence as a basis for the certification of training and recognition of skills; and
- expansion of resources for Training Services Australia for trainer instruction.

Significant progress toward increasing the level and quality of systematic training by industry was achieved during 1988/89 through the development and funding of alternative and innovative approaches to training in industry under ITP. These included:

- piloting of competency-based approaches to trade training across a range of industries in all States and the Northern Territory;
- establishment or expansion of industry skill centres in automotive (SA, NT), plastics (QLD, SA), retail (QLD, SA), road transport (SA), textiles, clothing and footwear (QLD) and timber (VIC, NSW);
- innovative projects in automotive (career path), mining (skill centre feasibility study), shipbuilding (needs analysis), timber (accelerated training), tourism and hospitality (conference, post trade training and feasibility study) and waterfront (skills audit); and
- sixty projects funded under the Innovative Rural Education and Training Program component.

#### **Development of Traineeships**

- There has been considerable progress in increasing the number and range of traineeships. By mid-1989 more than 30,000 young people had taken up a traineeship. An increasing proportion (66 per cent overall; 80 per cent in 1988/89) are in the private sector. Expenditure in 1988/89 was \$40 million.
- By mid-1989, 312 industrial agreements or award variations had been negotiated across a wide range of industries and occupations - including banking, finance, retail, office/clerical, tourism and hospitality, manufacturing, building and construction, information, technology, electrical, advertising, insurance, automotive (retail and repair), rural, surveying, timber, printing and transport.
  - 67 unions are involved in the agreements and 56 Group Schemes are either employing or are approved to employ trainees.
- Traineeships in the Australian Public Service (APS) have been integrated into normal recruitment processes since January 1988. Young people who join the APS without completing Year 12 enter as trainees in occupations where traineeships exist.

A further 17,000 young people are expected to start traineeships in 1989/90 at an anticipated cost of \$60 million.

A national survey of former trainees was conducted in 1988 and showed that:

- 83 per cent thought that what they had learnt in their traineeship would be useful in future jobs; and
- 87 per cent of those who completed their traineeship were in employment three months later.

#### Office of Labour Market Adjustment

The Office of Labour Market Adjustment (OLMA) administers the Industry Assistance (ILAA) Program and provides training assistance to particular industries undergoing structural change.

Under OLMA individual workers losing employment as a result of structural adjustment or specific Government decisions may receive retraining and reemployment assistance.

Packages for specific industries that OLMA provided are:

- Heavy Engineering Adjustment and Development Program (HEADP) for workers retrenched from designated heavy engineering companies before June 30, 1989;
- Textile, Clothing and Footwear Industries, Labour Adjustment Package (TCF LAP) special re-employment, retraining and/or relocation assistance for workers retrenched during the restructuring anticipated under the 1989/95 TCF industry plan;
- Coal Mining Industry Labour Adjustment Package (COALAP) special reemployment, retraining and relocation assistance for people being retrenched from NSW and Queensland coal mines up to 30 September 1989; and
  - North Queensland Rainforests Labour Adjustment Package (RAINFORESTS LAP) special re-employment, retraining and relocation assistance and cash compensation payments to ameliorate immediate relocation for timber industry workers retrenched as a result of the decision to nominate the Queensland Wet Tropical Rainforests for the World Heritage List.

OLMA has offered assistance in areas which are being adversely effected by structural adjustment. During 1988-89 a new package was developed to assist long-term unemployed workers in the Illawarra region who were still experiencing dislocation following continuing restructuring in the region since the early 1980's.

# TRANSPORT

## LAND

## Jobs on Local Roads Program

- The Jobs on Local Roads (JOLOR) Program was established in 1983 to create additional jobs and reduce the backlog of local road projects.
- Almost \$150 million was allocated to the construction and maintenance of local roads and the construction of cycle paths during the three-year term of the program and more than 15,000 jobs were created.

## Road funding

- . Since 1983/84, Federal funding for Australia's roads National, Arterial and Local under the Road Grants Act, the Australian Bicentennial Road Development Program, the Australian Land Transport Program and the Australian Centennial Roads Development Program has totalled \$8.7 billion.
- . The Hawke Government fully funds construction and maintenance of the National Highway System, and since 1983/84 has allocated about \$3.7 billion for the system.

