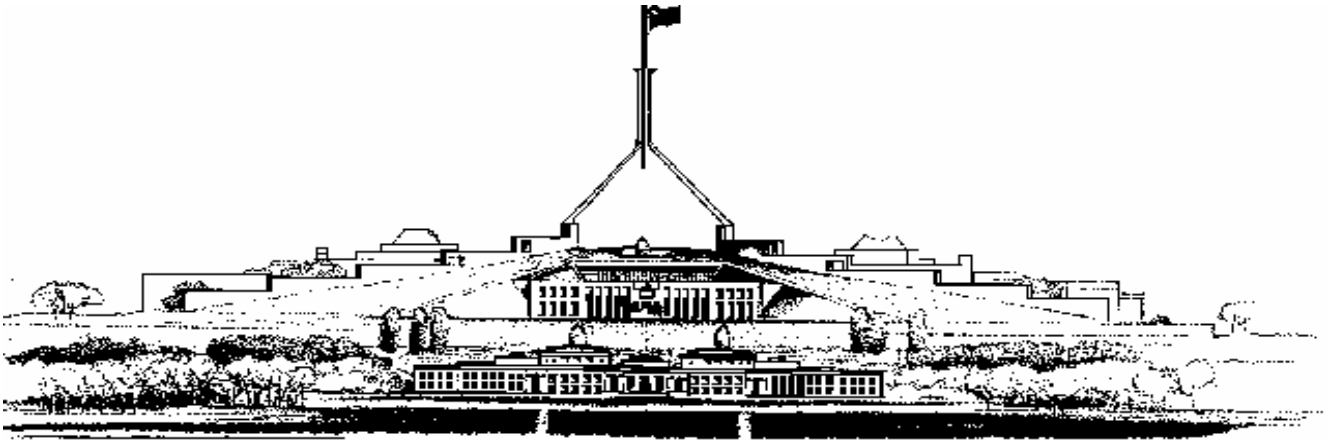




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



House of Representatives

Official Hansard

No. 1, 2004

Wednesday, 17 November 2004

FORTY-FIRST PARLIAMENT
FIRST SESSION—FIRST PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

INTERNET

The Votes and Proceedings for the House of Representatives are available at
<http://www.aph.gov.au/house/info/votes>

Proof and Official Hansards for the House of Representatives,
the Senate and committee hearings are available at
<http://www.aph.gov.au/hansard>

For searching purposes use
<http://parlinfoweb.aph.gov.au>

SITTING DAYS—2004

Month	Date
February	10, 11, 12, 16, 17, 18, 19
March	1, 2, 3, 4, 8, 9, 10, 11, 22, 23, 24, 25, 29, 30, 31
April	1
May	11, 12, 13, 24, 25, 26, 27, 31
June	1, 2, 3, 15, 16, 17, 21, 22, 23, 24
August	3, 4, 5, 9, 10, 11, 12, 30, 31
November	16, 17, 18, 29, 30
December	1, 2, 6, 7, 8, 9

RADIO BROADCASTS

Broadcasts of proceedings of the Parliament can be heard on the following Parliamentary and News Network radio stations, in the areas identified.

<i>CANBERRA</i>	1440 AM
<i>SYDNEY</i>	630 AM
<i>NEWCASTLE</i>	1458 AM
<i>GOSFORD</i>	98.1 FM
<i>BRISBANE</i>	936 AM
<i>GOLD COAST</i>	95.7 FM
<i>MELBOURNE</i>	1026 AM
<i>ADELAIDE</i>	972 AM
<i>PERTH</i>	585 AM
<i>HOBART</i>	747 AM
<i>NORTHERN TASMANIA</i>	92.5 FM
<i>DARWIN</i>	102.5 FM

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

Governor-General

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

House of Representatives Officeholders

Speaker—The Hon. David Peter Maxwell Hawker MP

Deputy Speaker—The Hon. Ian Raymond Causley MP

Second Deputy Speaker—Mr Harry Alfred Jenkins MP

Members of the Speaker's Panel—Mr Philip Anthony Barresi, Ms Teresa Gambaro, Mr Peter
John Lindsay, the Hon. Bruce Craig Scott, the Hon. Dick Godfrey Harry Adams, the Hon. Leo
Roger Spurway Price, Mr Kimberley William Wilkie, Ms Ann Kathleen Corcoran

Leader of the House—The Hon. Anthony John Abbott MP

Deputy Leader of the House—The Hon. Peter John McGauran MP

Manager of Opposition Business—Ms Julia Eileen Gillard MP

Deputy Manager of Opposition Business—Mr Anthony Norman Albanese MP

Party Leaders and Whips

Liberal Party of Australia

Leader—The Hon. John Winston Howard MP

Deputy Leader—The Hon. Peter Howard Costello MP

Chief Government Whip—Mr Kerry Joseph Bartlett MP

Government Whips—Mrs Joanna Gash MP and Mr Fergus Stewart McArthur MP

The Nationals

Leader—The Hon. John Duncan Anderson MP

Deputy Leader—The Hon. Mark Anthony James Vaile MP

Whip—Mr John Alexander Forrest MP

Assistant Whip—Mr Paul Christopher Neville MP

Australian Labor Party

Leader—Mr Mark William Latham MP

Deputy Leader—Ms Jennifer Louise Macklin MP

Chief Opposition Whip—The Hon. Leo Roger Spurway Price MP

Opposition Whips—Mr Michael Danby MP and Ms Jill Griffiths Hall MP

Printed by authority of the House of Representatives

Members of the House of Representatives

Member	Division	Party
Abbott, Hon. Anthony John	Warringah, NSW	LP
Adams, Hon. Dick Godfrey Harry	Lyons, Tas	ALP
Albanese, Anthony Norman	Grayndler, NSW	ALP
Anderson, Hon. John Duncan	Gwydir, NSW	Nats
Andren, Peter James	Calare, NSW	Ind
Andrews, Hon. Kevin James	Menzies, Vic	LP
Bailey, Hon. Frances Esther	McEwen, Vic	LP
Baird, Hon. Bruce George	Cook, NSW	LP
Baker, Mark Horden	Braddon, Tas	LP
Baldwin, Robert Charles	Paterson, NSW	LP
Barresi, Phillip Anthony	Deakin, Vic	LP
Bartlett, Kerry Joseph	Macquarie, NSW	LP
Beazley, Hon. Kim Christian	Brand, WA	ALP
Bevis, Hon. Archibald Ronald	Brisbane, Qld	ALP
Billson, Hon. Bruce Fredrick	Dunkley, Vic	LP
Bird, Sharon	Cunningham, NSW	ALP
Bishop, Hon. Bronwyn Kathleen	Mackellar, NSW	LP
Bishop, Hon. Julie Isabel	Curtin, WA	LP
Bowen, Christopher Eyles	Prospect, NSW	ALP
Broadbent, Russell Evan	McMillan, Vic	LP
Brough, Hon. Malcolm Thomas	Longman, Qld	LP
Burke, Anna Elizabeth	Chisholm, Vic	ALP
Burke, Anthony Stephen	Watson, NSW	ALP
Byrne, Anthony Michael	Holt, VIC	ALP
Cadman, Hon. Alan Glyndwr	Mitchell, NSW	LP
Causley, Hon. Ian Raymond	Page, NSW	Nats
Ciobo, Steven Michele	Moncrieff, Qld	LP
Cobb, Hon. John Kenneth	Parkes, NSW	Nats
Corcoran, Ann Kathleen	Isaacs, VIC	ALP
Costello, Hon. Peter Howard	Higgins, Vic	LP
Crean, Hon. Simon Findlay	Hotham, Vic	ALP
Danby, Michael	Melbourne Ports, Vic	ALP
Downer, Hon. Alexander John Gosse	Mayo, SA	LP
Draper, Patricia	Makin, SA	LP
Dutton, Hon. Peter Craig	Dickson, Qld	LP
Edwards, Hon. Graham John	Cowan, WA	ALP
Elliot, Maria Justine	Richmond, NSW	ALP
Ellis, Annette Louise	Canberra, ACT	ALP
Ellis, Katherine Margaret	Adelaide, SA	ALP
Elson, Kay Selma	Forde, QLD	LP
Emerson, Craig Anthony	Rankin, Qld	ALP
Entsch, Hon. Warren George	Leichhardt, NSW	LP
Farmer, Hon. Patrick Francis	Macarthur, NSW	LP
Fawcett, David Julian	Wakefield, SA	LP
Ferguson, Laurence Donald Thomas	Reid, NSW	ALP
Ferguson, Martin John, AM	Batman, Vic	ALP
Ferguson, Michael Darrel	Bass, TAS	LP

Members of the House of Representatives

Member	Division	Party
Fitzgibbon, Joel Andrew	Hunter, NSW	ALP
Forrest, John Alexander	Mallee, VIC	Nats
Gambaro, Hon. Teresa	Petrie, QLD	LP
Garrett, Peter Robert, AM	Kingsford Smith, NSW	ALP
Gash, Joanna	Gilmore, NSW	LP
Georganas, Steven	Hindmarsh, SA	ALP
George, Jennie	Throsby, NSW	ALP
Georgiou, Petro	Kooyong, Vic	LP
Gibbons, Stephen William	Bendigo, Vic	ALP
Gillard, Julia Eileen	Lalor, Vic	ALP
Grierson, Sharon Joy	Newcastle, NSW	ALP
Griffin, Alan Peter	Bruce, Vic	ALP
Haase, Barry Wayne	Kalgoorlie, WA	LP
Hall, Jill Griffiths	Shortland, NSW	ALP
Hardgrave, Hon. Gary Douglas	Moreton, Qld	LP
Hartsuyker, Luke	Cowper, NSW	Nats
Hatton, Michael John	Blaxland, NSW	ALP
Hawker, David Peter Maxwell	Wannon, Vic	LP
Henry, Stuart	Hasluck, WA	LP
Hoare, Kelly Joy	Charlton, NSW	ALP
Hockey, Hon. Joseph Benedict	North Sydney, NSW	LP
Howard, Hon. John Winston	Bennelong, NSW	LP
Hull, Kay Elizabeth	Riverina, NSW	Nats
Hunt, Hon. Gregory Andrew	Flinders, Vic	LP
Irwin, Julia Claire	Fowler, NSW	ALP
Jenkins, Harry Alfred	Scullin, Vic	ALP
Jensen, Dennis Geoffrey	Tangney, WA	LP
Johnson, Michael Andrew	Ryan, Qld	LP
Jull, Hon. David Francis	Fadden, Qld	LP
Katter, Hon. Robert Carl	Kennedy, Qld	Ind
Keenan, Michael Fayat	Stirling, WA	LP
Kelly, Hon. De-Anne Margaret	Dawson, Qld	Nats
Kelly, Hon. Jacqueline Marie	Lindsay, NSW	LP
Kerr, Hon. Duncan James Colquhoun, SC	Denison, Tas	ALP
King, Catherine Fiona	Ballarat, Vic	ALP
Laming, Andrew Charles	Bowman, Qld	LP
Latham, Mark William	Werriwa, NSW	ALP
Lawrence, Hon. Carmen Mary	Fremantle, WA	ALP
Ley, Hon. Sussan Penelope	Farrer, NSW	LP
Lindsay, Peter John	Herbert, Qld	LP
Livermore, Kirsten Fiona	Capricornia, Qld	ALP
Lloyd, Hon. James Eric	Robertson, NSW	LP
Macfarlane, Hon. Ian Elgin	Groom, Qld	LP
Macklin, Jennifer Louise	Jagajaga, Vic	ALP
Markus, Louise Elizabeth	Greenway, NSW	LP
May, Margaret Ann	McPherson, Qld	LP
McArthur, Fergus Stewart	Corangamite, Vic	LP

Members of the House of Representatives

Member	Division	Party
McClelland, Robert Bruce	Barton, NSW	ALP
McGauran, Hon. Peter John	Gippsland, Vic	Nats
McMullan, Robert Francis	Fraser, ACT	ALP
Melham, Daryl	Banks, NSW	ALP
Moylan, Hon. Judith Eleanor	Pearce, WA	LP
Murphy, John Paul	Lowe, NSW	ALP
Nairn, Hon. Gary Roy	Eden-Monaro, NSW	LP
Nelson, Hon. Brendan John	Bradfield, NSW	LP
Neville, Paul Christopher	Hinkler, Qld	Nats
O'Connor, Brendan Patrick John	Gorton, Vic	ALP
O'Connor, Gavan Michael	Corio, Vic	ALP
Owens, Julie Ann	Parramatta, NSW	ALP
Panopoulos, Sophie	Indi, Vic	LP
Pearce, Hon. Christopher John	Aston, Vic	LP
Plibersek, Tanya Joan	Sydney, NSW	ALP
Price, Hon. Leo Roger Spurway	Chifley, NSW	ALP
Prosser, Hon. Geoffrey Daniel	Forrest, WA	LP
Pyne, Hon. Christopher Maurice	Sturt, SA	LP
Quick, Harry Vernon	Franklin, Tas	ALP
Randall, Don James	Canning, WA	LP
Richardson, Kym	Kingston, SA	LP
Ripoll, Bernard Fernando	Oxley, Qld	ALP
Robb, Andrew John	Goldstein, Vic	LP
Roxon, Nicola Louise	Gellibrand, Vic	ALP
Rudd, Kevin Michael	Griffith, Qld	ALP
Ruddock, Hon. Philip Maxwell	Berowra, NSW	LP
Sawford, Rodney Weston	Port Adelaide, SA	ALP
Schultz, Albert John	Hume, NSW	LP
Scott, Hon. Bruce Craig	Maranoa, Qld	Nats
Secker, Patrick Damien	Barker, SA	LP
Sercombe, Robert Charles Grant	Maribyrnong, Vic	ALP
Slipper, Hon. Peter Neil	Fisher, Qld	LP
Smith, Anthony David Hawthorn	Casey, Vic	LP
Smith, Stephen Francis	Perth, WA	ALP
Snowdon, Hon. Warren Edward	Lingiari, NT	ALP
Somlyay, Hon. Alexander Michael	Fairfax, Qld	LP
Southcott, Andrew John	Boothby, SA	LP
Stone, Hon. Sharman Nancy	Murray, Vic	LP
Swan, Wayne Maxwell	Lilley, Qld	ALP
Tanner, Lindsay James	Melbourne, Vic	ALP
Thompson, Cameron Paul	Blair, Qld	LP
Thomson, Kelvin John	Wills, Vic	ALP
Ticehurst, Kenneth Vincent	Dobell, NSW	LP
Tollner, David William	Solomon, NT	CLP
Truss, Hon. Warren Errol	Wide Bay, Qld	Nats
Tuckey, Hon. Charles Wilson	O'Connor, WA	LP
Turnbull, Malcolm Bligh	Wentworth, NSW	LP
Vaile, Hon. Mark Anthony James	Lyne, NSW	Nats

Members of the House of Representatives

Member	Division	Party
Vale, Hon. Danna Sue	Hughes, NSW	LP
Vamvakinou, Maria	Calwell, Vic	ALP
Vasta, Ross Xavier	Bonner, Qld	LP
Wakelin, Barry Hugh	Grey, SA	LP
Washer, Malcolm James	Moore, WA	LP
Wilkie, Kimberley William	Swan, WA	ALP
Windsor, Antony Harold Curties	New England, NSW	Ind
Wood, Jason Peter	La Trobe, Vic	LP

PARTY ABBREVIATIONS

ALP—Australian Labor Party; LP—Liberal Party of Australia; Nats—The Nationals;
Ind—Independent; CLP—Country Liberal Party; AG—Australian Greens

Heads of Parliamentary Departments

Clerk of the Senate—H. Evans
Clerk of the House of Representatives—I.C. Harris
Secretary, Department of Parliamentary Services—H.R. Penfold QC

HOWARD MINISTRY

Prime Minister	The Hon. John Winston Howard MP
Minister for Transport and Regional Services and Deputy Prime Minister	The Hon. John Duncan Anderson MP
Treasurer	The Hon. Peter Howard Costello MP
Minister for Trade	The Hon. Mark Anthony James Vaile MP
Minister for Defence and Leader of the Government in the Senate	Senator the Hon. Robert Murray Hill
Minister for Foreign Affairs	The Hon. Alexander John Gosse Downer MP
Minister for Health and Ageing and Leader of the House	The Hon. Anthony John Abbott MP
Attorney-General	The Hon. Philip Maxwell Ruddock MP
Minister for Finance and Administration, Deputy Leader of the Government in the Senate and Vice-President of the Executive Council	Senator the Hon. Nicholas Hugh Minchin
Minister for Agriculture, Fisheries and Forestry	The Hon. Warren Errol Truss MP
Minister for Immigration and Multicultural and Indigenous Affairs and Minister Assisting the Prime Minister for Indigenous Affairs	Senator the Hon. Amanda Eloise Vanstone
Minister for Education, Science and Training	The Hon. Dr Brendan John Nelson MP
Minister for Family and Community Services and Minister Assisting the Prime Minister for Women's Issues	Senator the Hon. Kay Christine Lesley Patterson
Minister for Industry, Tourism and Resources	The Hon. Ian Elgin Macfarlane MP
Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service	The Hon. Kevin James Andrews MP
Minister for Communications, Information Technology and the Arts	Senator the Hon. Helen Lloyd Coonan
Minister for the Environment and Heritage and Manager of Government Business in the Senate	Senator the Hon. Ian Gordon Campbell

(The above ministers constitute the cabinet)

HOWARD MINISTRY—*continued*

Minister for Justice and Customs	Senator the Hon. Christopher Martin Ellison
Minister for Fisheries, Forestry and Conservation	Senator the Hon. Ian Douglas Macdonald
Minister for the Arts and Sport	Senator the Hon. Charles Roderick Kemp
Minister for Human Services	The Hon. Joseph Benedict Hockey MP
Minister for Citizenship and Multicultural Affairs	The Hon. Peter John McGauran MP
Minister for Revenue and Assistant Treasurer	The Hon. Malcolm Thomas Brough MP
Special Minister of State	Senator the Hon. Eric Abetz
Minister for Vocational and Technical Education and Minister Assisting the Prime Minister	The Hon. Gary Douglas Hardgrave MP
Minister for Ageing	The Hon. Julie Isabel Bishop MP
Minister for Small Business and Tourism	The Hon. Frances Esther Bailey MP
Minister for Local Government, Territories and Roads	The Hon. James Eric Lloyd MP
Minister for Veterans' Affairs	The Hon. De-Anne Margaret Kelly MP
Minister for Workforce Participation	The Hon. Peter Craig Dutton MP
Parliamentary Secretary to the Minister for Fi- nance and Administration	The Hon. Dr Sharman Nancy Stone MP
Parliamentary Secretary to the Minister for Indus- try, Tourism and Resources	The Hon. Warren George Entsch MP
Parliamentary Secretary to the Minister for Health and Ageing	The Hon. Christopher Maurice Pyne MP
Parliamentary Secretary to the Minister for De- fence	The Hon. Teresa Gambaro MP
Parliamentary Secretary (Foreign Affairs and Trade)	The Hon. Bruce Fredrick Billson MP
Parliamentary Secretary to the Prime Minister	The Hon. Gary Roy Nairn MP
Parliamentary Secretary to the Treasurer	The Hon. Christopher John Pearce MP
Parliamentary Secretary to the Minister for Trans- port and Regional Services	The Hon. John Kenneth Cobb MP
Parliamentary Secretary to the Minister for the Environment and Heritage	The Hon. Gregory Andrew Hunt MP
Parliamentary Secretary (Children and Youth Af- fairs)	The Hon. Sussan Penelope Ley MP
Parliamentary Secretary to the Minister for Educa- tion, Science and Training	The Hon. Patrick Francis Farmer MP
Parliamentary Secretary to the Minister for Agri- culture, Fisheries and Forestry	Senator the Hon. Richard Mansell Colbeck

SHADOW MINISTRY

Leader of the Opposition	Mark William Latham MP
Deputy Leader of the Opposition and Shadow Minister for Education, Training, Science and Research	Jennifer Louise Macklin MP
Leader of the Opposition in the Senate and Shadow Minister for Social Security	Senator Christopher Vaughan Evans
Deputy Leader of the Opposition in the Senate and Shadow Minister for Communications and Information Technology	Senator Stephen Michael Conroy
Shadow Minister for Health and Manager of Opposition Business in the House	Julia Eileen Gillard MP
Shadow Treasurer	Wayne Maxwell Swan MP
Shadow Minister for Industry, Infrastructure and Industrial Relations	Stephen Francis Smith MP
Shadow Minister for Foreign Affairs and International Security	Kevin Michael Rudd MP
Shadow Minister for Defence and Homeland Security	Robert Bruce McClelland MP
Shadow Minister for Trade	The Hon. Simon Findlay Crean MP
Shadow Minister for Primary Industries, Resources and Tourism	Martin John Ferguson MP
Shadow Minister for Environment and Heritage and Deputy Manager of Opposition Business in the House	Anthony Norman Albanese MP
Shadow Minister for Public Administration and Open Government, Shadow Minister for Indigenous Affairs and Reconciliation and Shadow Minister for the Arts	Senator Kim John Carr
Shadow Minister for Regional Development and Roads and Shadow Minister for Housing and Urban Development	Kelvin John Thomson MP
Shadow Minister for Finance and Superannuation	Senator the Hon. Nicholas John Sherry
Shadow Minister for Work, Family and Community, Shadow Minister for Youth and Early Childhood Education and Shadow Minister Assisting the Leader on the Status of Women	Tanya Joan Plibersek MP
Shadow Minister for Employment and Workplace Participation and Shadow Minister for Corporate Governance and Responsibility	Senator Penelope Ying Yen Wong

(The above are shadow cabinet ministers)

SHADOW MINISTRY—*continued*

Shadow Minister for Immigration	Laurence Donald Thomas Ferguson MP
Shadow Minister for Agriculture and Fisheries	Gavan Michael O'Connor MP
Shadow Assistant Treasurer, Shadow Minister for Revenue and Shadow Minister for Banking and Financial Services	Joel Andrew Fitzgibbon MP
Shadow Attorney-General	Nicola Louise Roxon MP
Shadow Minister for Regional Services, Local Government and Territories	Senator Kerry Williams Kelso O'Brien
Shadow Minister for Manufacturing and Shadow Minister for Consumer Affairs	Senator Kate Alexandra Lundy
Shadow Minister for Defence Planning and Personnel and Shadow Minister Assisting the Shadow Minister for Industrial Relations	The Hon. Archibald Ronald Bevis MP
Shadow Minister for Sport and Recreation	Alan Peter Griffin MP
Shadow Minister for Veterans' Affairs	Senator Thomas Mark Bishop
Shadow Minister for Small Business	Tony Burke MP
Shadow Minister for Ageing and Disabilities	Senator Jan Elizabeth McLucas
Shadow Minister for Justice and Customs, Shadow Minister for Citizenship and Multicultural Affairs and Manager of Opposition Business in the Senate	Senator Joseph William Ludwig
Shadow Minister for Pacific Islands	Robert Charles Grant Sercombe MP
Shadow Parliamentary Secretary to the Leader of the Opposition	John Paul Murphy MP
Shadow Parliamentary Secretary for Defence	The Hon. Graham John Edwards MP
Shadow Parliamentary Secretary for Education	Kirsten Fiona Livermore MP
Shadow Parliamentary Secretary for Environment and Heritage	Jennie George MP
Shadow Parliamentary Secretary for Infrastructure	Bernard Fernando Ripoll MP
Shadow Parliamentary Secretary for Health	Ann Kathleen Corcoran MP
Shadow Parliamentary Secretary for Regional Development (House)	Catherine Fiona King MP
Shadow Parliamentary Secretary for Regional Development (Senate)	Senator Ursula Mary Stephens
Shadow Parliamentary Secretary for Northern Australia and Indigenous Affairs	The Hon. Warren Edward Snowdon MP