## **Road Transport Initiatives**

- . The Government's 1983 National Road Freight Industry Inquiry examined economic, regulatory, quality and safety aspects of the industry.
- . It resulted in the implementation, on 1 January 1987, of the Federal Interstate Registration Scheme for the registration of vehicles engaged solely in interstate trade and commerce, overcoming anomalies where these vehicles paid only nominal registration charges.
  - Since 1987 the Hawke Government has also initiated a number of other reforms for the road transport industry - including uniform mass and speed limits, and improving the operating environment and increasing the efficiency of the industry.

## **Railway Industry Council**

- . The Railway Industry Council was established in December 1986 to develop and recommend to governments, rail management, unions and employees, strategies to improve the rail industry.
- . The Council comprises an independent Chairman, representatives of rail authorities, unions and Federal and State governments, and its three-year work program is scheduled to be completed in December 1989.

#### New Motor Vehicle Certification Scheme and Motor Vehicle Standards Act

- Following agreement by the Australian Transport Advisory Council in 1983, arrangements now ensure that all motor vehicles when first registered in Australia comply with Australian Design Rules covering vehicle safety and noise and emission standards.
- Paperwork required of manufacturers and importers was reduced by over 90 per cent and greater emphasis placed on audit, surveillance and quality control checks at factories.
- In June 1989 Federal Parliament passed the Motor Vehicle Standards Act to establish national standards for the design and construction of all motor vehicles supplied to the Australian market for the first time.
- This single set of Federal legislation not only reduces costs to industry but ensures international standards are met on matters relating to vehicle safety, gaseous emissions and noise control and anti-theft devices.

#### MARITIME

#### Protection of the Sea

Legislation introduced by the Hawke Government in 1983 complies with the International Convention for the Prevention of Pollution from Ships (MARPOL) which covers all forms of marine pollution from ships except the dumping of land-generated waste into the sea.

#### SeaSafety Program and Australian Maritime Safety Authority

The SeaSafety program was established as a Hawke Government initiative in 1983/84 and has achieved;

- close cooperation between search and rescue authorities and marine volunteer groups;
- funding for the Marine Rescue Association of Australia;
- introduction of SeaSafety week;
- the annual Australia SeaSafety Award;
- and the establishment of a Local User Terminal ground receiving station in the COPAS-SARSAT international satellite international satellite-aided rescue system.

Up to 1987/88 the SeaSafety program has been associated with a 25 per cent reduction in incidents involving Australian fishing vessels and pleasure craft, although there was a slight increase in 1988/89.

On 1 June 1989, Labor announced the establishment of the Australian Maritime Safety Authority (AMSA) to administer the standards and procedures for the construction, equipment and safe loading of ships; qualifications and training of crews; and the provision of marine navigation aids and anti-pollution measures. AMSA will commence operations on 1 September 1990.

#### Shipping Industry Reform

- Since coming to office, the Hawke Government's shipping policy has improved the efficiency and competitiveness of Australian shipping.
- The industry has undergone major structural changes under the Crawford and Maritime Industry Development Committee (MIDC) schemes and more in prospect with the implementation of recommendations of the Shipping Reform Task Force.
- The Shipping Reform Authority has been established to implement a further threeyear reform program, which will see Australian shipping match the competitiveness of other developed nations.
- As a result of the Hawke Government's initiatives the average crew on Australian ships will be reduced from 33 to 21, a reduction of 36 per cent.
- These reforms have been achieved in a period of unprecedented industrial harmony in the shipping industry. In 1982, 4.1 per cent of ship time, or 1593 ship days, were lost through industrial disputes, compared to only 0.2 per cent or 72 ship days lost in 1988.

## Waterfront Reform

- The Government's statement on waterfront reform on 1 June 1989 followed more than two years intensive investigations by the Inter-State Commission into the means of improving the efficiency, productivity, reliability and industrial relations record of Australia's waterfront.
- With regard to the stevedoring and international container depot industries, the Government indicated that, subject to a satisfactory in principle agreement, it would provide up to \$154 million in financial assistance during three years to assist in the restructuring process.
- The Government is pursuing the reform of port authority operations with the States and the Northern Territory. It is also encouraging a more competitive commercial environment through an enhanced role for the Trade Practices Commission and the Prices Surveillance Authority.