CONTENTS

WEDNESDAY, 17 NOVEMBER

Chamber	
Member Sworn	1
Superannuation Legislation Amendment Bill 2004—	
First Reading	1
Second Reading	1
Health Insurance Amendment (100% Medicare Rebate and Other Measures) Bill 2004—	
First Reading	1
Second Reading	1
Australian Security Intelligence Organisation Amendment Bill 2004—	
First Reading	2
Second Reading	2
Classification (Publications, Films and Computer Games) Amendment Bill (No. 2) 2004—	
First Reading	3
Second Reading	4
Sex Discrimination Amendment (Teaching Profession) Bill 2004—	
First Reading	4
Second Reading	4
Schools Assistance (Learning Together—Achievement Through Choice and Opportunity) Bill 2004—	
First Reading	6
Second Reading	6
States Grants (Primary and Secondary Education Assistance) Legislation Amendment Bill 2004—	
First Reading	7
Second Reading	7
Indigenous Education (Targeted Assistance) Amendment Bill 2004—	
First Reading	8
Second Reading	8
Higher Education Legislation Amendment Bill (No. 3) 2004—	
First Reading	9
Second Reading	10
Vocational Education and Training Funding Amendment Bill 2004—	
First Reading	10
Second Reading	10
Agriculture, Fisheries and Forestry Legislation Amendment Bill (No. 2) 2004—	
First Reading	12
Second Reading	12
Textile, Clothing and Footwear Strategic Investment Program Amendment (Post-2005 Scheme) Bill 2004—	
First Reading	14
Second Reading	14
Customs Tariff Amendment (Textile, Clothing and Footwear Post-2005 Arrangements) Bill 2004—	
First Reading	17
Second Reading	17
Customs Amendment (Thailand-Australia Free Trade Agreement Implementation) Bill 2004—	
First Reading	17
Second Reading	17

CONTENTS—*continued*

Customs Tariff Amendment (Thailand-Australia Free Trade Agreement Implementation)	
Bill 2004—	
First Reading	20
Second Reading	20
Governor-General's Speech—	
Address-in-Reply.....	21
Customs Amendment (Thailand-Australia Free Trade Agreement Implementation)	
Bill 2004	48
Customs Tariff Amendment (Thailand-Australia Free Trade Agreement Implementation)	
Bill 2004—	
Second Reading	48
Third Reading.....	72
Customs Tariff Amendment (Thailand-Australia Free Trade Agreement Implementation)	
Bill 2004—	
Second Reading	72
Third Reading.....	73
Standing Orders	73
Ministerial Arrangements	73
Questions Without Notice—	
Economy: Interest Rates.....	74
Transport: Tilt Train Accident	74
Economy: Household and Personal Debt	75
Employment: Unemployment Rates.....	75
Economy: Fiscal Policy.....	76
Environment: Water Management	77
Howard Government: Election.....	78
Economy: Performance	78
Howard Government: Election.....	79
Medicare: Bulk-Billing.....	80
Federal Election: Member for New England.....	80
Workplace Relations: Reform	81
Transport: Shipping	81
Education: Literacy and Numeracy	82
Federal Election: Member for New England.....	83
Education: Vocational Education and Training	83
Education: Vocational Education and Training	84
Employment: Unemployment Rates.....	84
Abortion	85
Health and Ageing: Aged Care	85
Questions to the Speaker—	
Standing Orders	86
Personal Explanations.....	86
Department Of The House Of Representatives—	
Annual Report	87
Australian National Audit Office—	
Report of Independent Auditor	87
Auditor-General's Reports—	
Reports Nos 9 to 14 of 2004-05	87
Documents	87

CONTENTS—*continued*

Matters of Public Importance—	
Howard Government: Election Mandate	88
Governor-General's Speech—	
Address-in-Reply.....	100
Speaker's Panel.....	124
Committees—	
Selection Committee—Membership	124
Registrar of Members' Interests	125
Governor-General's Speech—	
Address-in-Reply.....	125
Committees—	
Selection Committee—Membership	147
Speaker's Panel.....	147
Governor-General's Speech—	
Address-in-Reply.....	147
Adjournment—	
Federal Election: Member for New England.....	151
Ryan Electorate: Roads Implementation Program.....	153
Donnelly, Mrs Marie	154
Callea, Mr Anthony	154
Rural and Regional Australia: Education	155
Lowe Electorate: Kokoda Track Memorial Walkway	156
Drought: Assistance.....	157
Ministerial Reply	158
Notices	159

Wednesday, 17 November 2004

The SPEAKER (Mr David Hawker) took the chair at 9.00 a.m. and read prayers.

MEMBER SWORN

Dr Sharman Nancy Stone made and subscribed the oath of allegiance:

**SUPERANNUATION LEGISLATION
AMENDMENT BILL 2004**

First Reading

Bill presented by **Dr Stone**, by leave, and read a first time.

Second Reading

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (9.02 a.m.)—I begin by congratulating you, Mr Speaker, on your new and honoured position. I move:

That this bill be now read a second time.

This bill proposes amendments to the Superannuation Act 1976 in respect of the Commonwealth Superannuation Scheme (CSS) and the rules for the administration of the Public Sector Superannuation Scheme (PSS).

The purpose of the bill is to make specific provision for the superannuation salary for departmental secretaries and certain Australian government office holders who are members of the CSS or the PSS.

The CSS and the PSS currently allow superannuation salary for some office holders to be determined by the Remuneration Tribunal where the tribunal also determines the remuneration or other terms and conditions of the office holder.

The amendments contained in the bill are designed to allow superannuation salary also to be set in a broader range of remuneration determinations. This includes determinations made by a minister or a presiding officer of the Senate or House of Representatives in

respect of a person who is appointed under one of various acts of parliament or a determination of remuneration made under the Remuneration Tribunal Act 1973.

The bill validates some such determinations of superannuation salary that have been made in the past while also ensuring that no benefit that has been paid or is continuing to be paid will be reduced because of the amendments in the bill.

The bill was originally introduced into the House of Representatives on 11 August 2004 but lapsed when parliament was prorogued for the general election. The bill that is being reintroduced today is essentially the same as the lapsed bill, except that it now extends to all determinations made under the Remuneration Tribunal Act and validates certain determinations of superannuation salary already made under that act. I present the explanatory memorandum to this bill.

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

**HEALTH INSURANCE AMENDMENT
(100% MEDICARE REBATE AND
OTHER MEASURES) BILL 2004**

First Reading

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

Second Reading

Mr ABBOTT (Warringah—Minister for Health and Ageing) (9.05 a.m.)—I move:

That this bill be now read a second time.

This government is committed to protecting and strengthening Medicare and delivering high quality, affordable health care to all Australians.

The measures in the Health Insurance Amendment (100% Medicare Rebate and Other Measures) Bill 2004 will make medical services more affordable in two ways.

Firstly, the Medicare benefit (or Medicare rebate) for general practitioner (GP) services will be increased from 85 per cent to 100 per cent of the Medicare schedule fee. This increase will take effect from 1 January 2005. This means that, for a standard GP surgery consultation, there will be an increase in the Medicare rebate of \$4.60 for each patient visit. Let me stress that all patients will benefit from this measure. There should be more bulk-billing, because bulk-billing doctors will secure higher rebates, and there will be more money in the pockets of patients where doctors do not bulk-bill.

Through this measure, the government is investing more than \$1.7 billion over four years to make GP services more affordable to all Australians.

This measure will be complemented by an increase in the fees paid by the Department of Veterans' Affairs for GP services provided to eligible veterans and war widows. The fees paid to local medical officers will be increased from 100 per cent to 115 per cent of the equivalent Medicare fee plus the Veterans Access Payment. This will maintain the relativities between the Medicare and Department of Veterans' Affairs fee scales.

This measure builds on other recent government initiatives aimed at making GP services more affordable, such as the bulk-billing incentives targeted at Commonwealth concession card holders and children aged under 16.

Secondly, under this bill, eligibility for the extended Medicare safety net at the \$300 threshold will be confirmed for all families that are eligible for family tax benefit part A. The extended Medicare safety net covers 80 per cent of out-of-pocket costs for Medicare services provided outside hospital, once an annual threshold is met.

Due to a drafting error in the original bill, families deferring their family tax benefit

payments might have missed out on safety net eligibility at the lower \$300 threshold. This bill confirms their eligibility.

Australia has one of the best health systems in the world. Australians trust Medicare, and they can trust this government to make a good system even better through measures such as those in this bill.

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

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

**AUSTRALIAN SECURITY
INTELLIGENCE ORGANISATION
AMENDMENT BILL 2004**

First Reading

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

Second Reading

Mr RUDDOCK (Berowra—Attorney-General) (9.09 a.m.)—Mr Speaker, I add my congratulations to those given by the parliamentary secretary who spoke before me. I move:

That this bill be now read a second time.

This bill amends the Australian Security Intelligence Organisation Act 1979.

It is another important step in the government's counter-terrorism efforts.

The safety and security of its population is the most important responsibility of any government.

Our response to the threat of terrorism has been comprehensive and wide ranging, including a national review of hazardous materials by the Council of Australian Governments.

Ammonium nitrate has been given priority because of its history of use by terrorists and its ready availability to the general public.

Of particular interest to Australia is that Jemaah Islamiyah had planned to use ammonium nitrate to bomb the United States and other Western targets in Singapore, including the Australian High Commission.

In June this year COAG agreed on a national approach to ban access to ammonium nitrate for other than licensed users.

The licensing regime will ensure that ammonium nitrate is only accessible to persons who have a demonstrated legitimate need for the product, are not of security concern and will store and handle the product safely and securely.

This scheme balances security considerations with the legitimate needs of industry and farmers.

This is a great example of state and territory governments working in partnership with the Australian government on our national security.

The Queensland government has introduced its licensing regime, and similar regimes will begin to apply in all other states and territories over the coming months.

The licensing regime requires ASIO to furnish security assessments for the states and territories.

With the passage of this legislation, ASIO will be ready to fully perform this role when the requests start coming in from the states and territories.

ASIO is able to furnish security assessments to assist the states and territories in controlling access to the places where ammonium nitrate is stored.

The Australian Security Intelligence Organisation Amendment Bill 2004 expands and clarifies the circumstances in which ASIO can furnish security assessments.

These amendments will better underpin ASIO's ability to furnish assessments in relation to a wider range of activities which may

be carried out in relation to, or which involve, ammonium nitrate, including purchasing, importing, manufacturing, storing, guarding, transporting, supplying, exporting, using, possessing, disposing or handling.

It is important to note that, for the security assessment regime to apply, a person's ability to perform an activity in relation to, or involving, ammonium nitrate must be controlled or limited on security grounds.

The amendments are proactive. They are intended to be sufficiently broad to cover, to the extent that is possible, issues which may arise in the future, such as a person's ability to perform an activity in relation to, or involving, other hazardous materials.

The bill expands and clarifies the circumstances in which ASIO can furnish security assessments to the states and territories, while also looking to the future.

The measures in the bill ensure, as far as is possible, that the security assessment regime will continue to operate flexibly and effectively in our changing security environment.

I invite speedy passage of this bill. The states are anxious to get the regime in place, and this is one of the measures that will ensure they can do that. I hope it will be seen as a non-controversial but appropriate measure. I present the explanatory memorandum.

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

**CLASSIFICATION
(PUBLICATIONS, FILMS
AND COMPUTER GAMES)
AMENDMENT BILL (No. 2)
2004**

First Reading

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

Second Reading

Mr RUDDOCK (Berowra—Attorney-General) (9.14 a.m.)—I move:

That this bill be now read a second time.

The Classification (Publications, Films and Computer Games) Amendment Bill (No. 2) 2004 will make minor technical amendments to the Classification (Publications, Films and Computer Games) Act 1995.

The amendments are designed to remove any doubt as to the validity of classification decisions made by the Classification Board or the Classification Review Board in response to deficient or defective applications for classification by law enforcement agencies, or (in the case of applications for review) applications by persons entitled to make such applications under section 42 of the classification act.

The bill is designed to ensure that prosecutions for child pornography and related offences do not fail for technical reasons related to applications for classification.

While the government is of the view that decisions made by the Classification Board and the Classification Review Board are valid even where there has been a fault in the application process, the bill addresses a potential legal argument that a decision made in response to a defective application is invalid.

The bill is designed to ensure that applications for classification from law enforcement agencies that have not met all the technical requirements of the act will not result in a subsequent classification decision being invalid.

The amendments contained in the bill will apply to classification decisions made before the commencement of these amendments, and are in that sense retrospective in their operation.

However, it is clear that this retrospectivity is appropriate and justified and will not lead to any substantive injustice.

Any errors that may have been made in the application process were purely technical and cast no doubt whatsoever on the correctness of the classification decision, which rested on the examination of the relevant product, not the formalities of the application.

There is no legitimate reason why a person should be able to escape prosecution, conviction and punishment for serious child pornography offences in those circumstances.

The bill also removes any doubt as to the validity of decisions made or any later action taken by the board, the review board or the director in respect of the decisions validated by the bill.

The full rigour of the classification decision making process will remain unchanged.

The government is committed to the elimination of child pornography and this bill will ensure that a person cannot avoid prosecution or conviction based on a technicality.

I present the explanatory memorandum.

Debate (on motion by **Ms Roxon**) adjourned.

SEX DISCRIMINATION AMENDMENT (TEACHING PROFESSION) BILL 2004

First Reading

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

Second Reading

Mr RUDDOCK (Berowra—Attorney-General) (9.17 a.m.)—I move:

That this bill be now read a second time.

The government is committed to achieving the best education outcomes for male and female school students throughout Australia.

The House of Representatives inquiry into the education of boys of June 2003, *Boys: getting it right*, examined the problems particular to the education of boys.

That report noted that boys are not achieving as well as girls across a broad spectrum of measures of educational attainment.

The report identified significant public concern about the decline in the number of male teachers in schools, in particular in primary schools, in Australia, and expressed support for more men in schools.

The figures speak for themselves.

In 2003, only 20.9 per cent of primary teaching staff in Australia were men.

The problem is only getting worse.

In 2003, males constituted 26.5 per cent of the 37,530 domestic students enrolled in initial teaching courses specifically for primary and secondary teaching in Australia.

In 2003, males were only 18.8 per cent of domestic students training to become primary school teachers.

The government's Sex Discrimination Amendment (Teaching Profession) Bill will assist in addressing the problem by amending the Sex Discrimination Act 1984 to provide that a person may offer scholarships for persons of a particular gender in respect of participation in a teaching course.

The section will only apply if the purpose of doing so is to redress a gender imbalance in teaching—that is, an imbalance in the ratio of male to female teachers in schools in Australia, or in a category of schools or in a particular school.

The bill means that educational authorities and others can offer scholarships to encourage male teachers into the profession in a manner consistent with the Sex Discrimination Act 1984.

The bill is drafted in gender neutral language which means that the amendments would allow discrimination in favour of females if a gender imbalance in favour of males were to emerge generally or in a region or sector.

The government's acknowledgment of the importance of both men and women in teaching in our society, and the government's commitment to encouraging men into the profession, will help change people's perceptions about the role of men in the profession in the future.

Students throughout Australia will benefit from having both male and female role models in the teaching profession.

This bill is a vital measure in addressing the existing gender imbalance in the profession.

It complements the government's other major strategies for addressing the particular challenge of increasing education outcomes for boys, including:

- Boys' education is a priority area for the \$159.2 million Australian Government Quality Teacher Program; and
- The provision of \$27 million over six years to 2008 for boys' education, including over \$19 million for the Success for Boys initiative, through which grants will be provided to 1,600 schools to implement projects focusing particularly on opportunities for boys to benefit from positive male role models, around \$8 million already committed for initiatives such as the Boys' Education Lighthouse Schools (BELS) initiative and research into significant areas of education relevant to boys' education.

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

Debate (on motion by **Ms Roxon**) adjourned.

SCHOOLS ASSISTANCE (LEARNING TOGETHER—ACHIEVEMENT THROUGH CHOICE AND OPPORTUNITY) BILL 2004

First Reading

Bill presented by **Dr Nelson**, and read a first time.

Second Reading

Dr NELSON (Bradfield—Minister for Education, Science and Training) (9.22 a.m.)—I move:

That this bill be now read a second time.

This bill renews the government's commitment to school education for the next four years. It provides \$33 billion for schools in 2005-2008. This is an increase of \$9.5 billion over the current quadrennium and represents the largest ever funding commitment to Australian schools.

The bill reflects the government's policy decisions relating to the 2005-2008 funding quadrennium and provides funding to implement key election promises with regard to school capital infrastructure and school term hostels. The bill succeeds the States Grants (Primary and Secondary Education Assistance) Act 2000, which authorised funding and arrangements for the 2001-2004 funding quadrennium.

Over the next four years the Australian government will deliver \$10.8 billion in supplementary funding for state schools—an increase of \$2.9 billion over the current quadrennium. The average government school recurrent cost (AGSRC) method of indexation will also be retained as the basis for determining the increases of Australian government funds to state schools and also to non-government schools.

The socioeconomic status (SES) funding model will be more deeply embedded as the basis for Australian government funding for non-government schools in Australia. From

2005 Catholic systemic schools will become fully integrated into the SES system. This means that every non-government school, regardless of denomination, will attract funding according to the same funding formula. As a consequence of the Catholic schools joining the SES system, they will receive \$368 million in additional funding above and beyond indexation. This will bring their general recurrent funding in 2005-2008 to \$12.8 billion.

Independent schools will receive a total of \$7.8 billion in general recurrent funding. The system of 'funding maintenance' will continue and a funding guarantee mechanism will be introduced to ensure that, when schools' SES scores are updated, no school will have its funding reduced.

This bill also continues the Australian government's commitment to improving literacy and numeracy for all Australian students. Students who are most in need of additional learning assistance will benefit from an estimated \$2.1 billion for a new overarching targeted program, the Literacy, Numeracy and Special Learning Needs program.

The bill also includes \$117 million to assist geographically isolated children, \$245.8 million to assist newly arrived students of non-English-speaking background and \$114.2 million to improve learning outcomes of students learning languages other than English.

The Australian government contributes very significantly to school infrastructure funding for both government and non-government schools. This bill provides \$2.5 billion for school capital over the next four years, including an additional \$1 billion that was committed during the election campaign. Of this additional funding, \$700 million will be provided directly to state schools. Each state school community will

determine its priority projects and apply directly to the Australian government for funding. Examples of projects that will be funded include library resources, computer facilities, airconditioning, heating, outdoor shade structures, playing fields and amenity refurbishments. Projects of this nature are often desperately needed by school communities but never seem to make it onto the priority list of state education bureaucracies. Delivery of the additional \$300 million for non-government schools will be administered through block grant authorities using the arrangements that are currently in place.

This bill also fulfils the election commitment to provide non-government school term hostels across Australia with a grant of \$2,500 per child per year over the next four years. This additional funding will support rural communities by providing an affordable alternative to boarding school or distance education for rural and isolated families.

A key feature of this bill is the strengthening of the performance framework for Australian government funding, which will reinforce the link between the funding provided under Australian government programs and improved outcomes for all Australian students. The requirements contained in the bill will underpin the Australian government's national priorities in schooling, and they include:

- greater national consistency in schooling, requiring implementation by 2010 of a common school starting age and implementing common testing standards in key subject areas
- better reporting to parents by ensuring that school reports are written in plain language and that assessment of the child's achievement is reported against national standards and relative to the child's peer group

- making values a core part of schooling, including requiring schools to fly the Australian flag
- ensuring that information is available to parents about a school's performance
- greater autonomy to school principals
- creating safer schools by the implementation of the National Safe Schools Framework in all schools
- a common commitment to physical activity.

This bill represents a major investment in the future of Australian society. We remain committed to quality schooling for all Australian students regardless of the school that they attend, and the government will continue to provide record funding to all Australian schools and schoolchildren. The additional funding for school infrastructure will have a significant impact on the quality of our school buildings and amenities. Our national priorities will deliver higher standards and values for Australian schools and ensure greater consistency across the nation.

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

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

STATES GRANTS (PRIMARY AND SECONDARY EDUCATION ASSISTANCE) LEGISLATION AMENDMENT BILL 2004

First Reading

Bill presented by **Dr Nelson**, and read a first time.

Second Reading

Dr NELSON (Bradfield—Minister for Education, Science and Training) (9.29 a.m.)—I move:

That this bill be now read a second time.

The purpose of the bill is to amend the States Grants (Primary and Secondary Education Assistance) Act 2000, to provide funding for the Tutorial Credit Initiative and to correct a technical defect in the act.

Tutorial Credit Initiative Funding

Earlier in the year I announced the Tutorial Credit Initiative, which will provide vouchers to parents. The trial of this initiative will provide up to \$700 to parents for individual tutorial assistance for children who have not attained the minimum reading skills as measured by the Year 3 national reading benchmark in 2003. The trial was initially planned to be conducted only in the four states and territories that actually did report to parents their children's performance against the national benchmarks. Since the announcement of the initiative, however, other states have begun reporting—following pressure from this government, I might add—to parents their children's performance against national benchmarks. These states will now also be included in the trial.

In order to expand the number of states included in this trial initiative, additional funding is required under the National Literacy and Numeracy Strategies and Projects program for 2004 and this bill provides for that funding.

This bill will also correct a technical defect in the act.

The act gave effect to the new socioeconomic status (SES) based funding arrangements for non-government schools for 2001-2004. Under the SES model, general recurrent funding is distributed according to need and schools servicing the neediest communities receive the greatest financial support.

Under the act, schools with an SES funding level received increased funding phased in at the rate of 25 per cent of the increase each year. The intention of the original legislation, as passed by this parliament in De-

ember 2000, was to fully fund schools at their new funding level by 2004.

There is, however, a technical defect in the SES funding phasing-in arrangements as set out in the act. This means that over 700 non-government schools, including schools which enrol some of the most disadvantaged young people in this country, cannot receive their correct entitlements under the General Recurrent Grants program in 2004.

The proposed amendment in this bill will enable the current act to fulfil its original intent, so that schools receive their correct funding entitlement for 2004.

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

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

INDIGENOUS EDUCATION (TARGETED ASSISTANCE) AMENDMENT BILL 2004

First Reading

Bill presented by **Dr Nelson**, and read a first time.

Second Reading

Dr NELSON (Bradfield—Minister for Education, Science and Training) (9.32 a.m.)—I move:

That this bill be now read a second time.

This bill was introduced in the last parliament but lapsed when parliament was prorogued for the elections. The bill amends the Indigenous Education (Targeted Assistance) Act 2000 to maintain and enhance the Australian government's effort in improving education outcomes for Indigenous Australians over the 2005-08 funding quadrennium. It also implements key election promises.

The bill will enable agreements to be made with education providers over the 2005-08 program years for the making of payments to advance the objects of the act. It

will provide funding appropriations to support payments under the Indigenous Education Strategic Initiatives Program (IESIP) and, importantly, for the first time, will also provide the funding appropriations to support payments under the Indigenous Education Direct Assistance Program (IEDA). Funding appropriations for IEDA are currently via Appropriation Bill No. 1.

The IEDA program has been significantly reshaped for the 2005-08 quadrennium following a review of the program in 2003. The reshaped program will consist of two elements: better targeted tuition assistance for Indigenous students through the Indigenous Tutorial Assistance Scheme; and the introduction of a Whole of School Intervention Strategy.

Payments of per capita supplementary recurrent assistance to education and training providers will continue under IESIP with only minor modifications. There will also be funding available under IESIP to support existing and new national initiatives and significant projects, with an emphasis on Indigenous students in remote areas.

The bill also appropriates funding for two new initiatives committed to during the election campaign: \$10 million over four years is provided for the Indigenous Youth Leadership Program, which will provide 250 boarding school and university scholarships and structured study tours for Indigenous students from remote areas. The program will be supported by an Indigenous Elders Advisory Group.

Additionally, \$19.5 million is provided for a new Indigenous Youth Mobility Program. The program will assist young Indigenous people who, with the support of their communities, choose to relocate to capital cities or major provincial centres to take up employment and training opportunities targeting apprenticeships and other occupations such

as nursing, accountancy, business management and teaching.

Through this bill the government is significantly strengthening the financial and educational accountability arrangements under the act. In particular the bill provides that, to be eligible to receive funding, parties to agreements must make a commitment to the objects of the act and a commitment to achieve the performance targets that are specified in the agreements. If, on the evidence of performance reports submitted, a funding recipient is underperforming, there will be capacity for the Australian government to direct the party to take specified action, and to report on the action taken. In plain language, that means getting kids to school.

The bill also includes a requirement that agreements must include a condition that the other party report on how it has advanced, and intends to advance, the objects of the act from mainstream funding. These measures reflect the Australian government's commitment to accelerate progress in improving Indigenous education and training outcomes. They represent a significant step to improve mainstream service provision for Indigenous students, and to better focus Indigenous-specific resources to the most disadvantaged Indigenous students. I commend the bill to the House and present the explanatory memorandum.

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

HIGHER EDUCATION LEGISLATION AMENDMENT BILL (No. 3) 2004

First Reading

Bill presented by **Dr Nelson**, and read a first time.

Second Reading

Dr NELSON (Bradfield—Minister for Education, Science and Training) (9.36 a.m.)—I move:

That this bill be now read a second time.

Mr Speaker, I am pleased to be able to announce to honourable members the final set of higher education legislation amendments for 2004.

This bill makes two important funding adjustments. It will amend the maximum funding amounts under the Commonwealth Grant Scheme for 2005 and 2006 to continue to provide places for Commonwealth supported students in the area of radiation oncology at the University of Newcastle and the Royal Melbourne Institute of Technology. This funding was previously made available by the Department of Health and Ageing and will now be provided by my portfolio.

The bill also updates the annual appropriation under the Australian Research Council Act 2001, to reflect revised forward estimates.

As part of the implementation and consultation process for the new higher education reforms this bill is a final opportunity to make some technical enhancements to the primary legislation and respond appropriately to issues raised by the sector before the end of 2004.

As part of the Australian government's ongoing consultation with the higher education sector, this bill will allow higher education providers to continue to operate their summer schools as they do now. This is an important measure which allows students to fast-track their course or make up for a failed unit of study.

The bill also makes amendments to the Higher Education Support Act 2003 to enhance the implementation of some of the higher education reforms. A number of these

amendments are of particular benefit to students.

The bill will extend access to assistance under the OS-HELP—overseas HELP—scheme. OS-HELP is an important new program that will offer students loans of up to \$5,000 per six month study period to finance overseas study. The bill will extend eligibility for this program to include study undertaken by students at an overseas campus of an Australian higher education provider. This will assist students to undertake overseas study while also maintaining the continuity of their studies at their chosen institution. The bill will also extend access to the program to eligible Commonwealth supported students at all Australian higher education providers.

The bill will also allow students more time to submit their requests for Commonwealth assistance by providing that such requests are not required until the census date.

Full details of the measures in the bill are contained in the explanatory memorandum circulated to honourable members.

I commend the bill to the House and present a signed copy of the explanatory memorandum.

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

VOCATIONAL EDUCATION AND TRAINING FUNDING AMENDMENT BILL 2004

First Reading

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

Second Reading

Mr HARDGRAVE (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (9.39 a.m.)—I move:

That this bill be now read a second time.

Mr Speaker, I am delighted to be here today to present this bill, but first I offer my personal congratulations to you on your successful election. I know that you were reluctant to take the position, but nevertheless we are pleased that you are there and wish you very well in your stewardship as Speaker of the House of Representatives in the 41st parliament.

The Vocational Education and Training Funding Amendment Bill 2004 would appropriate a total of \$1.15 billion as the Australian government's contribution to the states and territories for vocational education and training in 2005.

Vocational education and training underpins the competitiveness of our industries in an increasingly global market and it is vital to ensure Australia's continued economic growth.

The Howard government's commitment to vocational education and training is illustrated by the significant funding provided through this bill and the new initiatives announced this year, particularly addressing skills shortages.

In 2004-05 this government will spend a total of \$2.1 billion on vocational education and training, of which more than \$725 million will go to supporting New Apprenticeships through programs including New Apprenticeships Incentives.

We have also announced new measures in our election commitments to a total value of \$1.06 billion over four years. This is one of the most significant boosts to vocational education and training ever undertaken by any government.

The government's integrated and comprehensive suite of policies will ensure that the value of the trades is enhanced as a career path. We will:

- establish 24 Australian Technical Colleges in regions suffering serious skill shortages and high rates of youth unemployment. These will provide expanded opportunities for students wanting a career in the trades;
- set up an Australian Network of Industry Careers Advisers to provide better advice on career opportunities;
- provide greater financial assistance for New Apprentices through the Commonwealth Trade Learning Scholarship, tool kits and Residential Support for New Apprentices; and
- develop new industry initiatives to build our skills base for the future.

The members for Greenway, Kingston and Hasluck are here, and I know they understand these issues very well. I am delighted that they are witnessing this particular bill being introduced.

The Prime Minister's appointment of me as Minister for Vocational and Technical Education to oversee the implementation of these policies demonstrates the high priority that his government places on meeting the skills needs of industry.

The Australian government's strong economic management over the past nine years and the resulting record levels of employment have resulted in an increased demand by industry for skilled workers.

We are working directly and deliberately with industry on tailoring strategies to address areas of skills shortages, particularly in traditional trades, and emerging skills needs. In April 2004, the government launched its National Skills Shortages Strategy, committing up to \$4 million for this financial year. In addition, the government provides more than \$510 million in incentives each year to employers opening up opportunities for

training-related employment through New Apprenticeships.

Too often a message is sent to young Australians and others in the work force that a career in a trade is not as valued as a university qualification. The Australian government rejects this view, and I know that Minister Nelson has been very strong in his advocacy of this point. Since 1996, this government has invigorated vocational education and training—with record numbers in training, record numbers in New Apprenticeships and significant progress made towards developing a high quality, truly national system.

The latest figures show that in 2003 there were more than 1.7 million students in VET. This represents more than 12 per cent of Australia's working age population.

We are also seeing record numbers of people completing New Apprenticeships. There were 132,400 completions in the 12 months to March 2004, up 12 per cent from the previous year. Today New Apprenticeships are available in more than 500 occupations, including emerging industries such as aeroskills, electrotechnology, information technology and telecommunications.

Australians of all ages are benefiting from the government's successful vocational education and training policies. Last year, more than 200,000 senior secondary students enrolled in a VET course, reflecting the outstanding success of VET-in-schools programs, which are now available in more than 95 per cent of Australia's secondary schools.

At the same time, older people are very well represented in vocational education and training. In 2003, 30 per cent of all vocational education and training students were 40 years of age or older.

The Prime Minister has announced that from July 2005 the responsibilities of the Australian National Training Authority (ANTA) will be taken into the Department of

Education, Science and Training. ANTA was established in 1992 to coordinate all levels of government in establishing a truly national vocational education and training regime. Today this national system, with industry leadership, is in place.

After 12 years of successful national work, we want to ensure a smooth transition of arrangements that builds on the work of ANTA and the collaboration of Australian state and territory governments with the Commonwealth and with industry and training providers.

The government will establish also a Ministerial Council on Vocational Education to ensure the continued harmonisation of a national system of standards, assessment and accreditation, with its goals to be recognised through a Commonwealth-state funding agreement.

While administrative arrangements will change from July 2005, as ANTA functions are moved to my department, this bill will provide the Commonwealth funding required to support Australia's world-class vocational education and training system throughout the 2005 calendar year.

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

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

**AGRICULTURE, FISHERIES AND
FORESTRY LEGISLATION
AMENDMENT BILL (No. 2) 2004**

First Reading

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

Second Reading

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

That this bill be now read a second time.

Mr Speaker, may I begin by congratulating you on your election to the office of Speaker. I make the observation that I think you are the third Speaker in a row to come from a rural background and therefore, in dealing with matters with great fairness and justice, I hope you will give a little extra fairness to the rural sector. I know that you will continue to take a keen interest in issues affecting regional Australia. Indeed, this particular bill is one that I know you have had a personal interest in and you have been forthright in leading the campaign to ensure that we have an effective livestock export industry in Australia. My compliments to you on your new office; I know that you will fulfil its responsibilities with great distinction.

This particular piece of legislation is the Agriculture, Fisheries and Forestry Legislation Amendment Bill (No. 2) 2004. In October 2003 the government commissioned a broad-ranging review of Australia's livestock export industry, with particular reference to the circumstances surrounding the *MV Cormo Express* incident. The Keniry Review recommended that industry should be responsible for research and development and management of quality assurance systems to support its members achieve best practice outcomes and that these activities should be funded by a compulsory customs charge.

The government concurs with this view and believes that the livestock export industry should also receive funding raised under the new statutory arrangements to help maintain its capability and continued viability.

The government supports the livestock export industry submission that channelling the funds directly to its service delivery body would enable the industry to carry out marketing and R&D activities and improvements to animal welfare practices in a clearly accountable and transparent manner.

However, the Australian Meat and Livestock Industry Act 1997 currently limits the red meat industry to a single industry marketing body and a single industry research body as the recipient of levy or charge funds. Meat and Livestock Australia Ltd is currently that body. This arrangement does not allow disbursement of compulsory levies or charges to any other body.

The bill amends the Act to allow the Minister to determine more than one red meat industry organisation to be a marketing body and a research body and to receive revenue derived from compulsory levies and charges. This will allow for a livestock export marketing body and a livestock export research body.

The intention of the act, whereby Meat and Livestock Australia Ltd (MLA) is the industry research body and the industry marketing body for the whole of the red meat industry, remains.

The government will continue its dollar-for-dollar matching of payments to the industry research body—that is, to MLA—in respect of industry research expenditure. As was envisaged by the government under the restructuring arrangements introduced in 1998, this will preserve the incentive for the provision of research services to be provided by the industry research body, while allowing for the live export industry sector to have ownership and control over its own R&D funds.

The bill was first introduced to parliament last June and was referred to the Senate Rural and Regional Affairs and Transport Legislation Committee in August. The committee recommended that the bill be amended to tighten the accountability arrangements for the livestock export industry.

As recommended by the committee, the bill now includes a statutory requirement for the minister to table in parliament the live-

stock export service company's annual report, the funding agreement between the Commonwealth and the company and an annual statement of the company's compliance with the funding agreement.

The bill also includes amendments relating to the definition of 'meat', 'live-stock' and 'edible offal' to avoid the unintended regulation of meat and edible offal as a result of the broader range of live-stock species being regulated following the Keniry review into livestock exports.

The bill does not change the act's broader intentions of viewing the red meat industry as one industry while providing for autonomy and self-determination for the sectors within and for revenue disbursement arrangements.

Rather it responds to the specific needs of the livestock export industry and the criticisms and concerns about the continued viability of the industry.

The bill is aligned with other sets of amendments to the Australian Meat and Live-stock Industry Act 1997 and the Export Control Act 1982 which relate to licensing issues that will introduce tighter regulation across all aspects of the livestock export trade.

Together these amendments represent an important step in the government's reform of the livestock export industry. They are part of a range of initiatives aimed at overcoming current deficiencies and facilitating improvements in the livestock export system and animal welfare practices. I commend the bill to the House and present the explanatory memorandum.

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

**TEXTILE, CLOTHING AND
FOOTWEAR STRATEGIC
INVESTMENT PROGRAM
AMENDMENT (POST-2005 SCHEME)
BILL 2004**

First Reading

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

Second Reading

Mr IAN MACFARLANE (Groom—Minister for Industry, Tourism and Resources) (9.53 a.m.)—I move:

That this bill be now read a second time.

Mr Speaker, I join with Minister Truss in congratulating you on your appointment. As is he, I am a person from regional and rural Australia and I draw on his hopes and aspirations in terms of your leniency towards those issues! But it does give me a great deal of satisfaction to see you assume the position of Speaker and give regional Australia a certain sense of pride in that we continue to supply the Speakers of this House.

The purpose of the Textile, Clothing and Footwear Strategic Investment Program Amendment (Post-2005 Scheme) Bill 2004 is to extend the Textile, Clothing and Footwear (TCF) Strategic Investment Program (SIP) for another 10 years and to establish the TCF Small Business Program.

The Strategic Investment Program is the centrepiece of the government's strategy for the TCF industry for the next decade. As announced on 27 November 2003, the government proposes generous long-term assistance for the industry worth \$747 million. The government's package includes:

- \$575 million for extending TCF SIP;
- \$25 million for a 10-year TCF small business program;
- \$50 million over 10 years for a product diversification scheme;

- \$20 million for a supply chain efficiency program from 2010 to 2015;
- \$27 million for extending the Expanded Overseas Assembly Provisions Scheme for a further five years; and
- \$50 million for a 10-year structural adjustment program to both assist displaced workers and encourage industry restructuring.

By setting policy in place for a decade, the government is providing the industry with long-term certainty so as to encourage investment and innovation.

The gradual reduction of TCF tariffs is integral to this assistance package. As tariffs impose substantial costs on Australian families—and it is worth noting that that cost is around \$250 million per annum or about \$150 per annum per household—and are ineffective as protection for local industry, the government will lower tariffs in two steps over the next 10 years. Two five-year tariff pauses are contained in the Customs Tariff Amendment (Textile, Clothing and Footwear Post-2005 Arrangements) Bill 2004.

The government's policy was developed after a lengthy period of consultation with the industry. This consultation confirmed the government's view that support must be focused on activities that will make a lasting difference. Investment in new plant and equipment, and in innovation, must be a priority. It also became clear that assistance should be weighted towards those parts of the sector facing the greatest adjustment, in particular clothing and finished textile firms.

The package is supported by peak bodies—and I met with some of those yesterday—such as the Council of Textiles and Fashion Industries Australia and the Carpet Institute of Australia, and leading companies.

The Strategic Investment Program will be broadened and simplified. The current five grants will be reduced to two. New activities, such as brand support and non-production information technology, will also be supported. With these changes, more firms can be expected to use SIP. SIP already supports most of the industry—firms receiving SIP account for 75 per cent of the industry value-add and 63 per cent of jobs.

The subsidies offered in the new program—80 per cent for innovation and 40 per cent for capital investment—are the most generous available to any industry. For the first five years, funding for SIP will be worth about \$100 million per annum. To direct support to firms facing the greatest adjustment, firms producing leather and technical textiles will only be eligible for grants for capital investment. In the main, these firms have not been affected by tariff reductions since the mid-1990s. For the same reason, funding after 2010 will be limited to firms manufacturing clothing and certain finished textile products—that is, those firms still to face tariff adjustment. One hundred million dollars will be available to this section of the industry after 2010.

For small TCF firms which may not meet the \$200,000 threshold for SIP claims, a new \$25 million TCF Small Business Program will be available.

The government will also introduce a product diversification scheme. Fifty million dollars in duty credits will be available over 10 years as an incentive for firms to increase their local production as well as diversify their product range. Introducing this scheme will require amendment to the Customs Tariff Act 1995 through the creation of a new schedule 4 tariff item—this amendment is part of the Customs Tariff Amendment (Textile, Clothing and Footwear Post-2005 Arrangements) Bill 2004.

The government has already extended for five years the Expanded Overseas Assembly Provisions Scheme, at an estimated cost of \$27 million in revenue forgone.

As clothing and certain finished textile manufacturers will face a tariff reduction in 2015, the government will further assist this sector through a \$20 million supply chain program. After 2010, competitive grants will be available to support major capital investments to strengthen the local supply chain for these TCF sectors. The program will be open to manufacturers of clothing and certain finished textiles, and their related textile suppliers, who would otherwise not be in receipt of benefits under the post-2005 SIP.

In all, by the time the government's plan expires in 2015, the sector will have received about \$1.4 billion in direct assistance and about \$13 billion indirectly through tariff protection.

It is essential to recognise that TCF tariffs cost the community up to \$1 billion per annum, disproportionately affecting low-income households. The 2.1 million Australians living in households earning less than \$301 per week spend twice as much of their income on clothing as other families.

For its part, the industry is clear that firms benefit far more from direct financial support for innovation and investment than through tariffs. For this reason, the government believes that TCF tariffs should be reduced to the general manufacturing rate. Consistent with the government's 1998 decision, tariff reductions will be staggered to allow industry time to adjust. The government's policy is that all TCF tariffs should be at five per cent by 1 January 2015. TCF tariffs will be paused at their 2005 rates for five years, and then the majority of TCF tariffs will be reduced to five per cent on 1 January 2010. The exceptions to this rule will be clothing and certain finished textile articles, which

will be reduced to 10 per cent on 1 January 2010 and held at this level for five years and then reduced to five per cent on 1 January 2015.

To help firms, workers and communities affected by restructuring in the industry, the government will establish a \$50 million structural adjustment program. The program will have three objectives: firstly, assisting TCF employees who have been retrenched to secure alternative employment by providing streamlined access and additional assistance under Job Network programs; secondly, assisting TCF firms to consolidate into more viable entities; and, thirdly, to assist communities to adjust, especially in TCF-dependent communities. The value of the package is commensurate with the anticipated employment impacts.

This government has taken a very balanced approach in developing its policy. The policy assists firms to become more competitive by providing long-term policy certainty and by incentives to invest, innovate and diversify their product range. It also reduces tariffs in a measured way via a series of tariff pauses which the industry can absorb. It will reduce the price of TCF goods to Australians over the long term, and it provides assistance to those who might be affected by the restructuring.

The government's TCF plan is backed by ample funding. By any benchmark, \$747 million is a significant amount of taxpayers' money. With the sole exception of the much larger automotive industry, the TCF sector receives far more assistance than any other part of the manufacturing sector and this support will continue for over a decade.

I present the explanatory memorandum to the bill.

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

Mr Stephen Smith—Mr Speaker, I take this opportunity to congratulate you on your appointment.

**CUSTOMS TARIFF AMENDMENT
(TEXTILE, CLOTHING AND
FOOTWEAR POST-2005
ARRANGEMENTS) BILL 2004**

First Reading

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

Second Reading

Mr IAN MACFARLANE (Groom—Minister for Industry, Tourism and Resources) (10.04 a.m.)—I move:

That this bill be now read a second time.

The Customs Tariff Amendment (Textile, Clothing and Footwear Post-2005 Arrangements) Bill 2004 contains amendments to the Customs Tariff Act 1995.

Those amendments are complementary to the amendments contained in the Textile, Clothing and Footwear Strategic Investment Program Amendment (Post-2005 Scheme) Bill 2004. Together, these bills extend the provisions of the Textile, Clothing and Footwear Strategic Investment Program for another 10 years.

The Customs Tariff Amendment (Textile, Clothing and Footwear Post-2005 Arrangements) Bill 2004 will reduce customs duty rates applicable to clothing and certain finished textiles to 10 per cent from 1 January 2010 and to five per cent from 1 January 2015. The bill also reduces customs duty rates applicable to other textile, clothing and footwear goods to five per cent from 1 January 2010.

The enactment of the post-2005 duty rates at this time provides transparency and certainty for textile, clothing and footwear manufacturers, enabling sufficient time for planning prior to the reductions in 2010 and 2015.

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

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

**CUSTOMS AMENDMENT (THAILAND-
AUSTRALIA FREE TRADE
AGREEMENT IMPLEMENTATION)
BILL 2004**

First Reading

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

Second Reading

Mr BILLSON (Dunkley—Parliamentary Secretary for Foreign Affairs and Trade) (10.07 a.m.)—I move:

That this bill be now read a second time.

I am pleased to re-introduce the implementing legislation for the Customs Amendment (Thailand-Australia Free Trade Agreement Implementation) Bill 2004 (TAFTA).

Honourable members would recall that Mr Vaile first tabled the two TAFTA implementing bills in this House on 11 August.

The bills were not, however, considered before the dissolution of parliament for the federal election.

TAFTA was signed by Mr Vaile and his Thai counterpart, Commerce Minister Watanana, in Canberra on 5 July, during the historic visit to Australia by Prime Minister Thaksin and nine of his cabinet ministers.

That visit underlined the high priority both governments attach to the agreement and to the bilateral relationship more broadly.

Thailand is an important regional partner of Australia, with whom we have built close and mutually beneficial cooperation in a broad range of areas, including law enforcement, counter-terrorism, education, defence, migration and tourism.

The government is proud of the TAFTA outcome.

We are convinced the agreement will make a substantial contribution to Australian business, to Australian jobs and to our engagement with countries in our region.

This government has a track record of opening up new opportunities for Australian exporters and investors in the region and remains committed to exploring trade liberalisation opportunities in the region, where they offer the prospect of significant gains ahead of what would be achievable through the WTO process.

TAFTA is a major market opening agreement.

It will lead to the complete elimination of Thailand's significant tariff barriers across all sectors and will link Australia to the second largest and one of the fastest growing economies in South-East Asia.

It will also liberalise the environment for services trade and investment, improve the regulatory environment in Thailand and promote increased business mobility.

On entry into force, more than half of Thailand's 5,000 tariffs—accounting for nearly 80 per cent of Australian exports—will be eliminated.

Over \$700 million of current Australian exports to Thailand will benefit immediately from tariff cuts.