#### **Government Business Enterprises (GBEs)**

During 1988 and 1989, the Government has been implementing the GBE reform process to incorporate a number of GBEs and give them more autonomy in dayto-day decision making while setting appropriate accountability mechanisms.

# VETERANS' AFFAIRS

The Department of Veterans' Affairs, which celebrated its 70th anniversary in 1988, continues under the direction of the Repatriation Commission to fulfil the Government's commitment to the care of our war injured and those who suffered the effects of war.

The Prime Minister has re-iterated the Government's commitment to maintain a separate Department of Veterans' Affairs answerable to its own Minister.

In November 1988, the release of a corporate plan for the Department of Veterans' Affairs set the direction of the Department during the next three to five years, highlighting the need to revise Departmental programs to meet changing client needs.

This plan was formulated after extensive consultation with client organisations and staff associations since the release of the corporate plan, four major reviews in the Veterans' Affairs portfolio have been announced:

- a major review of the health program, due to report before mid 1990;
- an evaluation of the accessibility of services to aged veterans and war widows (outreach);
- an inquiry into merchant mariners and allied veterans, due to report in September 1989; and
- a review of the free limbs scheme, due to report in March 1990.

#### Overview

- The Government has continued to increase allocations to Veterans' Affairs funding in 1989/90 was increased by 5.59 per cent for the Health Program and 5.85 per cent for the benefits program (6.85 per cent for service pensions).
- In the 1987/88 Budget, Australian servicemen who were interned in Nazi concentration camps became entitled to a special one-off grant of \$10,000.
- The Government also extended eligibility for treatment benefits to returned exservicewomen of World War II, many of whom experienced difficult conditions of service and discriminatory treatment after the war.
- The Joint Ventures Scheme has received \$2 million since it was introduced in October 1985.
  - The Scheme was introduced to assist ex-service organisations help veterans and their dependants continue to live at home when they could otherwise be placed in nursing home care; and in 1988, its guidelines were broadened to assist younger veterans such as Vietnam Veterans who required Commonwealth support.

#### Pensions

The rate of service pensions paid to single pensioners has risen from 22.7 per cent of average weekly earnings in 1983 to the current level of 24.9 per cent.

The 1989 Budget provided for additional increases over and above indexation that will bring the rate of service pensions for single pensioners to 25 per cent of Average Weekly Earnings. The increases are effective from 5 April 1990. In 1989/90 compensation and income support funding will increase by 5.9 per cent over the previous year.

The current fortnightly rates of pension, which are indexed twice yearly, are:

- service pension maximum single rate \$267.20;

- war widows \$267.20 plus a domestic allowance of \$24.00; and
  - disability pension rates range from \$18.77 to \$497.90.

## The April Statement

- On 12 April 1989, the Treasurer announced that during the next 18 months, indexation increases will be brought forward 12 weeks, affecting all service pensions, war widows pensions and disability pensions.
- The rate of Orphan's Pension is to be indexed each January commencing in 1990, in line with increases in the Consumer Price Index (CPI) in the previous financial year.
- The Guardian's Allowance is indexed annually based on the CPI.
- And from 11 January, the rate of pension payable to 13 to 15 year-olds is \$70.50 a fortnight.

## HEALTH CARE

#### Capital Works and Specialised Equipment at Repatriation General Hospitals (RGHs)

- A \$114 million public works program has continued the expansion, modernisation and improvement of the repatriation hospital system during the past six years. Highlights of this program include:
  - building of a new surgical services complex incorporating new operating theatres at RGH Concord;
  - opening of new operating theatres and support facilities at RGH Greenslopes, Qld;
    - opening of a new ward block and out-patient department at RGH Heidelberg, Vic;
      - opening of a new theatre complex and redevelopment of old operating theatres to house an expanded radiology clinic at RGH Daw Park, SA;

opening of a new theatre complex and redevelopment of old operating theatres for pharmacy and biomedical engineering units at RGH Hollywood, WA; and

upgrading of the boiler area as an energy management initiative at RGH Hobart, TAS.

Over the past five years the Government allocated a total of \$53.8 million for the purchase of specialised equipment for use in the repatriation health care system. A further \$11.7 million has been allocated in 1989/90.

#### Hospital Integration

The Commonwealth announced in August 1988 negotiations with the State Governments, the ex-service community and unions representing hospital employees, on the integration of RGHs into the State health care systems by 1 July 1995.