In the first year alone, it is estimated that Australian exporters could save over \$100 million in Thai customs duties.

Moreover, tariffs not immediately eliminated will be phased down and 95 per cent of all current trade between Australia and Thailand will be completely free by 2010.

Longer phase-out periods and special quota arrangements will apply to a small number of sensitive agricultural goods.

Importantly, the tariff preferences contained in the agreement are available only to Australian exporters and therefore give them

an enormous advantage over their competitors in the Thai market.

The Department of Foreign Affairs and Trade has received positive feedback about TAFTA, including from small to medium enterprises. Many have indicated that the proposed tariff reductions will enable them to export to Thailand for the first time.

I would like to take this opportunity to reiterate some of the significant market access outcomes delivered by TAFTA.

- On industrial tariffs, Thailand will eliminate immediately its 80 per cent tariff on large passenger motor vehicles and will reduce its 80 per cent tariff on other passenger motor vehicles to 30 per cent, phasing to zero in 2010.
- Tariffs on all automotive parts, components and accessories, currently up to 42 per cent, will be reduced immediately to a ceiling of 20 per cent and then phased to zero in 2010.
- Tariffs on machinery and equipment, currently up to 30 per cent, will either be eliminated immediately or phased to zero by 2010.
- Thailand will eliminate immediately the current tariffs on wheat (equivalent of 12-20 per cent), barley, rye, and oats (up to 25 per cent), and the tariff and tariff rate quota on rice.
- On beef, Thailand will immediately reduce the tariff to 40 per cent, down from 51 per cent, and for beef offal to 30 per cent, down from 33 per cent. These rates will be phased to zero in 2020.
- On dairy, Thailand will immediately eliminate the current tariffs on infant formula, lactose, casein and milk albumin and phase the tariffs on butter fat, milk food, yoghurt, dairy spreads and ice cream to zero in 2010.

Thailand will provide immediate additional quota for Australian sugar, skim milk powder, liquid milk and cream.

These gains mean more Australian exports and more Australian jobs.

In the long term, the gains from TAFTA promise to yield even larger benefits to the Australian economy.

The Centre for International Economics estimates TAFTA will boost the Australian economy by over \$US2.4 billion over the first twenty years of its operation.

TAFTA has other important benefits for Australia.

To date, Thai tariffs are structured around a series of high tariff peaks, some as high as 200 per cent, which has forced Australia to export at the low value added end of the production chain.

The removal of these tariff peaks will open new opportunities for Australia to export more simply and elaborately transformed manufactures and to move up the production chain.

Liberalising free trade agreements such as TAFTA will always involve adjustment for some affected industries, although we have deliberately built in generous phasing arrangements.

In developing these phasing arrangements, the government conducted extensive consultations with a range of Australian companies and peak industry groups.

The government has also worked hard to ensure TAFTA protects sensitive Australian industries.

For example, the agreement provides two categories of safeguard action:

- transitional safeguards, which are available to all goods for the tariff phase down period, are subject to the demonstration of a threat of injury or actual in-

jury caused to local industry by a surge in imports;

- and so-called special safeguards, which are volume triggered and will apply to certain Australian agricultural and fisheries products until 31 December 2008.

Importantly, TAFTA contains enforcement and compliance provisions to address concerns in relation to possible transshipment of goods, including product specific rules of origin, using a similar model to that used for the AUSFTA.

TAFTA will also bring significant improvements in business mobility and access for Australian services exporters and investors in the Thai market.

Thailand has also agreed to relax a number of its restrictive conditions relating to visas and work permits and will guarantee non-discriminatory treatment of Australian investments in Thailand.

It was a major achievement in the negotiations to secure Thai agreement to lift its minority foreign equity limits in a number of sectors, notably in mining; construction; convention and exhibition services; science and technology education; and large hotel and resort, recreational, distribution, consultancy, maritime, restaurant and hospitality services.

Significantly, there is nothing in the text of the agreement that will compromise the integrity and science-based nature of Australia's sanitary and phytosanitary regime.

I would like to draw honourable members' attention to the monitoring and review mechanisms that have been built into the agreement.

They are designed to provide opportunities to revisit and review various parts of the agreement in the light of experience and as circumstances change.

The review mechanisms reflect the intention of both countries that the agreement should not be static and that modifications should be considered where they would be consistent with the goal of boosting trade and investment linkages.

Since signature of the agreement in July, considerable work has been under way in Australia and Thailand to finalise domestic implementation processes in advance of the 1 January 2005 agreed target date for TAFTA's entry into force.

To achieve that target, TAFTA related legislative action and associated regulations need to be finalised by 30 November.

Apart from the important bilateral achievements that I have outlined, Thai authorities confirm that they will meet the 30 November deadline and expect Australia to do likewise.

TAFTA is a significant plus in terms of Australia's broader trade policy goals.

It sets a benchmark for future trade liberalisation in the region by being comprehensive in scope, producing substantial cuts in tariffs, liberalising services and investment, and improving business mobility.

Moreover, TAFTA includes steps to promote transparency and international best practice in a wide range of areas such as quarantine procedures, intellectual property rights, competition policy, e-commerce, government procurement and industrial standards.

TAFTA Implementing Legislation

In order to implement TAFTA, two pieces of legislation require amendment—the Customs Act 1901 and the Customs Tariff Act 1995.

The Customs Amendment (Thailand-Australia Free Trade Agreement Implementation) Bill 2004 contains amendments to the Customs Act 1901.

These amendments will give effect to Australia's obligations under chapter 4 of TAFTA, which incorporates the rules for determining whether goods originate in Thailand and are therefore eligible for preferential duty rates.

This bill will be complemented by the Customs Tariff Amendment (Thailand-Australia Free Trade Agreement Implementation) Bill 2004.

The bill I re-introduce today presents the parliament with an opportunity to endorse an ambitious free trade agreement with a major regional partner, to strengthen Australia's important economic linkages with South-East Asia, to set a benchmark for regional trade liberalisation, and to promote Australian exports and jobs.

I urge early passage of the bill to allow Australia to meet the 1 January 2005 target date for entry into force of TAFTA and so Australian business can start reaping the significant commercial benefits the agreement will deliver.

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

Debate (on motion by **Mr Gavan O'Connor**) adjourned.

CUSTOMS TARIFF AMENDMENT (THAILAND-AUSTRALIA FREE TRADE AGREEMENT IMPLEMENTATION) BILL 2004

First Reading

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

Second Reading

Mr BILLSON (Dunkley—Parliamentary Secretary for Foreign Affairs and Trade) (10.15 a.m.)—I move:

That this bill be now read a second time.

I am pleased to introduce the second piece of TAFTA legislation.

The Customs Tariff Amendment (Thailand-Australia Free Trade Agreement Implementation) Bill 2004 contains amendments to the Customs Tariff Act 1995 to implement part of TAFTA by:

- providing duty-free access for certain goods and preferential rates of customs duty for other goods that are Thailand originating goods;
- phasing the preferential rates of customs duty for certain goods to zero by 2015;
- creating a new schedule 6 to the tariff to accommodate those phasing rates of duty; and
- allowing the imposition of special safeguard action on sensitive products including canned tuna, processed pineapple and pineapple juice for the period from entry into force of the agreement until 31 December 2008.

This bill will complement the amendments contained in the Customs Amendment (Thailand-Australia Free Trade Agreement Implementation) Bill 2004. I commend this bill to the House and present the explanatory memorandum.

Debate (on motion by **Mr Gavan O'Connor**) adjourned.

GOVERNOR-GENERAL'S SPEECH

Address-in-Reply

Mrs Louise Markus, for the committee appointed to prepare an address-in-reply to the speech of His Excellency the Governor-General, presented the proposed address, which was read by the Clerk.

The SPEAKER—Order! Before I call Mrs Markus, I remind honourable members that this is her first speech. I therefore ask that the usual courtesies be extended to her.

Mrs MARKUS (Greenway) (10.19 a.m.)—Mr Speaker, I move:

That the address be agreed to.

I am honoured to be able to move the motion for the address-in-reply to the Governor-General's speech on behalf of the parliament and the government. Mr Speaker, as I begin my first speech in parliament, I warmly congratulate you on your election to the important position of Speaker in this House and ask that God give you the wisdom and strength that it will require.

I am deeply humbled and honoured to have been chosen by the people of Greenway to be their representative in this place. It was an exacting campaign and a close result, and I give my absolute commitment to continue to work, with passion and zeal, just as diligently for those who did not vote for me on this occasion as for those who did.

The electorate of Greenway was named to honour the famed Australian architect Francis Greenway. It was represented from its creation in 1984 by Russ Gorman and since 1996 by my predecessor, Frank Mossfield. Frank is a genuine and decent man who was well-liked by the community. People had only kind words to say about Frank, and I wish him well in his retirement. Greenway is an amazingly diverse electorate. Many residents, particularly in the long-established urban areas like Blacktown, Seven Hills, Lalor Park, Toongabbie and Marayong, have lived there all their lives. They know, love and deeply respect the many traditions and networks that have been forged throughout their community over decades. In the north of the electorate some of the area remains semi-rural, and residents of Schofields, Marsden Park and Vineyard are fiercely proud of their land and their livelihood. My home suburb of Riverstone is still called the 'first country town out of Sydney' by a number of older residents.

The electorate has seen an explosion in population and development as literally thousands of people, many of them young

families, have moved into suburbs like Quakers Hill, Glenwood, Stanhope Gardens and Kellyville Ridge. With this explosion come massive challenges to provide the service delivery and infrastructure which are critically needed in the area. Added to all of this are the many varied and wonderful ethnic communities which are such a vital part of Greenway. For example, there are over 40 nationalities represented in the suburb of Dean Park alone. More than 30 per cent of the people living in my electorate were born overseas, and without their valuable achievements and perspectives Greenway would be greatly diminished. I am truly blessed to be able to count many of these people as my friends and supporters, particularly in the Filipino, Sikh, Maltese, Sudanese, Greek, Turkish and Egyptian communities.

The people of Greenway are industrious and focused. They know that the expansion of our area provides great challenges, but through diligence and determination they will rise to meet those challenges. Recently, in the suburb of Kings Langley, state government regulations forced a child-care centre to drastically cut the numbers of places it could offer school aged students. This would have left many students of Vardys Road Public School without before and after school care less than a month later. So the principal of the school, Bob Hahn, and the president of the P&C, Peggy Tairorol, decided to take the issue into their own hands and set up an out of school hours care centre at the school. What would take many schools months to do, they achieved in a few short weeks. A new centre was established, staffed and funded without a break in the children's care. This sums up the people of Greenway—resourceful, diligent and committed.

Many commentators have described the people in the area I represent as 'aspirational' and I agree, but not perhaps in the way they

intended. The residents and families in Greenway aspire to make their own way—to be able to own their own homes, to run their businesses, to educate their children, to be safe in their communities, to be able to get home at a reasonable hour to spend time with their families and to enjoy the quality of life they have worked so hard to achieve. I am resolved to helping them accomplish just that. But hand in hand with the aspirations necessarily come challenges, and in Greenway there are many challenges which require immediate attention. In areas like Riverstone and Lalor Park there are substantial concerns about crime and community safety. New ideas and strategies need to be implemented to combat these concerns. Tim Priest, the Chair of the Western Sydney advisory group of the National Community Crime Prevention Program, has already visited Greenway. I am committed to connecting with him and all members of the community in the quest to minimise crime in the area.

There are also challenges for the emerging ethnic communities who have sought refuge from war torn nations here in Australia. Many members of these communities have been deeply traumatised by their experiences. Services and facilities need to be provided to ease their transition into our society. Another great challenge is for young people in Greenway to find a pathway to employment. For many youths, particularly those with limited familiarity with English, this can be an almost impossible mountain to climb. But young people are the lifeblood and future of our country, so it is a challenge that we all share.

The people of Greenway and I are committed to the next generation and setting them up for success. Our efforts today need to incorporate generational thinking and planning. That is why the Demons Sports Club in Seven Hills has hired professional coaches and has developed plans to upgrade

the playing grounds and facilities—so that the soccer and rugby league stars of the future can have the best possible chance to achieve their full potential. That is why the P&C of Metella Road Public School, under the leadership of Dave Clarke, has raised thousands of dollars to buy an airconditioning system for the students in their school. However, the power supply is inadequate to run them and the state government refuses to pay for an upgrade.

I was delighted when the federal government announced that \$700 million will be available to government school P&Cs and principals around the country to address exactly this sort of problem. I am eagerly awaiting the passage of that legislation. The protection and encouragement of our children is one of the most important responsibilities of a society. With that in mind, I would like to particularly honour my own father and mother, John and Jean Tyrell. My father was a man of integrity and faith. In him I was blessed to have had a wonderful role model for 16 years. He instilled in me a belief that, as a young woman, I was equal to any task to which I applied myself. Growing up at Gladesville in the electorate of Bennelong, the year I became the daughter of a widow was the same year our Prime Minister, John Howard, was first elected. My mother continues to live in the home where my sister and I grew up. I would like to acknowledge their presence in the gallery here today.

My mother is a woman of resilience and faith. Being the eldest of 14 children, she has spent most of her 84 years giving of herself to others. She has always made her own decisions; she is fiercely independent. Before my father died, he and his brothers were stonemasons in the family business. We were blessed and wanted for nothing. After he died, my mother had to find a way to support two daughters through high school and uni-

versity. From that moment to this, I have worked to pay my own way, to secure a future for myself, my children and the people in my world. I met my husband, Jim, at a church youth group. Over the years that we have been together, his support, generosity and love have been an integral part of my life. He is a rare and beautiful man, who is prepared to walk this new path by my side. He is someone to whom I will always be deeply thankful.

Jim and I have been blessed to have two beautiful children, Joshua and Hannah. My children are two of the greatest gifts I have been given in my life. They are both precious, valuable and unique individuals with wonderful futures ahead of them. To be fortunate enough to be surrounded by a loving family only reinforces for me the notion that the family unit is the foundation stone of our society. As an entity it must be valued, encouraged and supported in every way possible. I am proud to be a member of a government which recognises that the strongest thread running through the social fabric of this nation is the family.

My husband, Jim, was born in Papua New Guinea, an extraordinary place of beauty and rugged individuality. I love the people of that nation. I see a potential in them that is largely untapped—men and women filled with dreams and desires. To live with people within another culture where I can add value, to be accepted, has added a richness to my life and to my children's lives that I cannot quantify and for which I am truly grateful. I love spending time in Papua New Guinea. I am very pleased to see Australia's continued strong connection and support for that nation. I also wish to acknowledge Jim's family for their love, support and prayers.

After attending a Marist Sisters convent at Woolwich, I enrolled at the University of New South Wales to complete a bachelor of

arts degree in social work. My sole purpose—if you like, calling—in life has always been, and continues to be, to serve the community, to make a difference in the lives of people, for people are the nation's greatest asset.

I have spent my entire working life working in Western Sydney advocating and fighting for people. Until recently I served as the manager of the Emerge Family Counselling and Enterprise Centre at Blacktown. The centre provides a broad range of front-line community services, including helping people to overcome drug and alcohol addiction, providing emergency financial relief for people in crisis, counselling individuals with depression, as well as helping people to find jobs, secure housing and set up their own businesses. Prior to that, I supervised social workers in 14 regional offices across Western Sydney for the federal government and worked with Centrelink, Blacktown TAFE and charitable organisations such as Wesley Mission.

My experience has been diverse: working with people in crisis, supporting and counselling families and teaching welfare students about social policy. I have learnt much from my life and work. I have learnt that focusing on solutions rather than problems brings change. I understand that individuals, families and communities often have the answers and solutions. I know that working in collaboration and partnership with people, not dictating to them, is the way challenges can best be overcome or change can be achieved. But a prerequisite is that people must actually want things to be different. For example, confronting unhealthy behaviour, such as violence in the home and the abuse of a child, is about providing people with the opportunity to take personal responsibility, to break old patterns of behaviour and to learn new ways of relating. The three fundamentals of overcoming any problem are identify-

ing an opportunity, making a choice and taking responsibility.

As a professional in the field, I have seen people trapped in circumstances and a way of life that they feel powerless to change. Given the right opportunities, any individual or group can change behaviour or overcome challenges. Every individual in this nation is valuable and has the potential to give and receive love, to achieve their dreams and desires, to reach their potential and to contribute to a future for themselves, their family and this nation.

I have always loved working with the most challenging situations and families, because I believe there is always a way through. I believe in searching for that path, however difficult it is to find, and not being halted by obstacles placed in the way. Time and time again I have seen people choose to take one step at a time to change. I have seen young men struggling with drug addiction break free when given value and a relationship with someone who will believe in them and challenge them to make better decisions. The difference between the young man who steps into a better life and receives help and the young man who walks away is a decision, a choice, a preparedness to pay the price for change. However, it is important to qualify that the appropriate services must be available to help the individual make those changes. The rational choice of the individual, coupled with the appropriate resources available, can create a bright future.

I bring the wealth of experience that I have to serve both this parliament and the people of Greenway. I am passionate about the concept of ensuring that the approach to change in communities is about facilitating and empowering the people, businesses, community organisations and leaders of that community to develop local, relevant, creative and out-of-the-box solutions and ap-

proaches to the issues they face—solutions that focus on how they want their communities to look in the future. My commitment is to connect the groups and organisations in my electorate to the relevant bodies and government departments that can assist them to achieve their aspirations. My goal is a forward-thinking community, full of vibrant organisations and individuals who are identifying creative, community based plans and solutions to the challenges we face.

This has been an extraordinary journey for me over the past year, but it is not one I could have travelled alone. To the hardworking members of the Liberal Party, many of whom have been working for this result for decades: I would not be here without the determined efforts of you all. Thank you particularly to my local campaign chairman, Neil Lockhart, and his wife, Trish; conference president Councillor Allan Green; Councillor Len Robinson; Scott Baker; Shane Maher; and especially Geoff and Pat Bisby—two people who sum up what the Liberal Party is about. I also want to sincerely thank Gerard Benedet and the Young Liberals for their assistance and support.

My campaign could not have happened without scores of new members and supporters who came out of the woodwork and who are too many to name individually. But I particularly want to acknowledge the work and leadership of Matt Zschech, Mark Spencer and Matt Breedon—three men whose enthusiasm, integrity and commitment were immeasurably important to my campaign. I also thank the large number of parliamentarians who showed their active faith in and support for me by coming to Greenway over the past few months: Julie Bishop, Joe Hockey, Rod Kemp, Brendan Nelson, Larry Anthony, Kay Patterson, Tony Abbott, Helen Coonan, Jim Lloyd, Christopher Pyne, Jackie Kelly, Bill Heffernan, Marise Payne, Kerry Bartlett, Pat Farmer, Bronwyn Bishop, John Tierney and

especially my friend, Senator-elect Connie Fierravanti-Wells, and Alan Cadman and the Mitchell Conference who provided me with invaluable assistance and advice. I am also grateful to members of the New South Wales parliament who actively showed their support for my candidacy. However, I am most grateful for the leadership, commitment and support of the person I have the honour of calling my leader, a man of great integrity: Prime Minister John Howard.

From the moment I was preselected, I made a decision to run my campaign office from day one like an MP's office—to fight for people and advocate on their behalf, to listen to their concerns and to work hard to achieve outcomes. That vision would not have been achievable without a dedicated and talented team who assisted me every day, including Rebel Neary, Mark Lewis, Shaun Ratcliff and Councillor Greg Dezman. History would not have been made without this approach and these people. Lastly, I must thank the head office of the Liberal Party, ably led by President Chris McDiven and the party's state executive. I particularly want to acknowledge Scott Morrison, the State Director of the New South Wales Liberal Party, whose counsel, support, advice and commitment were absolutely critical to the outcome; Reg Chamberlain and his team, who provided exceptional logistical support; and my campaign manager, Ben Franklin, whose tireless, intelligent and self-sacrificing contribution to history I will forever appreciate. I am sorry that I cannot mention by name everyone who gave me such amazing assistance and support. To everyone involved in every aspect of my campaign, I simply say thank you, I appreciate you and I will never forget what you have done.

The purpose of my life has always been guided by my Christian faith, which is the firm foundation under everything that makes life worth living. From my earliest years, I

can fondly recall the priests and nuns who nurtured that faith. Over the last 21 years, I have been blessed to sit under the teaching and leadership of Pastors Brian and Bobbie Houston. Their passion and love for God and for people are unmatched. They have taught me to live life 'large', to live for a larger cause. We were not placed on this planet to serve self-interest but to serve the interests of others. We are indeed blessed to be a blessing.

I am here to serve the people of Greenway, the government of the day and this great nation. My commitment is to work to support and empower each community group and organisation to help them achieve their aspirations. I am also committed to supporting every individual in Greenway, no matter what challenges or struggles they face. There is untapped potential in the lives of those who experience poverty in Greenway and in Australia. While governments and local members cannot make choices for people, we can provide opportunities through policies and programs to tap into and develop the potential of each individual.

As a government, our responsibility is to create an environment where the potential of all Australians is realised and to build the capacity of our citizens to become financially independent and resourceful community participants. That wealth in potential requires exploration and development. Wealth is ideas, productivity, discipline, enterprise, inspiration, talent, commitment, entrepreneurialism and creativity. Australia has much wealth to offer the world.

Land that lies idle is unproductive, yet the correct preparation and effort provides it with the potential to produce a product that can be marketed and sold and bring a return on investment. Similarly, given the opportunity to develop, people can begin to lead productive lives. An investment in the lives

of people with little has the potential to produce much. As the member for Greenway, I am absolutely committed to making an investment in individuals, an investment in organisations and an investment in the community for many years to come.

The SPEAKER—Order! Before I call the honourable member for Stirling, I remind the House that this is his first speech and ask that the House extend to him the usual courtesies.

Mr KEENAN (Stirling) (10.39 a.m.)—I second the motion. It is a great honour to second this motion for the address-in-reply to the Governor-General's speech on behalf of the parliament and the government. I would like to express my deep appreciation to the people of Stirling for entrusting to me the responsibility of representing them in this place. I am humbled by their endorsement and will endeavour to do my utmost to live up to their expectations.

I am the eighth member for Stirling, an electorate that was only created in 1955. This is an awesome reminder that we are all here at the pleasure of the people in our electorates and that we will always be held to account for our performance. Distinguished previous members of the electorate include Fraser government minister Ian Viner and radio personality Eoin Cameron. My immediate predecessor, Jann McFarlane, was a popular and hard-working local member. On behalf of the people of Stirling, I thank her for her service over the life of the last two parliaments.

The seat is named after Sir James Stirling, the first governor of Western Australia. From a good Scottish family, Stirling joined the Royal Navy at the age of 12 and had a distinguished career that ended in his retirement as a full admiral. He was tall and, by all accounts, had a dignified and commanding presence. After several tours with the Royal

Navy, Stirling was sent to colonial New South Wales and, as part of his duties, sailed west to explore the land around the Swan River, on which Perth is now situated. Stirling was impressed by his discovery, and he pressed hard for a new settlement to be established despite the resistance of the British Colonial Office. Overcoming their objections, Stirling triumphed and proclaimed the new colony of Western Australia on 18 June 1829.