The Government's reasons for negotiating on integration are:

- to provide an ageing treatment population with care closer to home, family and friends;
- to provide a mix of patients and illnesses which will attract and ensure the retention of the best staff; and
  - to ensure a future role for RGHs in regional hospital networks in each State.

The Prime Minister and the Minister for Veterans' Affairs have guaranteed that integration will not proceed unless veterans are given priority of access to hospital facilities and the same quality of care as provided through the repatriation hospital system.

#### Aged and Extended Care Units

The establishment of Aged and Extended Care units in all States have enhanced the provision of geriatric rehabilitation, remedial therapy training, and assessments of the most appropriate form of treatment or care for aged and infirm beneficiaries.

#### Nursing Home Care Funding

In July 1988, the Government introduced a major reform package with increased funding for nursing homes.

- The changes include extra funds for nursing home care totalling \$130 million and 2,000 new jobs in nursing and personal care areas and staff training initiatives, to be overseen by the Department of Community Services and Health.
  - To allow access of veteran beneficiaries to a higher proportion of nursing home beds without extra charges, the Department of Veterans' Affairs is adopting the program's new patient classification procedures to determine benefit payment levels for beneficiaries, while also maintaining slightly higher benefit levels.

This means that by 1991, no nursing home resident will be required to pay more than the standard resident contribution (87.5 per cent of age or service pension plus rent assistance) to obtain the level of care needed.

#### **Respite Care**

The Department of Veterans' Affairs, with the Department of Community Services and Health, have improved the access of eligible beneficiaries to nursing home beds for respite care purposes.

From 1 July 1989, anyone needing respite care may be admitted to a designated nursing home for a period of up to 63 days. Nursing home respite care was previously limited to 28 days.

The Government will meet the full costs and nursing homes will also be paid a bonus for the provision of dedicated respite beds, on an occupied bed day basis.

These new arrangements give greater scope for the relief for carers as well as avoiding patients receiving full-time institutional care when they wish to remain at home.

From 1 November 1989, when a pensioner is admitted for approved respite care in a nursing home for a period of at least 14 days, the higher standard rate of pension will be paid to both the veteran and spouse.

## Joint Ventures

Since 1985, the Joint Ventures Scheme, discussed earlier, has been allocated grants totalling almost \$2 million to help establish more than 260 projects. These provide valuable assistance to beneficiaries living at home, to improve social well-being and quality of life, and have included home and garden maintenance, health and fitness activities, day clubs, the provision of medical alarm systems and the purchase of buses.

The Joint Ventures Scheme helps the Government and the veteran community work together to improve the quality of life for ex-service men and women and their dependents.

#### Pharmaceutical Services

A Committee of Review, including drug specialists and two RSL representatives, was appointed in late 1987, to review the operation of the Repatriation Pharmaceutical Benefits Scheme (RPBS).

The Committee reported that the Scheme was operating effectively, but it recommended that veterans' treatment interests would be better served if the "Authority to Prescribe" and "Specified Purpose" rules of the Pharmaceutical Benefits Scheme (PBS) were introduced to the RPBS.

The Government took up the recommendation and PBS rules are now applied to veterans' prescribing to strengthen and improve the Repatriation Scheme so specified groups of potent therapeutic substances are used only for intended purposes.

#### Vietnam Veterans

The Government paid tribute to Vietnam Veterans by recognising 18 August, the day of the battle of Long Tan, as Vietnam Veterans' Day.

The Vietnam Veterans' Counselling Service [VVCS], which provides specialised counselling to veterans and their families, has been expanded and \$2.25 million has been allocated in 1989/90, an increase of 29 per cent over the previous year.

In the 1988/89 Budget the Government allocated \$660 000 to begin implementing the recommendations of the Evatt Royal Commission. These include:

- increasing VVCS services in country areas through the addition of six fulltime staff to organise country networks;
  - employing local people on a part-time basis to provide fee-for-service counselling in country areas;
- contributing \$400 000 to establish veterans emergency accommodation; and
  - allocating \$200 000 towards the cost of a Vietnam veterans monument in Canberra.

#### Legislation and the Monitoring Committee

The Veterans Entitlements Act [VEA] which consolidated and clarified many earlier pieces of legislation, came into operation in May 1986 - the Government has since amended the VEA so TPI pensions are paid for life.