At that time, none of the country had been explored or surveyed. The coastal waters were virtually uncharted, and the support and succour offered by the British government was minimal. Literally thousands of kilometres away from civilisation, the new settlers led by Stirling faced untold hardships and were compelled to use their ingenuity just to survive. The fledgling settlement was often on the verge of starvation—farming was difficult due to the poor soil—and building weatherproof accommodation took enormous effort. Yet this did not prevent Stirling from insisting that guests dress formally for dinner, and the new settlers adopted the same pattern of recreation they had followed at home—hunting, musical evenings and picnicking.

Although James Stirling was proudly British, in many ways he was the first West Australian, and his spirit is still embedded in the culture of the state. His youth, his tenacity in overcoming hardship, his ability to see opportunity in adversity, and his enterprise are now the defining characteristics of the community he founded.

The seat of Stirling is a microcosm of Australia in its wide diversity. It contains people from all walks of life and different backgrounds. From the beachside suburbs of Trigg and North Beach to Mirrabooka and Nollamara, Stirling contains areas that greatly differ in socioeconomic status. It is

the most ethnically diverse electorate in Western Australia, containing large Greek, Chinese, Italian, Croatian, Macedonian, Serbian and Indian communities. All the world's major religions are represented—Christians, Moslems, Jews and Buddhists, amongst others. It is also a relatively youthful electorate, the median age of residents being 35.

One of my first engagements as the new member was to attend a commemoration service at St Andrew's Grammar School, a school established and run by the Greek community in Western Australia. The ceremony commemorated the day the Greeks defied Mussolini and entered World War II. The pupils marked the anniversary through song and play acting in Greek and English. Yet it was obvious, while watching the students, that many of them were not of Greek descent but the children of recent immigrants from Asia, other parts of Europe and across the world. I can think of no better metaphor for modern Australia: an internationally diverse student body celebrating the history and culture of another nation, all under the Australian flag that proudly flies every day at the school.

No matter what our background, we are all Australians, and I believe that all the diverse communities in Stirling benefit equally by having a government that is prepared to make the tough decisions in the national interest. But I will still make it a priority to understand their differing needs as separate groups and to serve them all to the best of my abilities.

My own political journey started early and I have had a keen interest in politics from a young age. As I grew older and learned more, I began to appreciate just how important politics is to people's lives and their wellbeing. Nothing could have brought this home to me more clearly than when I left for Europe when I turned 18 and spent some

months travelling through the former Soviet bloc in 1991. We should never forget that the Cold War was a battle between freedom and oppression, and this oppression, which was so deadening, lives on in people's lives in that region through the architecture and art produced during those years. This trip reaffirmed my belief in the primacy of the individual and the importance of freedom, and led me to join the Liberal Party.

The party, founded by ordinary Australians, united by the leadership of Sir Robert Menzies, has a proud tradition of government at both federal and state levels. Menzies created a party that represented what he termed 'the forgotten people'. We might now call them the silent majority: Australians who did not spend a lot of time lobbying governments but who spent most of their lives working hard to provide for themselves and their families. Their legacy is still visible in our strong communities today. Sadly, it is too easy for these people to be forgotten in politics. The person who has the time to shout the loudest can often play a greater role in the political process. We in this place should never be fooled by listening only to the loudest and we should not give their views more prominence than they deserve.

We can learn much from Menzies and his fellow Liberals during this period—people like Paul Hasluck and Richard Casey, great Australians who gave years of dedicated service to their country. During the time these men governed, Australians did not expect as much of their government as we expect today. In fact, the responsibilities of government have grown so greatly since those times that the modern Commonwealth would be virtually unrecognisable to the men of that political generation. Some of this is to be welcomed, although some of it is not. It is wrong to assume that, no matter what the problem, government is necessarily the solution.

Australia is full of strong individuals and robust communities. In the main, these people are perfectly capable of taking care of themselves. They do not need governments to lecture them or meddle in their lives unless it is absolutely necessary to fulfil a greater good. Our society should be free to evolve at its own pace without legislators using their considerable powers to try to remake it in their own image. We should never assume that parliament is the repository of all wisdom and we need to carefully consider how we can manage Australia's affairs so that people are given every chance to express their personal preferences, rather than existing in a straitjacket of ours.

I was raised in a family that relied on a small business for its livelihood. During that period, we lived through good and bad economic times, and our fortunes altered accordingly. The actions of government greatly affected the profitability of our business. We really just wanted government to leave us alone and allow us to get on with the job. Yet successive governments, state and federal, have steadily added to the administrative burden required to keep our doors open. We need to be mindful of the ultimate effect of every single piece of legislation we pass in this place.

I welcome His Excellency's announcements yesterday that will ensure that small business will finally be granted greater workplace flexibility and that unnecessary red tape will be eliminated under the Regulation Reduction Incentive Fund. These are two important initiatives of the fourth term agenda of the government that were outlined at the opening of parliament yesterday.

Listening to His Excellency's speech was a reminder to me of why the Australian people were again prepared to place their trust in the coalition to guide them for the next three years. Since 1996 Australia has enjoyed re-

cord economic prosperity. Low interest rates, high levels of employment and substantial increases in productivity are not the result of chance but of a determined effort to create a new era of national achievement. The Australian people have firmly expressed their view that they want this project to continue.

Despite record low unemployment, we need to redouble our efforts to give every Australian a job. Employment provides not just the means to sustain yourself but also the dignity that comes from contributing your efforts to advancing our community. The reality is that the goal of providing all Australians a job will be within reach when we implement the measures, as outlined by His Excellency yesterday, to reform workplace relations. Australians on welfare will be given the opportunities they need to move into the work force. Skills development and training remains a significant national challenge. The shortage of skills in certain areas is particularly acute in Western Australia. I am pleased that His Excellency said it was time that trades were valued as highly as a university education.

In 2004 we are living in an age of great interconnection within our global society. Under the Howard government, Australia is punching above its weight and pushing our nation into an unparalleled place of influence. This brings with it greater responsibilities. Pointless arguments about a regional or a global focus ignore the fact that international politics is not a zero sum game and one does not come at the expense of the other. Our global ties, especially with our traditional allies such as the United States and Britain, complement Australia's regional relationships, and I believe that this approach has provided Australia with far more policy success—evidenced by the signing of several bilateral free trade agreements with states in the region and beyond—than going to our

neighbours on bended knee, begging to be included as one of the club.

The disappearance of traditional international barriers fuels the most serious challenge facing Australia or indeed the world: the war on terror. As with the Cold War, there is a tendency amongst some to underestimate the evil of the enemy. I was recently in Bali and visited the memorial to the victims of the bombing. To indiscriminately kill and maim is an act of unspeakable cowardice that needs to be met by resolve and a determination to triumph. We need to prosecute this war against an international menace wherever it threatens our freedom, and I welcome His Excellency's announcements yesterday confirming Australia's world-class counter-terrorism capability and the continued strengthening of the Australian Defence Force.

I began my speech by saying how humbled I have been by the vote of confidence given to me and the Liberal Party by the electors of Stirling. Winning the seat was an enormous enterprise that was borne of the efforts of hundreds of people. I would like to take this opportunity to thank some of the key players and acknowledge the presence of some of them today. My patron senator, Sue Knowles, campaigned with me on a daily basis for months on end. When she was asked what her role was in the campaign, she often said she was my driver—and that was true, because she did drive me mad! She was an absolute rock during the campaign, and I am proud to now call her a colleague as well as a friend. I would also like to acknowledge the contributions of the Minister for Ageing, Julie Bishop—and I am pleased to see her in the chamber today; the Minister for Justice and Customs, Senator Chris Ellison; the Minister for Immigration and Multicultural and Indigenous Affairs, Senator Amanda Vanstone; and Senator Ross Lightfoot. Thanks are also due to the Prime Minister,

the Treasurer and the ministry, who campaigned extensively in Stirling.

The Liberal Party of Western Australia was extremely well organised for the 2004 campaign and this was reflected in the results that we achieved on the day. The credit for this falls on the personal efforts of state director Paul Everingham, state president Danielle Blain and senior vice-president Mathias Cormann. Peter Collier and the Curtin division of the Liberal Party excelled themselves in providing resources and manpower. My own division of Stirling were the first to put their faith in me, and as their candidate I thank them for all their tireless efforts.

The Stirling campaign was staffed by an incredible group of people. We shared a brilliant experience that I will never forget. I would particularly like to acknowledge Fay Duda for the pivotal role she played in the campaign. Fay is a valued colleague and friend, and I am looking forward to working with her over the next three years to represent the hopes and aspirations of the people of Stirling. My greatest debt is reserved for my campaign chairman, John Franklyn. We formed a fantastic partnership and I learned a lot from him. He is an uncommonly gifted manager, was always wise counsel, and I am truly grateful for his efforts to secure the seat for the Liberal Party and thrilled that he and his wife, Kathy, could be here today.

To my own family—my father Peter, my mother Patricia, and my sisters Catherine and Jennifer, who are all here—I have been blessed by my relationship with you all and I thank you for the support you gave me in my current and previous endeavours. We are all reflections of our own background, and what my family has taught me is that in Australia you get lucky when you work hard. My father and his family arrived in country New South Wales from Britain and opened a small clothing store. My mother is the daughter of

a tram mechanic and she left school at 15. Together they built a family and a small business and were able to afford their children opportunities they could never have imagined. If we in this place can create the same opportunities for all Australians and their families, then we will have done our jobs well. I am looking forward to the challenges of the next three years and to serving my community with all the vigour, tenacity and grace that I can muster.

Mr JENKINS (Scullin) (10.56 a.m.)—I congratulate the members for Greenway and Stirling on their first speeches. I wish them well in their time in this place and in their efforts to serve the interests of their electorates. I was most pleased that both of them expressed gracious words about their predecessors. Frank Mossfield is a gentleman and was a very fine parliamentarian in his efforts from the back bench on behalf of his electorate. Jann McFarlane, my involuntarily retired comrade, was popular and hardworking in this place as well as in her electorate. I send Jann my best wishes and gratitude for her friendship and cheery disposition. May she gain great strength from the thoughts and high regard of her former colleagues in this place from both sides of the House.

The events of yesterday are very much steeped in tradition. The debate that we have today is part of that tradition. Whilst that tradition is important and gives great strength to the parliamentary democracy that Australia enjoys, it is probably something that we should review. We should look at it in the context of the way in which the Australian people would expect a parliamentary system to be operating in the 21st century. At the end of the 39th Parliament, the House of Representatives Standing Committee on Procedure tabled a report, *Balancing tradition and progress: procedures for the opening of parliament*. This was, as is the nature of all parliamentary committees, a bipartisan

committee that came up with a set of recommendations agreed upon unanimously. They made suggestions about the way in which we could modernise the opening of parliament, while still recognising the important aspects of the traditions that are its basis.

One of the great opportunities that this building we have now occupied for 16 years gives is that it has ceremonial spaces that could be used for changes to the procedures for the opening of parliament. Why is it that this House is invited by the Usher of the Black Rod to make the journey across to the other place? Why can't we, as this report suggests, find some of the more neutral areas of this building to use in the opening procedure? This report suggested that we meet and gather on the forecourt and that at that time we recognise the rich tapestry which is Australia, the diversity of Australia's people and the importance of the Indigenous people of this land—that we recognise, for instance, that in this place we meet on the land of the Ngunnawal people and acknowledge them as traditional custodians and the importance of that.

We would then as members and senators go to our respective chambers and go through the formal procedures that are required. We would then meet later to hear the address of the Governor-General in the Great Hall. This still ensures that there would be opportunities for all these steps but gives a better clarity to the developing relationships of our bicameral system. As the report said, it actually involves the Senate more in parts of the ceremony. At the moment, they await us. Nothing really happens without us being in their presence.

I believe that this is a report that unfortunately has not progressed. The Australian Labor Party went to the election distilling elements of this report and had ideas about the way in which we could change those

procedures. It is only the will of the houses of the parliament that is required to change procedures. This is something that we should be debating and discussing.

Importantly, implicit in the suggestions is that we widen the involvement of the Australian people and recognise that we are here not just for ourselves but to represent the Australian community. One of the important recommendations that the report of the Standing Committee on Procedure from the 39th Parliament made was that the form of the oath and affirmation that we take be changed to recognise the people of Australia. I call upon the government to investigate this. What this would require is a change to the Constitution. The present oath or affirmation that members take is a schedule to the Constitution and so to change it would require a constitutional amendment.

I am very pleased when I attend citizenship ceremonies now that the form of the words of the oath and affirmation that new citizens take recognises the Australian people. It says in the form of the oath:

From this time forward, under God, I pledge my loyalty to Australia and its people, whose democratic beliefs I share, whose rights and liberties I respect, and whose laws I will uphold and obey.

The ingredients of that form of words are something that I think should be reflected in the oath or affirmation that we take in this place. We are here to protect and to further develop those rights and liberties. We are here on behalf of the Australian people and we should be pledging our loyalty to those people and to the protection of the democratic beliefs that we all share. This would be a simple step to recognise the way in which this parliament associates with and relates to the wider community. Without that, this whole developing Australian democracy is useless.

The way in which we conduct elections is starting to reflect the fact that people believe there might be a nexus; that they are cut out; that really they just roll along every three years for a minimal involvement. We should be underscoring that they are involved every day in this process. We as the practitioners have a role to play but the continuing involvement of the Australian people is very important to our democratic processes, procedures and institutions.

I congratulate the government on its re-election. The result for the Australian Labor Party was a disappointment. But we are a resilient party. We will bounce back and continue; we will not disappear. The 5½ million people who preferred a Labor government underscores that and means we still have a role, even from opposition. That role is to protect the rights and to develop the aspirations of those people who supported us on this occasion and to entertain and to continue in a dialogue with others who we would wish to vote for us to enable us to cross to the other side of this chamber.

When announcing the election in late August, the Prime Minister said:

The election will be about the future of this nation over the next ten years. In the weeks ahead I will unveil detailed plans addressing the major challenges which face our nation over that ten-year period.

I might have missed something but I think the Sunday on which the Prime Minister said that was the last time I heard it. Regrettably, a lot of what the election was about was immediacy. I was heartened when I heard those words because, whatever the result, I thought that if we had the two major parties talking about that long-term future vision for Australia we were getting back to doing our job properly. That is the endeavour that I think we should be concentrating on. We should not only be looking at the short term; we should not only be looking at the measure

that gets the vote in the immediacy; we should see our role here as an important role in the development of this nation for the long term. And we can all relate that development back to examples in our own electorates, and I wish to use just two from the electorate of Scullin.

Scullin is an electorate on the outer urban fringe of the northern suburbs of Melbourne. It is undergoing great development. Acres and acres of farmland are now under residential lots, and one of the great challenges that we have as an area is the provision of transport infrastructure. I could give a whole host of other examples. We see our major thoroughfares clogged with the burgeoning number of vehicles that are required to get people from home to work and other places of importance. But, at the same time that this private road infrastructure is choking, there has been no development of public transport infrastructure. There is a promised proposal that the Epping train line be further developed out to South Morang. Regrettably, the cost has ballooned on this because the infrastructure of the existing line would not be capable of taking the increased traffic. But is that a reason for not doing it? Is there not something in the way this nation develops that a Commonwealth government, a federal government, a national government should see that it has a role in assisting the states, territories and local governments to make sure that our cities are sustainable? If, on the urban fringes of our major capital cities, we have transport infrastructure without the capacity to do its role, we have a national problem. It is not only a local problem but a national problem, and it is a problem that needs to be addressed over the long term. As our population increases, further pressure will be placed on these areas unless we as a national government take an approach to the solutions.

In the last parliament the House of Representatives Standing Committee on Environment and Heritage had an inquiry into the development of sustainable cities to the year 2025. I urge the government to ensure that the reference for that inquiry is returned to the environment committee so that the committee can complete its work, because it is not only the transport infrastructure that is ailing. There are other forms of infrastructure that are ailing in this nation, and there are many reports put out by bodies that show that we must address this problem now because we are on the verge of absolute collapse. We have an overall problem with water. Water supplies for our metropolises are inadequate. We have to look at solutions that will minimise the use of water. We can see a whole host of examples of the way in which we can successfully use waste water in a more sustainable way.

The second issue that I raise, one that has a great effect on my electorate and the many families that come to me struggling with this in their day-to-day lives, is disability services. I want to dwell on one small aspect of this: the growing number of families with disabled children where the parents are moving into their older years. Some of these parents are in their 70s and 80s and have children in their 50s and 60s. These parents are worried sick because we have not developed a system that shows proper care and adequate services to ensure that they can have peace of mind. It is not something peculiar to my electorate. I have toured a host of electorates where this problem has been raised and I think that we can all relate to it. If we cannot find the will and the way to not say, 'This is a state problem; somebody else will look at it,' and, if we cannot find the way to make sure that we have a national approach to this, we are degrading ourselves as a civil society; we are not doing our job. Again, I believe that this is one of those areas of pub-

lic policy that needs to have that long-term vision. It is not something that will be solved overnight. There are hosts of vehicles and different policy elements at our disposal that we could look at and use to make sure that we address this.

Of course, in an electorate like mine, where we end up with a two-party preferred vote of 68 per cent for Labor, there is often the cry that it is a safe seat and it will miss out whether there is a Liberal or Labor government. I say that the record indicates that areas such as the electorate of Scullin have done much better under Labor governments than they have under Liberal governments. My Liberal opponent was kind enough to admit—but after the election—in the *Star* newspaper of Tuesday, 12 October 'that Scullin had been ignored by the federal government'. As I say, I regret that he did not say that and agree with me before the election, because that was my contention all along. But at least after the event he was good enough to acknowledge that I was correct. But this is a problem. This is a problem where we see the resources that are available to the Commonwealth government not being shared across the board, and this needs to be addressed. We need to look collectively at the way in which we impinge upon those issues that are important to people in their daily lives, and we need to make sure that they are not just addressed on the basis of political favour and political advantage.

In the last week of the election, a particularly controversial piece of policy percolated to the top of people's minds. That of course was the question of forestry policy, especially in Tasmania. It would be a brave soul who would more fully discuss that as a policy area at the moment. I only want to dwell on aspects that are touching and impinging upon it. I have the image of the Prime Minister addressing a meeting of timber workers, subsequently with his suit coat off, where he

said some words that really had some resonance for me. I will quote them, because it is pretty hard to find people who wrote this down and got it in full. He said:

But I do not think it's fair to throw the jobs of individual Australians who happen to live in a particular part of our nation on to the scrap heap.

Well, Mr Prime Minister, when the textile, clothing and footwear workers of the northern suburbs of Melbourne were thrown on the scrap heap, were the same words used? I think not. When all those other sectors of industry ended up being thrown on the scrap heap, because it was seen to be in the national interest, we did not have the same outpouring of concern. I will be remembering this as there are further developments that affect a lot of the industry sectors in my electorate. But I assure my colleagues on this side of the chamber that any particular interest I have on behalf of my electorate will be discussed internally and when a collective decision is made I will accept it.

We have here in this 41st parliament an opportunity for members on both sides of this chamber to ensure that the recently re-elected Howard government is kept honest. I congratulate all new members of this place, especially those on this side; I wish them well in their endeavours. Regrettably, I have to note that there was one that got away. There is a new member on the other side whose formative years were spent within the electorate of Scullin under its present and former boundaries. Sometimes we have these failures, but we can only re-educate. I say to all members, especially the backbench members of the coalition, that they have a role to play in ensuring that they do not just give lip-service to servicing their electorates; that they ensure the executive government is held to account for its actions and does not get away with the excesses it has got away with in the past. (*Time expired*)

The SPEAKER—Order! Before I call the honourable member for Hindmarsh, I remind honourable members that this is his first speech. I therefore ask that the House extend to him the usual courtesies.

Mr GEORGANAS (Hindmarsh) (11.17 a.m.)—I would like to begin by congratulating the new Speaker of the House, the member for Wannon. Obviously the job of Speaker is very important, and I congratulate him on his position. It is an absolute privilege to be here and I would like to thank those in the electorate of Hindmarsh who decided to place their trust in me to be their local federal member of parliament. They have put me here and they will no doubt decide how long I stay here. I have been humbled by the words of support that I have received from members of the public.

I stand here today so that I can fight for a fair go for the people of the electorate of Hindmarsh. I will fight on their behalf for the things that matter to them. I have listened to people tell me that they need affordable health care and dental care, quality education for their children and a safe and clean environment for the future. I thank them for the opportunity to represent them.

I have lived in the electorate of Hindmarsh all my life, for 45 years. I was born there, went to school there, got married there, had children there—and one day will no doubt die there. It was always the case for me that, win or lose the seat, the suburbs of Hindmarsh would always be my home.

The area has seen many changes over the years. As a boy, I remember playing in the Mile End railway yards, which employed hundreds of workers; by the late eighties they were closed. Most of the people who lived in the suburb of Mile End, where I grew up, worked at the railway yards, like my father. I also remember playing along the River Torrens. As a child I learned to swim at

West Beach and Henley Beach, just as my children did years later. Back then we could even swim in the River Torrens.

My first job was as a paperboy selling the *News* outside the Hilton Hotel—and this was not the Hilton of the famous Hilton chain but the worker's Hilton down in the suburbs of Mile End and Hilton. Workers from the Electricity Trust of South Australia, the South Australian Railways and the hotel were my customers. In my first week, I remember vividly that I earned 70c, which was enough to go to the movies and get a drink—and I had change left over. These days it costs quite a bit more to go to the movies, the paper boys are no more and, sadly, the Electricity Trust of South Australia—or ETSA, as it is known—is not what it used to be. In the sixties the suburbs of Hindmarsh were a hive of manufacturing activity. There were factories like Lightburn Whitegoods in Novar Gardens, Perry Engineering in Mile End, Hills and Bridgestone in Edwardstown—Bridgestone was then known as SA Rubber Mills.

The people of the suburbs of Hindmarsh are those who believe that if you work hard you can have a brighter future. The people of Hindmarsh I know are people with good old-fashioned principles who understand the meaning of community.

At one time, the Hindmarsh area was a collection of individual and distinct communities. There were the suburbs—or villages in those days—of Glenelg, Henley Beach, Grange, Mile End and Torrensville. They were each unique hubs of activity, with a village-like atmosphere. Between these lay swamps, agricultural land, piggeries and dairies. Despite the changes we see today, that sense of community remains. And it is that sense which drew me into a wide range of community groups in the area.

Back in the mid-1980s my son's kindergarten, Kurralta Park Kindy, was threatened with closure. John Trainer, then the state member for Walsh, told me to stop complaining and take action. So a bunch of parents got together to stop it—and we won. Not long after that, John Trainer, who at the time was Speaker of the South Australian House of Assembly, coaxed me into a more active political life in the Labor Party, and I thank him for that.

With the Adelaide airport right in the middle of the electorate of Hindmarsh, aircraft noise has always been a big issue for people living in the surrounding suburbs. We were sick of our children being woken up late at night and early in the morning and of not being able to hold a conversation in our own homes every time a plane flew overhead. We needed a curfew and a noise insulation program—and we got them through our work on the Adelaide Airport Action Group, of which I was proud to be the chair for many years well before I became a political candidate.

Today the Adelaide airport remains an issue, but now we have the added concern of development on federal airport land—an issue that I am working on closely with the Netley Residents Association and the Southern Lockleys Residents Association, the areas most affected by the new airport developments. Over the years these residents' associations, along with the West Torrens Residents Association, the Henley and Grange Residents Association and the Glenelg Residents Association, have all kept me on my toes and, win or lose, I knew I would still be working with them on their valuable work. I thank them for their commitment to the community. They are already lobbying me to take up their causes with the shadow ministers, state governments and the federal government—and, of course, I will be doing that.

One issue that requires a particular mention and which the Henley and Grange residents group have been very vocal about is the Senate inquiry into the Gulf St Vincent. Our treatment of the gulf is killing it. The inquiry made it clear that, unless we took urgent action, the seagrasses and therefore the marine life would be completely wiped out. The government cannot stand by and hope that no-one notices that in four years they have done nothing to address the recommendations of the inquiry. I have noticed and the people living along the coast have noticed. It is not okay to ignore this information and I will be taking up this issue at every opportunity. It is time to treat our coastline and our Gulf St Vincent with respect. We know that we cannot continue to take our environment for granted and that, if we do, our children and grandchildren will not be able to enjoy summers at the beaches as we did when we were children. The water will become more polluted and the sand more eroded.

Another issue close to my heart is the treatment of Ansett workers. In 2001, 3,000 South Australian workers, many of them living in Hindmarsh, were told that after years with Ansett they suddenly had no job. As if that was not enough, they were also told that because Ansett had gone broke they would receive no entitlements. In response and after much lobbying, the government introduced the ticket tax to fund workers' payouts. Three years on and the tax is still there, but many workers have not seen a cent and it seems certain they will never receive their full entitlements. Many of those workers are now in lower paid jobs, are working casually or have retired on incomes far lower than they had worked towards. I am proud to say that I will be employing a former Ansett worker in my electorate office and making good use of the impressive skills she developed while working for Ansett.

I have worked in the community for the community and have very much been part of the community for years. Now, as the member for Hindmarsh, I can dedicate even more time and energy to it and work to help more people as a result. As members of parliament, whether we are in so-called 'safe' seats or in seats as marginal as Hindmarsh where just 108 votes got me over the line, we all have an absolute obligation to work hard for the people who live in those electorates that we represent. And there are plenty of people in the electorate of Hindmarsh who could do with a helping hand. There are people who I have grown up with and known all my life who do not have a job and who have never worked or have worked very little over their lives. Like so many people, they could not get a job in the seventies and early eighties and now, without the skills and the history of employment, they still cannot get a job. They have become stuck and it is time we did something about that. Mature age unemployment is often overlooked amid the important attempts to get young people into the work force.

Hindmarsh is one of the oldest electorates in the country and has the greatest number of people aged 65 or over—more than 20 per cent of people compared with a national figure of around 12 per cent. As a society our treatment of older citizens concerns me greatly. Many older people talk about having become invisible to others, but it is so much more than that. Many of these people have gone through wars, they have worked all their lives, they have paid their taxes and they have contributed towards building this country. We cannot turn our backs on them. We cannot forget them. They deserve to be treated with respect and dignity. We owe them at least that much. It is time to fix our health care system so that people do not die before they reach the top of the waiting list to get their teeth fixed. It is time to make

sure there are enough aged care beds and that hospital beds are not being used to prop up our aged care system.

There is another group in the area who have a struggle of a different kind. Although health care matters to families, for most their daily grind is of greater concern. For the sake of parents and their children, it is time that we challenged the dominance of work and the pursuit of prosperity without a purpose. There are too many families whose days consist of getting the children dressed, fed and off to school before going to work for days that are far too long, then picking the children up from day care or after school care, getting the children washed, fed and into bed with a story and then typically falling asleep, exhausted, with no time for themselves, their partners or their families. It is time to give families a balance between their work and time with each other. We need an industrial relations system that recognises the rights of employees to access family friendly work practices. It is essential, and I call on my parliamentary colleagues to set an example by supporting family friendly policies for their own staff.

With two young children in the sixties my parents faced the same challenges that many parents face today—too much time at work and not enough time for family. I remember hassling my father to play with me when he got home from work, so tired he could barely stand up after hours on a factory floor on a production line at General Motors Holden with no fans or airconditioning. Despite being exhausted he did kick the ball with me and play with me. It was only when I had my own boys that I had any understanding of what it was like to juggle parenthood with long hours at work. I have to thank my mother and my father for all they have done for me.

My mother and father taught me to work hard and to persist, and that is why I stand in this House today. I thank them for all they have done for me. They both came to Australia from Greece, but they met in South Australia and married in Adelaide. Like many other migrants who were arriving in great numbers in the early fifties, my father's working life in Australia began at General Motors Holden, and then after many years he went to work at the Mile End railway yards, where he remained until he retired. My mother was a domestic at the Royal Adelaide Hospital and later worked as a seamstress in various places. My mother and father left Greece to come to Australia for a better life. In 1954 when my father arrived in Australia he spent his first months in Bonegilla migrant camp near Wodonga. My parents left behind them terrible poverty and unrest and they came to a country where, through hard work and perseverance, they would eventually be able to buy their own home and provide a decent life for my sister and me, and for themselves.

There is no doubt that Australia's migrants have made this country a better place. There are more than 31 nationalities and 32 languages represented in Hindmarsh. Since migration to Australia began in the 1800s, the hopes and dreams of migrants for a new life in Australia have given this country an optimism, resilience, diversity and vitality that must be valued and nurtured. At our heart we are a country of opportunity, a country that respects all of its citizens and a country which believes in the right of Australians to a fair go. By the early nineties we were already comfortable and relaxed and we were striving to have the most equitable health care system in the world, the best schools and universities and an educated and skilled work force.

It is time we reclaimed that vision and reclaimed our place in the world as a country

that we can be proud of—a fair go for all Australians. That means narrowing the gap between rich and poor, it means helping people who have lost their way to get back on track so they can give something back to the community and it means refusing to be a part of a culture of fear and greed. Whoever we are and whatever our circumstances, we all have the power to refuse to be afraid and to care about others. Neighbour by neighbour, street by street and suburb by suburb we can become a nation of people who care for one another and who understand one another. In a country where we are not afraid of our fellow country men and women, there is nothing to be afraid of.

For the opportunity I have to represent the people of Hindmarsh and to contribute to an Australia we are all proud of, there are a number of people I have to thank. Firstly, let me thank the people of Hindmarsh once again, as they are the ones who put me here. I would also like to thank all of the trade unions in South Australia and their members for their support. I particularly want to mention the AWU, the CFMEU, the AMWU and my own union, the Australian Services Union, of which I am proud to be a member, and especially the Australian Liquor, Hospitality and Miscellaneous Workers Union. Thanks also must go to the Premier of South Australia, Mike Rann, for his active support over the years. I think he has come to know the area of Hindmarsh nearly as well as I do. To Mark Butler and everyone at the Missos, thank you for all of your hard work. I know you gave it your all.

To Senator Penny Wong, who worked so hard and so tirelessly over three campaigns to ensure I got elected, thank you. Thanks especially go to my former boss, the South Australian Minister for Families and Communities, Jay Weatherill. This would not have been possible without your support. Thank you to Ian Hunter, the South Australia-

lian Labor Party secretary, who was behind my decision to run the first time back in 1998, and to Kevin Hamilton, the former state member for Albert Park, which covered the northern coastal strip of the electorate of Hindmarsh, including all of West Lakes.

Thanks also to George Weatherill, Stephanie Key, Kevin Purse, Tom Koutsantonis, Paul Caica, Pat Conlon, Michael Wright, Lois Boswell, Don Frater, Chris Angelopolous, Angela Gerace, Louisa Sasopoulos, Jared Bowen, Julie Duncan, John Olenich, John Love, Mick Tumbers, Astrid Roth, Geoff McCaw, Grace Portolesi, Gaby Humell, Mick Petrovski, Susan Close, John Gazzola, Anne McEwen, Gail and Peter Gago and my parliamentary colleague Rod Sawford. I want to make special mention of my staff, including Nigel Minge and Sky Laris who have been of great support in the last couple of weeks in setting up the office and have done tremendous work in the last two weeks. I thank them for their support over the years and in the last two weeks. Thanks also must go to Senator Nick Bolkus, who was instrumental in my early days as a candidate. I thank him for all he has done for me over the years. Thank you to the members of the Hindmarsh Federal Electorate Council and the Western Suburbs Residents Association.

Needless to say, it takes a lot of help from others to get elected to parliament, and I could not have wished for more support than I got. For that, I would particularly like to thank three people who have been on this journey with me since it started in 1996: Steven May, Nigel Minge and Michael Subacius. They never gave up, and this victory is just as much theirs as mine.

I am grateful for all of the support I received. There were so many people that it is impossible to name them all, but I thank them all for their help and for their belief in

me not only over this last campaign but for the entire seven to eight years that I have been campaigning.

Thanks also to the federal Leader of the Opposition, Mark Latham, and all of my federal Labor colleagues and shadow ministers present and past who have put time and effort into helping me in the electorate over the years. I would also like to acknowledge the work of the previous member for Hindmarsh, Chris Gallus. She was a formidable opponent. Before Chris Gallus, John Scott and Clyde Cameron held the seat, and I would like to thank both of them for their support and keen interest in the seat even though the boundaries and demographics have completely changed from the days when they held it. Prior to Clyde Cameron, Norman Makin was the member for Hindmarsh. Each of them has made a contribution to political life and to the local community.

I also have to mention the late Ralph Jacobi, who was a dear friend of mine. He held the seat of Hawker for many years, which now makes up the southern part of the Hindmarsh electorate. He was a committed and hardworking member with good old-fashioned principles. Through his actions he taught me a great deal about what it means to be a good member of parliament.

As I mentioned earlier, I have won the seat by just 108 votes, and as a percentage that makes it the most marginal seat in the country. Perhaps it has become a cliché, but I know that I am not here to fight just for those who voted for me, although I would thank each of them personally if I could; I am here for all of the people of Hindmarsh. It is now my job to help people to get a fair go, to make sure that they do not fall through the gaps.

Last, but definitely not least, I want to thank my family: my wife, Wendy, and my boys, George and Alex. Thank you. What

haven't I put you through to be here today? But through three campaigns you have always supported me. When I started campaigning for the seat of Hindmarsh, my boys were just nine and 12. Today they are young adults, 17 and 20. Thank you for your patience, for all of your work on the campaigns and for your never-ending support and encouragement.

The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! Before I call Mr Wood, I remind honourable members that this is his first speech. I therefore ask that the usual courtesies be extended to him.

Mr WOOD (La Trobe) (11.35 a.m.)—Mr Deputy Speaker, there cannot be a greater privilege in life bestowed upon an individual than to be duly elected by the people to serve the people. I am deeply humbled to stand before you in this great place where I now commit to be the servant and representative of the people of La Trobe. The electorate of La Trobe was named after Charles Joseph La Trobe, the first Superintendent of the Port Phillip District, who served from 1839 to 1851. He went on to become Lieutenant-Governor of the newly formed colony of Victoria. Charles La Trobe had a passion for nature and was instrumental in the establishment of the Botanic Gardens in Melbourne. It seems fitting that this amazing and diverse electorate was named after a man with such vision and strong ties to the environment.

A unique chain of events has unfolded for this moment—me standing here today—to occur. My connection with La Trobe began early in life. I thank my parents, Bob and Jan, for their love and support and for deciding to build the family home in Ferny Creek over 30 years ago. I acknowledge their presence today. I am a local lad, educated at Ferny Creek Primary School and Ferntree Gully Technical School. I have, and always

will have, a passion for the great outdoors. For my year 12 studies I completed an outdoor education and environmental course, which greatly contributed to my ongoing and current passion for protecting the environment. Upon completing my schooling I worked with youth, teaching outdoor skills including bushwalking, rock climbing and cross-country skiing.

Over the past 15 years I have been, and I continue to be, involved in weed eradication in the Dandenong Ranges National Park. The infestation of weeds in La Trobe is the No. 1 environmental issue, as they choke our native plants and trees, including the mighty mountain ash. Weeds clog our creeks and diminish the habitat for the platypus in areas like Clematis Creek in Belgrave. The removal of weeds is a long and slow process. What makes the task frustrating is that some weeds are sold in nurseries as plants and escape from private gardens into surrounding national and state parks. I strongly support a national approach to weed identification and eradication for the long-term survival of our native flora and fauna.

The Dandenong Ranges in La Trobe are truly a beautiful place. This beauty in summer, however, can often lead to terrifying wildfires. I still recall catching the bus home from school and seeing an enormous cloud of smoke rising above Belgrave South. Every local old enough to remember this terrifying sight knew it as the beginning of the Ash Wednesday bushfires on 16 February 1983.

Community service and voluntary organisations are instrumental in our lives and cannot be taken for granted, particularly in La Trobe. The Ash Wednesday bushfires saw a large number of volunteers serve with the local country fire authorities. These volunteers included six members from the Narre Warren crew, led by Captain John Minett. Two days earlier, Captain Minett had been

named firefighter of the year. Like other CFA crews on the day, the Narre Warren and Panton Hill teams set out to save lives and protect property in the face of a perilous situation. Both crews were caught in a fatal firestorm. The bodies of the Narre Warren crew were found huddled under their burnt out truck a short distance away from the bodies of the Panton Hill crew. They paid the ultimate price for serving their local community and it is one that must not be forgotten. I acknowledge the significant and tireless contribution made in La Trobe by CFA members as well as all the voluntary organisations and sporting clubs. It is this community spirit, pride and dedication that make La Trobe a great place to live and work.

At the age of 19 I graduated from the Victoria Police Academy. I thank all my former colleagues for their support and I say: long live the brotherhood. To be a serving member of the police force is like having a front row seat to the greatest show on earth—that is, life itself. You witness the good, the bad and the ugly. There is a very dark side to humanity where there is no reason, no compassion and no commonsense and greed takes its toll. I cannot count the number of times I have attended violent domestics, fatal car collisions, rapes, homicides or drug overdoses. I would like to ensure that the victims of crime have a strong voice in federal parliament so that the weight of justice can be applied to those who prey on the innocent.

In 1997 I was promoted to the rank of sergeant. At the Melbourne East Police Station over a 12-month period 1,000 people were charged with drug related offences. From my experience, the majority of heroin users are young people who have fallen through the cracks of the education system. These young people have left school and, not having been able to find a job, have entered a world of crime, depression and drugs. I am a strong

advocate for extra funding for special needs students, as every effort must be made to ensure they have the opportunity to improve their education, thereby increasing their prospect of employment.

The next in the chain of events leading to my representation of the people of La Trobe occurred in 2000 when I joined the Boronia/Dandenong Ranges branch of the Liberal Party. Special mention goes to local Liberals Peter Smith and Chris Ayres-Smith, who are both here today, and David Holmes for their unrelenting support and assistance in my journey to stand before you.

In 2003, I was promoted to the rank of senior sergeant in the counter-terrorism co-ordination unit. That same year I completed a master's in the field of innovation service management, specialising in counter-terrorism. The No. 1 priority for any government is the protection of its people. This is no easy task. I congratulate the Prime Minister for his strong stance against terrorism, his leadership and his courage in making the tough decisions—decisions that are best for Australia.

I make the following point with regard to the war in Iraq, particularly from a former police officer's point of view with a duty to serve and protect. I sincerely believe we have made the right decision to liberate the people of Iraq. Saddam and his evil sons needed to be removed from power. The biggest danger for mankind is to accept evil and turn a blind eye. Such evil needs to be stopped, and the dreams and aspirations of freedom, democracy and humanity preserved. 'All that is necessary for the triumph of evil is that good men do nothing.' These words were uttered over 200 years ago by Edmund Burke, Irish orator, philosopher and politician, and they still resonate ever so strongly today. Speaking of good men, I thank Mr Bob Charles, after his 14 years of

service, for his personal support and his commitment to the people of La Trobe. Bob had a simple formula: listen to and respect the people and in return they will respect you. I wish Bob and his wife, Rosie, all the best in his retirement and especially in his garden.

October 2003 led to my preselection as the candidate for La Trobe. I thank the local branch members, my campaign team and the Liberal Party for their support. In life, you meet people whose efforts are priceless. These are some of those people.

The final link in the chain of events which has led to this auspicious day for me is the eight years of sound economic management and leadership by the Howard government. Thank you, Prime Minister, for your strong personal support, combined with that of the Treasurer, for keeping interest rates low.

No doubt this will assist the people of Narre Warren, Berwick, Officer and Beaconsfield. These suburbs are part of the second-fastest growth corridor in Australia. The growth is so great that the intake for year 7 students at Kambrya secondary college in Berwick for 2005 will be of over 350 students. The school is in desperate need of \$100,000 in order to afford four new portable classrooms. I welcome the announcement by the Minister for Education, Science and Training, Brendan Nelson, of the government's commitment of \$700 million towards additional funding in capital grants for schools.

I recognise that sound economic management has enabled a \$10 million commitment to the building of the Bryn Mawr Bridge in Beaconsfield. I thank the Minister for Local Government, Territories and Roads, Mr Jim Lloyd, for his personal intervention in this project. I also acknowledge the excellent work of the Beaconsfield Progress Associa-

tion and their commitment to the bridge and other local projects.

The residents of La Trobe will also benefit from the government's \$800,000 election commitment towards Fernlea House palliative care hospice. I would like to recognise the vision, drive and dedication of the Fernlea House committee, which is led by Jan Lancaster. I thank the Minister for Health and Ageing, Mr Tony Abbott, for his personal support of Fernlea House.

I revert to the war on terrorism. An attack on home soil would have a huge impact on our economy, on social behaviour and, more importantly, on the sanctity of life. On 11 September 2001, four planes in America were hijacked and crashed into the World Trade Center, the Pentagon and a field in Pennsylvania. The Pennsylvania plane was 15 minutes away from the White House. Since that time, terrorist attacks have been moving closer and closer to Australia. On 12 October 2002, the terrorist group Jemaah Islamiah, known as JI, bombed the Sari Club in Bali, killing 202 people. Eighty-eight of them were Australians. The most recent bombing was only months ago, on 9 September, outside the Australian Embassy in Jakarta.

In the minds of the Australian people, terrorism has not taken front stage. The people of Spain were of a similar view, but this changed on 11 March 2004—days before government elections. A series of 10 explosions occurred during morning peak hour on four commuter trains, and 191 people were killed. Witnesses recalled to authorities that they saw people in ski masks enter train carriages and leave rucksacks behind them. As passengers were not educated to report such activity, no alarm was raised and the terrorists were able to plant their seeds of death and destruction. In recent elections in the United States and Indonesia, terrorism was

front stage as both countries have suffered major terrorist attacks.

The first and most important aspect of fighting terrorism is public awareness. I totally support the government's campaign to be 'alert but not alarmed'. During the Australian federal election campaign, I was astounded to see sections of the media attack the government for endeavouring to educate and inform Australians about the need to report suspicious activity. Future public awareness campaigns need to utilise the full spectrum of media. This means employing a greater range of communication mediums in public places including transport hubs, shopping centres and schools.

The danger of terrorism is the ready acceptance that it will never happen to us. The threat to Australians is very real. Our darkest hour may be yet to come. Within Australia and abroad, holiday destinations and places of public gathering are no longer beyond the realm of terrorist attack. A war against terrorism is a war against an enemy that has no boundaries, no rules and no morals and is prepared to unleash hell at any time and anywhere. They make no distinction between rich and poor, race, religion, man, woman or child. The Beslan massacre in Russia is evidence of this.

The spiritual leader of JI, Abu Bakar Bashir, who is currently facing terrorism charges over the Bali and Marriott Hotel bombings, has strong terrorist links to Australia. And, in October 2003, French al-Qaeda trained terrorist suspect Willie Brigitte was captured in Sydney. His mission was to plan terrorist attacks within Australia. There have been a number of Australians who have been trained abroad in terrorist camps. These camps are designed for one purpose and one purpose only: to train people how to kill and destroy.

Prior to Australia's involvement in East Timor, Osama bin Laden, the head of al-Qaeda, referred to Australia as a 'crusader', meaning an enemy of Muslims. This was prior to September 11 and the Bali bombings and dispels the false assumption that Australia became a target for terrorism only since our involvement in the Iraq war. World-leading al-Qaeda expert, Dr. Rohan Gunaratna, publicly stated that terrorist groups will infiltrate schools, charities and religious and community groups in order to recruit followers to their cause. As Australians we need to ensure we do not ostracise our multicultural communities or our regional neighbours, as this will play right into the hands of Muslim extremists and terrorist groups.

Intelligence gathering is one of the primary means used to detect and monitor terrorist activities. A concern I have is the manner in which terrorists have effectively used legitimate training courses to commit atrocities. The terrorists involved in the September 11 hijackings had been trained in American flight training schools. In recent attacks in Saudi Arabia, terrorists received training as security guards and were later employed to protect international contractors, but instead they kidnapped and executed those whom they were supposed to protect.

In order to take intelligence efforts to the next level, I would recommend the establishment of a national database which would record details of people who have access to specific chemical, biological and radiological substances. Additionally, the database could record details of applicants applying for legitimate training courses or licences where the technical skills taught could be used by terrorists. Ideally, it would record the details of applicants for flight and underwater diving explosive training courses and people who hold licences for ammonium nitrate fertiliser under the newly proposed ammo-

nium nitrate fertiliser legislation. The ability to determine potential links between terrorist suspects and to identify trends or patterns in suspicious activities, coupled with an ASIO check on these individuals, will serve to strengthen our intelligence efforts. This will go a long way in providing for a consistent and robust approach to fighting terrorism.

In conclusion, I again thank the people of La Trobe for entrusting me with their representation. I thank the Liberal Party, and I make special mention of Tony Barry and my good friend Stephen Hartney. I also thank my family, my friends and, particularly, my fiancée, Aretta, who is here today. I continue my personal and professional journey to serve the community and to protect the Australian way of life.

The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! Before I call the honourable member for Bowman, I remind honourable members that this is his first speech. I therefore ask that the usual courtesies be extended to him.

Mr LAMING (Bowman) (11.53 a.m.)—Small things, by quiet people at forgotten times ... diverse acts of courage and belief by which human history is shaped.

I begin with three life events that for me have been high-water marks. The first was in the highlands of Papua New Guinea as a child, where my parents made an unusual career choice. It is also an unusual place to begin this speech. My dad planned expeditions into the remote parts of that land to build a platform for independence. I stayed at home doing correspondence classes with my mum and my sisters, Susie and Julie, whose unconditional love continues to this day.

In 1992, when clearing landmines in Afghanistan, I lost my two great friends, Tim Goggs and Julian Gregson in a landmine accident in Kare Samir. In that village today

those two fine, courageous men are remembered with a small plaque written in English and in Farsi. That inscription reminds us that in peace, as well as in war, we make the ultimate sacrifice sometimes to build and preserve what Australia has never lost: free and fair elections and democracy.