The Veterans Affairs Amendment Act 1987 introduced reforms in the area of assessment of service pensions to help alleviate poverty traps.

The Veterans Entitlements Act Monitoring Committee was established after the Act's first year of operation and its recommendations accepted by the Government include:

- the reduction of 100 to 70 of the degree of incapacity required to fulfil the threshold test to qualify for intermediate or special rate pension;
- the introduction of the Extreme Disability Adjustment [EDA] for those 100 per cent general rate pensioners who have passed normal retirement age and are extremely incapacitated;
- modification of the requirement for intermediate and special rate pension to be assessed at the date of lodgement of the veteran's claim or application to enable a veteran to qualify where he or she meets all the eligibility criteria at any one date between the date of lodgement and the date the decision is made;
- provision for decision makers to assess pension entitlements up to the date the decision is made.
- Other recommendations are being examined.

#### **Defence Service Homes**

In 1985 the Government announced its intention to sell the Defence Service Homes Loan portfolio to a private institution. After examining the proposals from several major banks the portfolio was sold to Westpac in October 1988. Under these new arrangements, there is no 10 month wait for a DSH loan, borrowers can get additional funds at first mortgage rates without two lots of charges and fees, and new borrowers can transfer loans to new properties.

## Office of Australian War Graves

The total capacity of Gardens of Remembrance in Australia will reach 250 000 official commemorations when the new Garden of Remembrance at Rookwood, NSW is completed. The Rookwood Garden, which will have a capacity of 100 000 plaques, is the final project in a five year, \$7.5 million Australia-wide expansion program.

## Australian War Memorial

The Australian War Memorial, which came under the Veterans' Affairs portfolio in 1984, was allocated \$6.8 million in the 1989/90 Budget for management of its collections, research and for ceremonial functions. This figure represents a 24 per cent increase over the previous year.

## The Government is implementing its commitment to improve the status of women by paying attention to the needs and rights of women in its broader programs and by specific initiatives for women.

WOMEN

## National Agenda for Women

In November 1985, the Prime Minister, Mr Hawke, outlined the Federal Government's thinking on a National Agenda for Women.

To ensure the Government's Agenda for Women accurately addressed the needs and concerns of Australian women, an extensive series of consultations was held in 1986 and a report released in 1987.

The third National Womens Consultative Council [NWCC] was appointed in August 1988 as an independent advisory body to the Government.

In many areas the scope of direct Federal Government action and progress is constrained by economic considerations and the division of responsibility between the three tiers of Government.

The action plans contained within the Agenda highlight specific areas in which the Government intends to act in the next five years. The Women's Budget Statement for 1989/90 reports on progress in implementing these action plans.

#### Education

The completion of a full secondary education by girls in Australia has increased rapidly during the Labor Government - from 44 per cent in 1983 to almost 62 per cent in 1988.

The Government is implementing the National Policy for the Education of Girls in Australian Schools whose objectives are to provide girls with increased access and better educational choices. In 1988/89, \$1 million was allocated to increase the participation of girls in maths and science.

In 1989 women constituted 51.5 per cent of higher education student. To enable women to benefit from increased higher education participation, the Government is developing national equity objectives in higher education. It has expanded the Higher Education Equity Program from \$1.2 to \$3.4 million for 1989/90 including \$1 million to help needy students get access to child care.

## **Employment and Training**

Since April 1983 more than 56 per cent of all new jobs [917 000] have gone to women with the proportion of women in the labour force increasing by more than 7 per centage points to 52.2 in July 1989 and the female unemployment rate declining by almost 4 per centage points.

In November 1988, the Government released the Australian Women's Employment

Strategy (AWES) - a Federal, State and Territory Government strategy, to reduce gender segregation in the workforce, improve conditions for workers with family responsibilities, improve training opportunities for women as part of industry restructuring, and promote pay equity.

Employment is the main way to improve the position of disadvantaged people in society. NEWSTART helps the long-term unemployed to improve their skills. The Jobs, Education, Training Program (JET) assists sole parents in employment and training. AUSTUDY payments for eligible full-time pensioner students in approved education courses are \$30 a week. Implementation of SkillShare system which targets women and ensures that women participants with special training needs are catered for.

## Child Care

The provision of affordable and quality child care is crucial to enable women's full participation in society. The total number of Commonwealth provided child care places stands at 114,000 - a trebling of the number of places available in 1983.

In the 1988/89 Budget, the Government continued its commitment to child care through a new National Child Care Strategy which will create an additional 30,000 places over the next three years. The strategy is being implemented in cooperation with State, Local Governments and employers.

In the 1989/90 Budget the Government has strengthened the fee relief system by introducing annual indexation and by increasing fee relief ceilings.

#### Aged Care

The focus of the Government's policy for the aged has been on provision of residential and support services geared to people's real needs.

- In May 1988, further reforms to improve standards and quality of life for nursing homes residents were announced. By 1991, no resident will need to pay more than 87.5 per cent of the single age pension plus rent assistance. Increased funds of \$31.1 million in the 1988/89 Budget enables a further expansion in hostel beds.
- Funds for Home and Community Care have increased from \$169 million in 1987/88 to \$209 million in 1988/89, enabling continued expansion in support for the frail aged and disabled people living in their own homes.
- In 1989/90 \$2.5m will be spent on a number of initiatives aimed at protecting the rights of residents of nursing homes and hostels, three quarters of them women.

#### National Women's Health Program

This major recommendation of the National Women's Health Policy is being implemented. The Program includes the development of women's community health centres, a National Women's Health Program, improved consumer education and professional information, education and training on women's health. The Government has committed \$1 million in 1989/90 (the start up year) and higher amounts in successive years: \$2.74 million in 1990/91, \$6.56 million in 1991/92, and \$6.56 million in 1992/93. Cost sharing arrangements with the States are being negotiated.

Breast and cervical cancer screening in an issue of great concern to women. The

Commonwealth has funded, in co-operation with the States, a \$5.1 million program over the three years to 1989/90 to evaluate breast cancer screening, particularly in rural areas. In the 1989 Budget, additional funds of \$600,000 have been provided to supplement and extend the program in each of the financial years 1989/90 and 1990/91.

## Income Security

The 1989 Budget established long term objectives for retirement incomes.

- The income test will be indexed annually.
- The commitment to an age pension of 25 per cent of AWE will not only be met but exceeded.
  - A range of initiatives will mean that age pensioners will be encouraged to supplement their retirement incomes.

The circumstances of those with disabilities will also be examined over the next year. There has been a tendency to assume that invalid pensioners and long-term sickness beneficiaries will be dependent solely on social security for the rest of their lives. Through a series of pilot studies, the Government is reviewing the potential for better integrating people with disabilities into the labour force.

Assisting women and their families out of poverty is a major Government priority. Family Allowance rates are \$9 a week for each of the first three children and \$12 a week for the fourth and each additional child. The Family Assistance Supplement for low-income working families is \$24 a week for children under 13 years, and \$34.10 a week for children 13, 14 and 15 years.

The Government's child maintenance reforms ensure that non-custodial parents take on some of the financial responsibility for their children. The Child Support Agency began to collect payments for existing maintenance orders in June 1988. From 1 October 1989 a formula has been used to assess maintenance contributions.

#### **Domestic Violence**

In 1988 the Government released research showing that 1 in 5 Australians thought it was justifiable in certain circumstances for a man to hit his wife, and that domestic violence was a private, family matter. In response the Government is conducting a National Education Program to raise awareness of domestic violence in the community and its human costs - April was Domestic Violence Awareness Month.

During 1989/90 the program will address the needs of Aboriginal and Islander, non-English speaking background and rural and isolated women. It also includes help for children and young people and strategies to improve the training of service providers.

## Aboriginal and Torres Strait Islander Women

\$1.6 million was allocated in the 1988/89 Budget to support community-based and culturally appropriate programs addressing areas of particular disadvantage for Aboriginal and Torres Strait Islander Women including:

- women's health and housing, transportation needs;

reuniting families; and

improving access to information about Government policies and programs.

## Non-English Speaking Background [NESB] Women

The Government has established a Commonwealth/State Task Force on NESB women's issues to assist the development and co-ordination of policies as an initiative under the National Agenda for a Multicultural Australia. The Office of the Status of Women will chair and provide the secretariat for the Task Force. The inaugural meeting was held on 28 August 1989.

#### Portrayal of Women in the Media

During 1988, the Federal Government responded to women's concerns about the way they are portrayed in the media, particularly advertising, through further research and community consultations.