Forward then to where Australia took centre stage in the reconstruction of Timor L'orosae. In rebuilding that shattered health system, I learnt that if there is one thing greater than opportunity it is removing the barriers to opportunity for others. That country today is still a free and peaceful land.

Each of these three stories reminds me that human endeavour, however infinitely small, forever lays a platform for the acts that come after. It is no different in Bowman, because today marks the first time that the Redlands area has a dedicated seat in this parliament. There is in that place a unique identity that you can perhaps trace back to 1842, when for the first time the squatters tried to cut Brisbane out of the loop and export their produce directly through the port of Cleveland. They hoped that it would one day become the capital of Queensland. Obviously, as history records it, Governor George Gipps sailed into Moreton Bay and unfortunately his arrival was at low tide. As he stepped out of the boat and into thigh-deep mud—or 'deep nastiness' as it was recorded—the fate of Cleveland was sealed. The port, and ultimately the honour of being the capital of Queensland, fell to Brisbane.

But that bitter disappointment is tempered somewhat after 160 years. We now know we have a fantastic, unique identity and a wonderful bayside foreshore. As you drive from Brisbane over those somewhat soporific undulations of Bonner—my apologies to the new member, but congratulations on your election—and you arrive at the bayside where that bay breeze greets you, you know

you are in a very special community. Of those pioneer families we still have the memories of the Sherrins, the Benfers, the Biggs and the Balfours. Before them are the Quandamooka and Noonuccal, whose people there recall a different time. As Oodgeroo Noonuccal almost laments to her ancestors:

What if you came back now
To our new world, the city roaring
There on the old peaceful camping place
Of your red fires along the quiet water,
How you would wonder
At towering stone gunyas high in air
Immense, incredible;
Planes in the sky over, swarms of cars
Like things frantic in flight.

I have said that to represent Bowman is in some way to represent Australia. No-one here could feel out of place there—be they small business workers, an aspirational young family or retirees. There is a very strong environmental culture, a social sector and strong philanthropy. In the main street you might well meet our mayor, Don Secombe, a 1964 state cricketer, or perhaps local councillors of the calibre of Alan Beard from Alexandra Hills or Peter Dowling from Victoria Point. Or you might meet local identities: Bill Benson, Merv Genrich, Paul Sattler, Al Benfer, Leo Hielscher, the Richards brothers, Alan Lucas, Sheldon College's Lyn Bishop, Norm and Alison Dean or Ernie Harrison from the Over 50s Leisure Centre.

Bowman's place in south-east Queensland is not dissimilar to Australia's position in South-East Asia. We remain a relatively untouched bayside foreshore with a touch of tradition or, dare I say, parochialism. Obviously we are surrounded by that 200-kilometre city that stretches from Noosa all the way to the Tweed, but which somehow swerves around Redlands. Those very natural endowments now attract many people to this area. We are the No. 1 location for migration from within Queensland, although

we are that little bit less well known to southern states. Once we too were the salad bowl for south-east Queensland, although now we have diversified to industry and to services. Farms have given way to families, the old drive-ins to drive-throughs and the old timber industry now to tourism. There are no highways running through Bowman to remind you of people in a rush to get to other places, nor are there stadiums, universities or grand esplanades.

In the last 55 years, Bowman is one of those few seats that has been as many years in the hands of Labor as in the hands of the coalition, and that for me is very humbling. I also remember that for 18½ of the last 21 years it has been in the hands of the Labor Party. For that I must acknowledge, in large part, Con Sciacca, a fine man, well regarded on both sides of this House and in my electorate. I wish him well in his future.

A generation in opposition hands explains in some way the grit and determination of many loyal Bowman workers, including Wynnum's Gordon Voltz, Audrey and John Dickey, 'General' Bob Harper, Shane Goodwin, Courtney Dore, Norma Curtis, Scott and Terri Lewis—Scott, you still have a wonderful sidestep at the age of 40, particularly when there is doorknocking to be done—Lorna Hourigan, Michael Davenport and Mat Tapsall. It is on behalf of those I have named that I thank everyone in Bowman—from the shopping centres to the community centres—for the faith that they have put in us. Thank you also to the ministers who visited Bowman: Kay Patterson, my former boss, and Ministers Abbott, Hockey, Nelson, Macfarlane and Vanstone. I also thank Christopher Pyne—who came twice.

I should also acknowledge the exemplary performance of the Queensland Liberals in the last election. It was absolutely superb. I congratulate President Michael Caltobiano,

Geoffrey Greene and every elected member in both houses, from as far north as Senator Ian Macdonald right down to the border, and particularly Senate colleagues Brett Mason and George Brandis, with whom I attended university 21 years ago.

I have moved from the public service of medicine to that of politics because I love working with populations as much as with patients. This parliament offers the opportunity to turn great Australian ideas into reality; to temper the will of the powerful; to bring together disparate ideas, without ever discounting tomorrow. My story is no better told than by acknowledging those people who may never become politicians but whose work I will continue in this chamber: Fred Hollows and Frank Flynn, fathers of Indigenous health, whose ideas came to us a generation early for white Australia but a century late for Indigenous Australia—a constant reminder that, never having lived it, we can never claim to know better; Bessie Dixon, senior Lajamanu Aboriginal health worker, for whom the health of her Walpiri people has been a lifetime cause; Professors Hugh Taylor, Bart Currie and John Mathews, who mix scientific discipline and public health with compassion, and who introduced me to a world of remote teachers, nurses and researchers in Indigenous Australia; Chris Rogers, Frank Martin and Ralph Higgins—three exceptional eye surgeons who made room for an odd-fitting aspirant; and my two great teachers, Abram Chayes from the Harvard Law School and Vittorio Falsina—an ordained Xaverian priest from Brescia in Italy—from the Harvard Divinity School, who both, tragically, taught me in their final year of life. Your intellectual energy reoriented my views on international conflict, development and social ethics.

I acknowledge the other family that one has in a mobile career when you are not near your own: Mavis Burke, my babysitter in

Hobart; Ruth and the late Mo Hansen at Churchie; Jack and Sweetpea Hutchinson; David and Sophie Holford in Goondiwindi; Bob and Gay Macdonald in Gundagai; and Greg and Christine Neave in Darwin.

I am very proud to be a Liberal. Some may not be aware that my grandfather Charles ran for the Victorian state seat of Oakleigh in 1950. My father, Bruce, who is here today, was Queensland's member for Mooloolah throughout the 1990s and Deputy Speaker in the Queensland parliament. My parents, Bruce and Estelle, are absolutely devoted to the cause of Liberalism in Queensland—and they have to accept some responsibility for the result in Bowman.

I believe there are few better role models in public life than fellow medico Brendan Nelson, who has made an undertaking in public life to always focus on policy and never attack the person or their private life.

I am a Liberal because I share with many my own age the language of my generation: of downsizing, redundancies, bankruptcies and lay-offs in the early nineties. Clearly, these are very good times today—and I am glad that the notion that this government is merely occupying the crease on a batter's paradise is slowly being unravelled both in the general community and by the OECD in their reports. As a Liberal with an eye on social sector policy, I will also work to remove that sense that there is only one side of politics which truly cares about the needy, the sick and the vulnerable, that perhaps only one side of politics truly has the social sector at heart. I passionately believe that our schools, as with our universities and our health system, are best served by a private-public blended model that allows people choice. That model offers internal contestation, vibrancy, accountability and responsiveness. When it is all said and done, only one side of politics has really fought for and

put itself on the line for that model—and for that I stand here today.

My Bowman priorities are a fairly simple interlocking cycle of eight objectives. I guess many wonder whether a person is going to say something that is slightly controversial in their first speech. My answer is that I hope that some of the things that I am proposing do one day become regarded as fairly normal. My first objective is to have a unified approach in our schools—in starting ages, curriculum, testing, accountability and ultimately even tertiary entrance. We must have the finest university sector, both in academic and technical graduates, because ultimately we will be judged on the world stage and our standard of living will be determined by the sorts of graduates we produce and the skills that we embed within them.

For families to be able to make long-term decisions, there must be a low interest rate environment where there is some certainty and security for the future. I cannot believe that, as recently as 10 years ago, 1,000 Bowman teenagers left high school for the dole queue—rather than for jobs as they do today. My commitment is to them. With certainty comes a willingness to enter into new enterprises, to start new businesses and to plan for the future. I would also love to work towards a simplified tax system that further cuts out the black market, the loopholes and the overly burdensome state regulation. I would like to see a tax system that allows us to continue to reduce our takings in tax as a proportion of GDP. With that sort of system we can truly afford the health and education systems that we all aspire to.

My No. 1 health priority in Bowman will be the work force. Any first-year economist will tell you that the only way to improve bulk-billing and reduce out-of-pocket costs is to increase the number of doctors we have and to have them working in the right loca-

tions. We have a Medicare safety net, a PBS safety net and also probably the greatest piece of health policy to emerge for the last couple of decades: the private health insurance rebate, which has moved large segments of Australia off the public hospital waiting lists and has, at the same time, injected billions of dollars into the health care sector.

I would like to see more aged care places for Bowman. Sometimes the allocation formulas are not as user friendly as we would like—particularly for areas like Bowman where there is a large degree of population mobility.

Lastly, I want to engage young Australians. Our young Australians out there still do not have the faith in this parliament that I would love to see. How do I convince those young Australians that this political process is one in which they can have faith? How can I convince them that the issues that they want to talk about are ones where we can really make a difference? In Bowman, the No. 1 issue is the environment—as we boast one of those great bayside ecologies. The environment must no longer be considered as something that crowds out economic growth but rather as something that is complementary.

I am grounded by the humility of my limited knowledge. I hope I am guided, but never coloured, by my life experiences. I tell my story not to hammer some ideological stake in the ground but to celebrate the diversity of experiences that are here. Different backgrounds add to the breadth of this parliament, but where that Green Valley experience begins to colour the way you approach this place—where it colours your perceptions and becomes a way of distinguishing friend from foe—I believe that diminishes this great process.

My international experiences have been very formative. Having worked with the World Bank, the great challenge I see for the next generation will be sequencing: how we transition war-ravaged and ailing economies through the development process and to the democracy and peace that we enjoy. Where tyranny prevails, where entire economies are expropriated, where property rights, private enterprise and free elections are completely denied and where free speech and a free press are eliminated, how can we ignore the moral legitimacy to act and give these places just one shot at democracy? It has been vindicated in Timor L'orosae and in Afghanistan. I have lived in both. I have worked on the Iraqi border. I am really committed to a forward-leaning approach in international affairs and nation building.

Perhaps our great foreign policy challenge will be China, but we now have an urgent appointment with the Islamic world. With one hand, we must refuse to allow terrorism to foment trouble undisturbed in any corner of the planet; with the other hand, we must be building those economic opportunities which will, in the end, stem the flow of the disempowered who turn to fundamentalism.

I want to finish by acknowledging a couple of other people who played key roles in Bowman and also by noting that, above and beyond the last redistribution, a really great swing has been achieved in that area, with a lot of people putting their faith in us for the first time. We achieved Queensland's largest swing in 2004, and also the largest margin without the benefit of incumbency. So I take my place in this part of the chamber, flanked by traditional coalition seats, because you were absolutely unrelenting in your expectations.

I close, as I opened, with Robert F Kennedy:

Each time a person stands up for an ideal, or acts to improve the lot of others, or strikes out against injustice, he sends forth a tiny ripple of hope ... these ripples build a current that can sweep down the mightiest walls of oppression and resistance.

While there are no mighty walls to sweep down in Bowman, there are plenty of opportunities for ripples of hope—opportunities to enrich a beloved community, to preserve our Redland character and to provide choice and opportunity for those whose faith has put me here.

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

CUSTOMS AMENDMENT (THAILAND-AUSTRALIA FREE TRADE AGREEMENT IMPLEMENTATION) BILL 2004

Cognate bill:

CUSTOMS TARIFF AMENDMENT (THAILAND-AUSTRALIA FREE TRADE AGREEMENT IMPLEMENTATION) BILL 2004

Second Reading

Debate resumed.

Mr CREAN (Hotham) (12.12 p.m.)—I welcome this opportunity to participate in the first debate on legislation in the new parliament. Mr Deputy Speaker Jenkins, whilst I have done so personally, could you formally convey my best wishes and congratulations to the new Speaker. Obviously, I also congratulate you and Deputy Speaker Causley. I look forward to many debates in this place over the next three years and to the order which it will now be the responsibility of you and your colleagues to ensure.

The Customs Amendment (Thailand-Australia Free Trade Agreement Implementation) Bill 2004 and the Customs Tariff Amendment (Thailand-Australia Free Trade Agreement Implementation) Bill 2004 implement the free trade agreement between

Australia and Thailand. Whilst we will be talking about aspects of that, this legislation also provides an early opportunity to debate and comment on the government's trade policy. It is fortuitous, because it comes at a time when the Doha Round is still holding out some promise, we hope, for a great outcome. But it also comes at a time when there has been much discussion about the possibility of a free trade agreement with China. With both of these aspects coming up, I think it is important to reflect on trade policy not just in the context of this bilateral agreement but also in the context of others that may come, as well as on the broader aspects of multilateralism in trade policy.

In essence, our charge is that the government has pursued a disastrous export policy which has produced poor export outcomes and that the government is pursuing a flawed trade policy that is not in Australia's best interests. It is a policy that is too focused on bilateral free trade agreements at the expense of pursuing Australia's real trading interests through multilateral trade negotiations via the World Trade Organisation. It is in that context that I welcome a commitment made by the government in the Governor-General's speech yesterday. The Governor-General said:

The government is committed to the multilateral trading system and driving forward the Doha Round of trade negotiations, which promises enormous gains for Australia.

The words are important—we share the sentiment—but it has not been the practice of this government to date.

While there are benefits from this Thailand-Australia free trade agreement, there are aspects of it, such as agriculture, where we should have and could have done better. What this government has to do is learn the lessons from this deal and pursue better market access for Australian farmers in the WTO

Doha Round as well as in other free trade agreements that are in the pipeline. It is also of great concern to us on this side of the House that the government did not take the opportunity provided through the Thailand-Australia free trade agreement to raise with Thailand its failure to observe core labour standards and to address environmental issues. It is for this reason that, whilst Labor will be supporting these two bills, I am moving a second reading amendment. I move:

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

"whilst not declining to give the bill a second reading, the House notes the Government's failure to include provisions in the FTA covering labour and the environment".

Labor's overriding trade policy priority is the WTO Doha Round of multilateral trade negotiations. It is this round that offers the largest potential economic and trade gains for this great nation. Labor governments have a proud record when it comes to international trade negotiations. It was Labor that played the key role in forcing agriculture onto the international trade agenda—and in keeping it there. It came as a direct result of the Cairns Group of agriculture free-traders which was established by Labor in 1986. In our view, this government has squandered that legacy and, through it, the opportunity to drive the Doha Round.

While Labor drove the Uruguay Round in the 1980s, through effective coalition building and commitment from the Cairns Group, that same commitment is deficient in this government. It has been obsessed with the pursuit of a free trade agreement with the United States. We believe that the minister was negligent in his multilateral trade responsibility, allowing the Cairns Group to drift and to diminish in importance, because in its place has emerged the G20 group of developing countries. They filled the vacuum. They took up the running when the

Cairns Group drive started to dissipate. The G20 have displaced the Cairns Group as the third force, after the US and the EU, in multilateral trade negotiations. Apart from our success with the Cairns Group, Labor were also instrumental in devising the concept of APEC and making it a reality. Unfortunately, here too the Howard government has undermined our regional trade interests by ignoring the capacity and full potential of APEC, and that is a great pity.

Confronted by the challenges and difficulties of multilateral trade negotiations, this government, instead of trying to build on them, resorted immediately to the suboptimal path of bilateral trade deals such as the one that we are debating today. By their nature, free trade agreements discriminate against our trading partners who are not party to the deal. Free trade agreements do not offer anywhere near the potential economic benefits provided by multilateral deals. They are not able to tackle the agricultural export and domestic subsidies that do so much damage to international markets. They also divert scarce trade negotiation resources to the pursuit of outcomes that are minuscule compared to what is available through the WTO. It is interesting that the International Monetary Fund, in a report released just last week, reiterated effectively what are Labor's concerns—that bilateral agreements may contribute to a proliferation of regional trading blocs, reducing the political will for further unilateral trade liberalisation in the region and diluting efforts to successfully conclude the World Trade Organisation negotiations.

APEC is also well aware of these dangers, and we welcome reports that APEC leaders this week in Santiago, Chile, will agree to a set of APEC rules to guide the development of bilateral free trade agreements. This, I believe, is an important development. It is a reflection of the burgeoning of free trade agreements, so let us hope that these new

rules are rigorous, adhered to and consistent with regional and multilateral trade liberalisation objectives.

In this debate I also want to say something about Australia's trade performance under this government. The fact is that the Howard government has presided over Australia's worst trade performance in postwar history. Australia's exports of goods and services have fallen over the past three years. Australia's average annual rate of growth in exports under the Howard government is less than half what was achieved under the previous 13 years when Labor was in office—there is half the rate of growth in export performance under this government. Under Labor, average annual growth in exports was 8.1 per cent. Under this government, the annual export growth has averaged only 3.6 per cent.

The government's failure on manufactured exports is even more alarming than the overall general decline in our exports. Under Labor, for example, manufactured exports averaged annual growth of 11.5 per cent in the five years to 1996. Under this government, manufactured exports averaged annual growth of only 3.2 per cent for the five years to 2003. For the comparable periods, when we look at elaborately transformed manufactures the growth rate under Labor was 13.9 per cent but under this government it was only 3.5 per cent. Little wonder that last year Australia recorded its largest ever trade deficit—a massive \$24 billion—and its largest ever current account deficit of \$47 billion, equivalent to six per cent of GDP.

With a burgeoning current account deficit at a time of rising global interest rates, the task of attracting international capital to finance the deficit becomes increasingly hard. This places upward pressure on Australia's interest rates, and this is a fault of the government that, ironically, promised to keep interest rates down and made that such an

issue in the last election. Further, when it first came to office the government said that it would bring down foreign debt and tackle the current account deficit. But the record shows that under this government foreign debt has nearly doubled, to an all-time high of \$393 billion. Using the Treasurer's preferred formula for accounting for foreign debt, that is more than \$19,480 for every man, woman and child in Australia.

I said that the Prime Minister promised to reduce foreign debt. We all remember the debt truck. Where is it now? When the Prime Minister said the debt truck, according to him, would be reduced, foreign debt was at \$180 billion. He has doubled it. He has turned the debt truck into a B-double and he has parked it in the driveway of every Australian household. This is a spectacular failure of policy, because if the government had delivered on its promise to reduce foreign debt there would have been less upward pressure on interest rates. No economist in the country will deny that. But, if you want further confirmation, I quote what the Prime Minister had to say in 1996:

We have some of the highest real interest rates in the world which are a direct product in part of the very high level of foreign debt.

... ..

The truth is that while we have such a high level of foreign debt we are going to continue to have an impact directly onto the level of real interest rates in Australia.

That is what the Prime Minister said in 1996, when the foreign debt was half what it is today. It is also an explanation as to why Australia's interest rates are higher than those of significant trading partners—higher than the US, higher than Canada, higher than the UK, higher than Japan and higher than the European Union. If in fact the government had delivered on its promise to reduce foreign debt, then there would not have been that pressure on interest rates that has put

ours ahead of those countries I mentioned. And why is that? It is because the government's trade policy has been flawed. Despite the protestations that this debt is largely private debt and therefore does not matter, the impact on Australia is still the same because markets do adjust to correct economic imbalances, whether they are public or whether they are private.

It is also true that this is a time when the Australian economy needs greater balance in its growth, with less reliance on that growth coming from consumption which is effectively driven by consumer debt—that is, people putting it on the credit card. If we are going to move to less reliance on debt driven domestic consumption, we have to put more emphasis on the contribution to growth of what we get from net exports. But the fact is that net exports have detracted from economic growth for a record 12 quarters in a row. That has never happened before in this economy. It has never happened that for 12 consecutive quarters net exports were a negative contributor to growth.

Despite a stronger international economy and the fact that our terms of trade are at their highest level in 28 years, Australia has now recorded 29 monthly trade deficits in a row—so much for this government's reputation as a sound economic manager. Left unchecked, the widening gap in Australia's trade performance poses a serious long-term constraint on sustainable growth in this country, increasing further our economy's already heavy reliance on consumption and debt. That is why trade matters, why exports matter and why this government's policy is failing to do better for this country than we are experiencing.

With Australia's current account deficit near historic highs and foreign debt having doubled under Prime Minister Howard, Australia desperately needs a trade strategy

which is focused on boosting exports and getting access into the growth markets of the world through the World Trade Organisation. But, despite the urgency of the problem, the government continues to direct the great majority of its trade negotiating resources to the pursuit of bilateral free trade agreements that do not offer anywhere near the potential outcomes available under the World Trade Organisation system of multilateral trade negotiations. Given this emphasis, Labor have repeatedly said that we will support bilateral free trade agreements if they are shown to be in the national interest and if they are consistent with advancing Australia's multilateral trade objectives.

Our preference would be to redouble the efforts through the multilateral rounds, but if this government's policy is to put the greater emphasis on bilaterals then they have to be bilaterals that drive forward the agenda, that support the development of multilateralism and the cause of liberalisation in trade. That is where our future is; that is where our best opportunities for export growth are. When Labor was in office it was demonstrated how, if we get this combination right, we can drive exports to a stronger level. The government has essentially put most of its eggs in the basket of bilateral free trade agreements and the record speaks for itself: a weaker performance in export growth than we could have otherwise been achieving.

In the process of developing these free trade agreements we also believe that the government not only has to consult with the opposition but has to ensure that the public and the parliament are fully informed of their content and implications when the deals are announced. In this regard I note that the Joint Standing Committee on Treaties has not yet completed its inquiry into this agreement that we are debating today. We know the reasons for that, in a timing sense, but this was the great initiative that the government trum-

peted—the establishment of this committee—and yet it has not even made its decision in relation to TAFTA. In our view, it is a poor reflection on the government's commitment to transparency in the treaty making process and it is indicative of the unwillingness to allow parliament to undertake full scrutiny of treaties before they take effect.

The government has to learn the valuable lessons arising from its experience with the United States free trade agreement—and from this agreement—as it embarks on a possible free trade agreement with China. Labor will assess with great scrutiny the joint feasibility study now underway with China. The study has to be comprehensive and rigorous and the estimated economic gains from such a FTA must be realistic. They have to stand up; they have to pass what was referred to as 'the laugh test' when the Senate was inquiring into the United States free trade agreement.