A public forum attended by 600 women from a range of backgrounds and interest groups made recommendations on ways to reduce sex-role stereotyping in advertising.

The Government has established a working group comprising representatives from industry, Government and community groups to develop a mutual understanding of stereotyping issues, recommend means of improving the self-regulation system, and educate and sensitise the advertising industry.

#### Sport

The Australian Sports Commission's Women's Sport Promotion Unit was established in December 1987 to promote, and to raise awareness of women's participation in sport through the National Policy for Women in Sport. In 1989/90 the WSPU will have its funding doubled.

## Women in the Defence Force

A major review of all positions in the Australian Defence Force [ADF] was conducted in late 1986. As a result the number of positions open to women in competition with men increased from 16,317 to 21,793, representing 35 per cent of total ADF positions. Of the 276 employment categories in the ADF, 66 per cent are now open to women.

The first female officer assumed command of HMAS LONSDALE in Melbourne in February 1988.

The first female officer was awarded a bridge watchkeeping certificate in February 1988 and has been posted as an Officer of the Watch in HMAS COOK. A female officer is head of the Engineering Department in HMAS COOK.

Initial selections for two female officers to undertake training as HS 748 pilots commenced in May 1988.

As at 31 December 1987, 6363 women are employed in the ADF, representing 9.1 per cent of its total strength.

## YOUTH

Young people are a priority for the Hawke Government.

Since winning office the Government's overriding goal has been the achievement of a fairer distribution of opportunities for Australian youth.

Since March 1983 the Government has:

- increased school retention rates to year 12 from 36 to 60 per cent;
- increased the number of higher education places by more than 30,000;
- provided 32,000 training positions through the Australian Traineeship Scheme;
- halved teenage unemployment;
- provided Austudy for secondary students;
- doubled the number of apprenticeships;
- established jobtrain and jobstart assisting 80,000 job seekers;
- provided the young homeless allowance.

Labour Market

The Government has been responsible for a 50 per cent cut in teenage unemployment. This reflects the combined effect of a number of factors including an overall improvement in the labour market; higher rates of education retention; enhanced labour market programs; and changes to unemployment benefit arrangements.

## **Disadvantaged Young People**

- The Government will spend over \$100 million during the next four years in its Youth Strategy to ensure that disadvantaged young people benefit from the successful reforms in the youth area achieved by the Government since entering office.
  - Specific initiatives announced in the 1989 budget include:
    - increasing the availability of medium and long-term accommodation, provision of employment and training opportunities, improving adequacy and accessibility of income support and preventative measures designed to support the family. Estimated expenditure in this area is \$53.6 million during the next four years;
      - developing responses to those most as risk of leaving school early and strategies to keep them at school. Estimated expenditure here is \$7.6 million during three years;

- increasing employment and training support for the most disadvantaged. Estimated expenditure is \$25.7 million during the next four years;
- developing health services for young people, costing approximately \$7.0 million during the next four years; and
- improving access to information and advice for disadvantaged young people, including the opening of 20 new Youth Access Centres (YACs). Estimated expenditure will be \$8.1 million during the next four years.

#### Homeless Young People

The Government will:

- double the existing number of medium and long-term accommodation places with an extra \$10 million in capital funding for homeless youth through the Commonwealth/State Housing Agreement, and an additional \$17.8 million through the Supported Accommodation Assistance Program (SAAP);
- ensure that young people dependent on supported accommodation are provided with employment and training opportunities to maximise their chances of establishing stable and independent living arrangements; and
- address the important issue of preventing homelessness. The Commonwealth will play a role in this State area through establishing adolescent mediation services to resolve family conflicts which could result in adolescents leaving home.

## **Income Support**

From 1 January 1990, the Government began implementing a range of proposals to enhance existing income support arrangements.

Specific initiatives include:

- additional income support assistance to young homeless people who are unemployed or in education, and to those required to live away from home while studying;
  - additional assistance to Job Search Allowance recipients who are independent and living away from home; and
  - improved assistance for young people who must live away from home to undertake training or short-term courses.

#### Austudy

AUSTUDY is the most comprehensive student income support scheme Australia has ever seen, enabling more than 320,000 Australians to receive income support in Year 11 and Year 12 or during tertiary education.

Since 1983 the Government has tripled the number of students receiving income support, and AUSTUDY has significantly contributed to the massive increase in school retention rates that has also occurred.





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