China is an enormous, rapidly developing market and it has great potential for Australia. But while it offers tremendous opportunity for Australia, we must also be mindful of its potential impact on the Australian manufacturing sector, including China's request to be treated as a market economy and the implications arising from that request for Australia's anti-dumping regime. This has to be a central consideration in any assessment of a free trade agreement with China. Any deal with China must prove to be in Australia's national interests and must be consistent with advancing our multilateral trade interests. It also has to be consistent with our broader trading interests in the East Asian region. Public concern about China's approach to labour standards and the environment also need to be taken into account as the process with China moves forward.

For our part, Labour is prepared to work with the government to address these com-

plex issues in a constructive way. But it must be a genuine bipartisan approach on the government's part. There must be a preparedness to involve Labor in the process and not just expect it to agree when the deal is done. There also has to be full consultation with the public and, importantly, with the business community as well.

Specifically on the question of the Thai-Australia free trade agreement, the objectives of this are to more closely integrate the two economies and to deepen Australia's trade and investment links with the second largest and fastest growing economy in South-East Asia. Australia's merchandise exports to Thailand increased by an average annual rate of 17.6 per cent under the last period of a Labor government. In contrast, and reflecting the overall poor export performance of the Howard government, Australia's exports to Thailand have grown by less than a quarter of Labor's performance: by only 4.3 per cent.

We have examined carefully the content of the TAFTA and we have consulted widely with Australian business and other stakeholders who have a direct influence in it. TAFTA, importantly, does not exclude any goods sectors—as was the case with the US free trade agreement, which significantly excluded sugar. But a great deal of disappointment has to be expressed about the length of time it will take to reach free trade with Thailand in many agricultural products. TAFTA will not achieve free trade in dairy until 2025, 20 years down the track. That also happens to be five years after the APEC Bogor goals of free trade and investment in the region were to be in place. It is an outrageously long lead time for the opening up of trade in all dairy products for our farming community and a time frame which Labor would not have agreed to if we had been negotiating this deal. It will take 15 years to

reach free trade in Australian exports of meat, sugar and potatoes.

Notwithstanding these and other exemptions, the fact is that 49 per cent of tariff lines in Thailand will go to zero and these account for 78 per cent of Thai imports. The Centre for International Economics estimates that this deal is worth \$2.4 billion over 20 years in net present value terms. But, that being said, Thailand gets free trade on nearly every product it exports to Australia, while some Australian businesses have to wait 20 years—until 2025, as I said before—before getting free access into the Thailand market.

This deal, when it was concluded by Minister Vaile, also agreed to very generous rules of origin arrangements applying to textiles, clothing and footwear products produced in Thailand. Only 30 per cent of the regional value content of these goods is required to be sourced in Thailand. The remaining 25 per cent may be sourced from a neighbouring developing country. These generous rules of origin will be difficult to enforce. They have the potential to give rise to illegal transshipments of textile products through Thailand to Australia.

Concern has also been expressed about the potential impact of this deal on Australia's quarantine arrangements, because we know that Thailand has been campaigning unsuccessfully for many years to break down Australia's strict—and World Trade Organisation legal—quarantine regime so that it can export fresh chicken meat to Australia. Thailand has numerous exotic strains of avian diseases, most notably the highly pathogenic avian influenza, from which Australia is free. Maintaining the integrity of Australia's quarantine system is fundamental to the long-term future of our agriculture sector. So under no circumstances should our quarantine system be compromised in trade negotiations.

The gains Australia has made from this deal on services and investment are minimal. The government achieved improved access in only a small number of services sectors, such as general management consultancy, some construction and distribution services. TAFTA also fails to provide any increased access for Australian companies to Thailand's government procurement market. Government procurement is a sector in which Australian businesses are becoming increasingly expert, yet there is nothing in for them in this agreement. The government must use the framework of this agreement to pursue greater market access opportunities in coming years for services, investment and government procurement.

It is also disappointing that the government did not take the opportunity to raise with Thailand its failure to observe the core labour standards contained in the ILO's Declaration on Fundamental Principles and Rights at Work. According to the International Confederation of Free Trade Unions, Thailand has only ratified four of the eight core ILO labour conventions. If it was good enough to include a chapter on labour in the US free trade agreement, TAFTA should also have had the same. The Thai free trade agreement also fails to address the environmental obligations of each party under the deal. In stark contrast to the United States free trade agreement, TAFTA's failure to include environmental provisions reduces Australia's capacity to work with Thailand to pursue sustainable economic development. This is another major oversight on the part of the minister, and it is an issue that should be addressed further down the track.

Concern has also been raised about the inclusion of an investor-state dispute settlement mechanism in this agreement. However, Thailand's status as a developing country necessitates the inclusion of an investor-state provision to give certainty to Australian

business about its legal rights when investing in Thailand. Australia's status as a developed economy with a sound and transparent system of law greatly reduces the prospect of Thai investors resorting to the investor-state mechanism to seek resolution of any dispute they may have.

Despite numerous problems with the content of the Thai FTA, it does provide important benefits for Australian business. Our criticism is not with that. It is just that we could have and should have done better. The agreement will liberalise two-way trade in goods and in some important investment and services sectors. It is important for the automotive and automotive components industry. The majority of tariffs in both countries will be reduced to zero on implementation of the agreement. The reduction in Thailand's tariffs—some of which are as high as 200 per cent—will provide considerable benefits. TAFTA does not suffer from exclusions and carve-outs as did the US free trade agreement, and the automotive sector is a significant beneficiary. Notwithstanding the long lead-in times, we support this agreement. We are concerned about its failure to deal properly with labour standards and the environment, and for that reason I moved a second reading amendment. But we want the government to learn from its experiences and to involve the Labor Party in future developments—particularly the China free trade agreement. Importantly, we have to commit together to trade through the multilateral round.

The DEPUTY SPEAKER (Mr Jenkins)—Is the amendment seconded?

Dr Emerson—I second the motion and reserve my right to speak.

Mr HARTSUYKER (Cowper) (12.42 p.m.)—As I rise to speak on the Customs Amendment (Thailand-Australia Free Trade Agreement Implementation) Bill 2004 and

its cognate bill, I think the people of Australia could rightly be astonished that the member for Hotham is criticising Australia's trade performance, being critical of the economic management of this government and trying to take the high ground on economic management because, though it may have escaped his notice, we have just had an election. The people of Australia voted on who they trusted to keep this country strong, who they trusted to keep interest rates low and who they trusted to keep creating jobs. They voted overwhelmingly that the Howard-Anderson coalition government was the appropriate government to retain stewardship of the interests of this nation.

The member for Hotham presided over the highest interest rates that we have seen in this country. He presided over 17 per cent mortgage interest rates, 23 per cent interest rates for small business and double digit unemployment, putting a million people out of work. So for the member for Hotham to somehow criticise the trade and economic performance of this country—an economic performance, I might say, that is the envy of many of our trading partners—is simply absurd. It is interesting to ask: where was the member for Hotham during the course of the election campaign? They kept him hidden. They kept him hidden for the simple fact that when Simon says, no-one listens. Certainly the people of this country have re-elected the Howard-Anderson government. They have endorsed our economic policy, and they have endorsed our trade policies.

I will revisit for a moment some of the issues mentioned by the member for Hotham. I would like to say that the Cairns Group, under the leadership of Mark Vaile, is alive and well. The Cairns Group has been working well in Geneva and will meet early next year. The WTO currently has 148 members, mostly developing countries, and that is almost double the number of members there

were at the end of the Uruguay Round. I might say that negotiations with regard to trade matters are far more complex today than they were many years ago. I also note that the election policies put forward by Labor would only complicate WTO negotiations and make them more difficult, due to the inclusion—under the pressure of their union mates, I might add—of labour standards.

I rise in the House today to speak in support of the implementing legislation for the Thailand-Australia free trade agreement. This is a historic agreement. It was signed on 5 July by the Minister for Trade, Mark Vaile, and his Thai counterpart, Commerce Minister Watana, during the visit to Australia by Thai Prime Minister Thaksin. TAFTA is an outstanding agreement which demonstrates Mark Vaile's and the government's commitment to opening up new markets, creating new job opportunities and improving opportunities for Australian exporters wherever we can.

Thailand, with a population of 63 million people, is a natural trading partner for Australia and this agreement will significantly strengthen bilateral trade between our two countries. Thailand is the second largest and one of the fastest growing economies in our region. TAFTA builds on the great work of trade minister Mark Vaile and former coalition trade ministers. This agreement will complement the government's already completed free trade agreements: with New Zealand, negotiated by Doug Anthony over two decades ago; our FTA with Singapore, which entered into force in July last year; and our landmark FTA with the United States, which is expected to come into force in January next year. This agreement is yet another example of this government's pragmatic approach to trade.

Contrary to what members opposite parrot, FTAs support and complement the work of the government in the WTO's Doha Round of Negotiations, which remains the government's No. 1 trade policy priority. This FTA, like the other FTAs the government has negotiated, provides significant new market access opportunities for Australian business—far quicker than can be delivered through the WTO negotiations. This government will pursue every opportunity to advance the interests of Australian exporters; we will do this bilaterally, regionally and multilaterally. The pursuit of bilateral agreements like TAFTA will in no way undermine our focus on achieving good outcomes from the current WTO negotiations. To the contrary, our work on bilateral agreements will help build momentum for outcomes in the WTO. As progressive trading countries, we should not be held back by those who are less progressive.

TAFTA is a comprehensive FTA that covers all sectors of Australia's export interests: trade in goods, in services and investment, as well as promoting cooperation and best practice in areas like competition policy, e-commerce, quarantine procedures and government procurement—all making it easier for Australian businesses to do business in Thailand. From the implementation of this agreement, over \$700 million of current Australian exports to Thailand will immediately benefit from tariff cuts; 95 per cent of all current trade between Australia and Thailand will be completely duty free by 2010 and more than half of Thailand's 5,000 tariffs—accounting for nearly 80 per cent of Australian exports—will be eliminated when the agreement comes into force.

Many Australian companies formerly locked out of the Thai market by high tariffs and quotas will enjoy new opportunities, particularly in areas such as agriculture, processed foods and beverages, mining and

automotive products. The automotive sector will particularly benefit from this agreement. On the agreement's entry into force, Thailand will immediately eliminate tariffs of 80 per cent on large passenger motor vehicles over 3000cc and tariffs of 60 per cent on goods vehicles. In addition to the elimination of its 80 per cent tariff on large passenger motor vehicles, it will reduce its 80 per cent tariff on other passenger motor vehicles to 30 per cent, phasing them to zero in 2010.

Peter Hanenburger, the former managing director of Holden, commended this agreement, saying:

I think it is fantastic and shows particularly the vision the government has. The reduction of these tariffs will offer opportunities to Holden and other Australian carmakers and help to build our critical mass of production to protect Australian jobs.

With beef, a very important export—particularly in my electorate—Thailand will immediately reduce the tariff from 51 per cent to 40 per cent, and for beef offal it will be reduced to 30 per cent from 33 per cent. Gradually these rates will phase out to zero by 2020. Another agricultural sector to benefit will be the Australian dairy industry, an important industry on the mid-north coast of NSW. From the agreement's entry into force, Thailand will eliminate the current tariffs on infant formula, lactose, casein and milk albumin and it will phase tariffs to zero on butterfat, milk food, yoghurt, dairy spreads and ice cream by 2010.

In services and investment, the agreement will liberalise Thailand's foreign investment restrictions, protect Australian investment and improve transparency. Thailand will eliminate or relax foreign equity restrictions in a number of sectors of interest to Australia, including construction, maritime, education and hospitality services.

With one in four jobs in regional Australia being dependent on exports, this FTA means

more Australian exports and more Australian jobs. According to a study by the Centre for International Economics, TAFTA's net economic benefit to Australian GDP will be an estimated \$US2.4 billion over the first 20 years of the agreement. TAFTA will enable Australia to diversify its exports to Thailand. Thai tariffs are structured around a series of high tariff peaks which force Australia to export at the low value added end of the production chain. The removal of these tariff peaks will open new opportunities for Australia to export more simply and elaborately transformed manufactures.

This agreement also includes many protections for Australian industries. TAFTA provides particularly sensitive Australian industries time to adjust to zero tariffs on imports from Thailand, and safeguard provisions will also protect against surges in imports that threaten to injure Australian business. For our most highly protected clothing goods sector, tariffs will not be phased out until 2015 and rules of origin on textile, clothing and footwear, automobiles, automobile parts and some manufacturing products will provide further comfort to Australian industry.

Since the coalition came to office we have increased the value of Australian exports by \$43 billion annually and created over 1.3 million new jobs, some 260,000 of those being created by trade. Trade creates new opportunities for Australian businesses. It expands the range and quality of goods and services available to Australian consumers and lowers their prices. Of course, the government have also undertaken other significant reforms that have helped our exporters compete and win in the international marketplace. We have increased the flexibility of the Australian labour market—a vitally important move and a trend which this government are committed to and will build on over this parliamentary term. We know that the

members opposite beholden to the union movement do not countenance a flexible labour market as we do. It is something we are committed to and we will continue to progress to the benefit of Australians. We have reformed and revamped the outdated and unfair tax system, removing many taxes on imports. We have reformed sea freight and the Australian waterfront.

All of these initiatives have improved our international competitiveness—improved the competitiveness of Australian business, enabling it to employ more people and provide more opportunities for our youth. World trade creates opportunities. Australian jobs growth and living standards have always been closely linked to trade. We have long relied on overseas markets buying our commodities. Our standard of living today is largely reliant on the international sale of goods and services we produce. All Australians benefit from world trade. This government are committed to world trade. We will continue with our current policies and continue to get our products into world markets. Fewer than five per cent of Australian businesses export, but those businesses provide almost 20 per cent of all Australian jobs. These companies are also amongst Australia's fastest growing and most competitive and, as a general rule, exporting companies pay their employees better. So there are great gains now to every employee from world trade. By exporting, Australia's businesses access a marketplace of more than six billion consumers and we compete well with the best in the world.

Our government is fully engaged with Asia. Apart from our direct economic links, the implementation of TAFTA will also enhance Australia's broader trade, economic and security interests in the region. This substantive and comprehensive FTA between Australia and Thailand will send a strong signal for multilateral, regional and bilateral

initiatives and will help create an open global and regional trading environment which, in turn, will promote strength and stability in the region.

Because the government has managed the economy well, the Australian economy is one of the fastest growing in the OECD. The economies of our region are also growing strongly and this government has ensured that Australia is strategically placed to benefit from this growth. The coalition has continued to open up new markets in the region for our exporters, creating opportunities for jobs growth. In July 2003, in addition to the Singapore-Australia Free Trade Agreement coming into force, the government concluded a trade and economic framework with Japan, our largest export market. It is also pursuing FTAs with China and Malaysia. The coalition is positioning the nation to benefit from the growing strength of our region and in doing so is creating jobs for the future.

The Australian and Thai governments are both committed to implementing TAFTA and the important commercial benefits it will bring as soon as possible. Both governments want the agreement to enter into force on 1 January 2005. Any delay in TAFTA's entry into force would disappoint Australian businesses and disappoint the Thai government. A delay would also raise questions over Australia's commitment to the agreement and would be unhelpful to our proposed negotiations for an ASEAN-Australia-New Zealand free trade agreement. Thailand's active program of negotiating FTAs, including with the US and New Zealand, means any delay of TAFTA's entry into force will reduce our competitive advantage over our rivals in the Thai market.

In conclusion, the free trade agreement between Australia and Thailand, like other free trade agreements, is unquestionably in

Australia's national interest. Mark Vaile was able to negotiate substantial market access improvements for Australian exporters across all sectors of interest to our export community. The FTA with Thailand is a further example of the coalition government securing jobs, securing export income and securing benefits for people in metropolitan and regional Australia. I urge the passage of this bill and commend it to the House.

Mr STEPHEN SMITH (Perth) (12.58 p.m.)—I want to make some brief remarks to the House today on the Thailand-Australia free trade agreement. Before moving to the detail of the Customs Tariff Amendment (Thailand-Australia Free Trade Agreement Implementation) Bill 2004 I will make some general remarks about the importance of trade and investment to Australia's prosperity—the importance of trade and investment to economic growth, jobs and decent family living standards in Australia.

I believe it is true that, historically, as a nation Australia's prosperity has survived over the years on two things: firstly, by our being a great trading nation and, secondly, by attracting overseas capital investment. In the modern day, to survive as a great trading nation and to be an attractive place for overseas capital investment, you have to be internationally competitive. The modern international competitiveness of Australia as a nation-state was formulated through the reforms effected the last time Labor was in office, during the Hawke-Keating years. That was when national public policy opened Australia up for the first time, when we changed the nature of Australia as a trading nation, floated the dollar and brought down the tariff walls and quota restrictions. It was that opening up of our economy during the Hawke-Keating years that set the nation up for the prosperity that we have seen, set the nation up for the 14 years of economic growth that we have had and set the nation

up as an internationally competitive trading nation and an attractive place for overseas capital investment.

The problem for us now is this: I am a strong believer that over the years the Howard government has become complacent about our international competitiveness. It has taken our international competitiveness for granted. It has relied almost exclusively on two things: the economic growth which has come from the reforms which opened up our economy and changed our nature as a trading country; and the state of the Australian dollar. It has failed to move our nation to the next level of productivity improvement which we need to make to continue to ensure that we are internationally competitive. It has failed to skill our work force and skill our nation intellectually. It has failed to make sure that our infrastructure, including and in particular our information technology infrastructure, is as productive and efficient as it can be. Now, in a period when we find the Australian dollar potentially appreciating, the complacency of the government may well come home to roost. The last time I looked—this morning—the Australian dollar was at US77c. Every time the Australian dollar appreciates, it puts more and more pressure on our international competitiveness, on our industry, our exporters and our standing as a great trading nation. So the failure of this government to grasp the next level of productivity improvements and invest in the education and skills of our work force and our nation's people may well come home to roost in the face of that complacency and an appreciating dollar.

The trade policies of the Hawke-Keating governments also helped set us up as a great trading nation during those years. There is no need to go through all the detail, but they contained significant achievements, placing Australia at the forefront of international and regional trade improvement: the Cairns

Group, APEC, the Australia-New Zealand Closer Economic Relations Trade Agreement and the prospect of a link between CER and the ASEAN free trade area. The fundamental underlying public policy rationale or approach of that was to not necessarily put all of your eggs into one basket—that is, to not take the purely ideological view which some people take that the only progress you should make on trade should be on multilateral trade. It is in my view the case that in a public policy sense there is no one-stop shop to make sure that we can thrive and survive as a great trading nation and that the international and regional trading climate is such that it works to our national advantage and works to assist our national prosperity and economic growth, and jobs and family living standards. There is no one solution. It is a matter of putting the shoulder to the wheel on bilateral, regional and multilateral agreements.

My test of whether a bilateral or regional agreement ought to be adopted is firstly whether we think it is in our national interest—that is, whether it aids and assists our prosperity in the long term. Secondly, the test is whether the bilateral or regional agreement also advances multilateral trade arrangements. If there was a one-stop shop or an overnight cure it would have been found long ago. You have got to keep your shoulder constantly to the wheel in these areas. Just as the government has become complacent about our international competitiveness, so the government has also become complacent and dropped the ball on pursuing and pushing our multilateral and regional trading arrangements. The government's almost exclusive focus, from the days of 'Tiny Tim' Fischer, has been on pursuing a bilateral agenda. There have to be eggs in more than one basket. The test for a bilateral agreement is whether it is in our national interest to pursue and sign it and whether it makes some

contribution to the benefits which can come from regional and multilateral trading arrangements.

It is also the case that while those Hawke-Keating reforms in the eighties and nineties changed our nature as a trading nation, the government—and potentially the nation as a whole—has also become complacent about the way in which globalisation and technological change and the emergence of other major economic powers are changing the economic landscape both domestically and internationally. This sees new challenges arise. New challenges always present new opportunities. If we do not meet those new challenges and new opportunities by keeping very firmly in mind the absolutely essential need for us to be internationally competitive then those challenges will not be met and those opportunities will fade and fail.

My own view of individual trading nation opportunities in the course of this century is that it may well prove to be the case that in terms of individual trading partners the three great opportunities for us in this century are the United States, China and India. Anything we can do in respect of those nation states to get in on the ground floor in terms of a trading relationship for this century would be sensible. In the case of the Australia-US free trade agreement we came to the conclusion that that was in our long-term national interest. The great opportunity now in trade between Australia and the United States is in terms of our intellectual strength—not necessarily our physical labour but our intellectual capacity.

As far as China is concerned, it is absolutely essential that we get in on the ground floor. So far, we have successfully managed to achieve that, firstly through our early recognition of China but much more recently and importantly by getting in on the ground floor with China now—as the nature of

China's economy and the nation itself change—through our petroleum and minerals resources industry. It has been China sucking in our exports of commodities across the board in our petroleum and mineral resources industry that has made a significant contribution to economic growth in Australia, particularly in the great outlying states of Western Australia and Queensland. You can hazard a guess, or be more scientific and evidence based about it, and say that if you took out of our economic growth the economic growth which has come from the massive exports to China through our petroleum and minerals resources industry—everything from iron ore to coal to liquefied natural gas—and took out the economic growth which has come from consumer credit or consumer debt then there is not necessarily all that much economic growth there.

The growth in those exports to China will plateau at some point in the cycle. For our petroleum and minerals resources industry the trick will be to make sure that it picks the turn: that, in its investment in infrastructure and in providing more productive capacity, it does not get caught at the high point but manages to get caught at the plateau. Getting in on the ground floor with China through our petroleum and minerals resources industry has been absolutely essential. That provides the bridge for further opportunities, for value-added opportunities and for intellectual property opportunities.

I suspect that one of the great trading issues that this parliament will confront will be the question of a free trade agreement with China. This parliament may well have to grapple with whether that is in our long-term national interest. I think that as we grapple with that, we cannot pretend and we cannot turn a blind eye to the fact that China is not a market economy. It may well be in our national interest to enter into a free trade agreement with China, but we should not

pretend in any way that China, at this point in the cycle, is anywhere close to a market economy.

The third great opportunity, in my view, is with India to the west. We from Western Australia have good links historically with India, but we need to progress those much more as a nation. So the great individual trading opportunities that I see with individual nation states this century are with the United States, China and India. We have neglected India in my view and we need to do much more there.

Of course when it comes to trade in general, the other great opportunities are in our region. That is where the Thailand-Australia free trade agreement comes into play. Thailand is already an important economic partner for Australia. If you convert it to US dollars, the two-way trade between Australia and Thailand in 2003 was \$US3.6 billion—\$US1.6 billion of which was accounted for by Australian exports while Thailand's exports to Australia were valued at \$US2 billion. The potential gains from the Thai free trade agreement arrive from the complementary nature of our two economies and Thailand's steep rates of protection in key areas. Thailand's agriculture and manufacturing sectors are protected by a range of high tariffs and non-tariff barriers. The import duty applying to wine, for example, is 60 per cent. More than 20 agricultural products, including milk powder and sugar, are protected by restrictive tariff rate quotas. Thai tariffs on passenger motor vehicles are 80 per cent. The potential market access gains therefore are quite clear. This has been recognised in particular by our car manufacturers who say they are confident that the free trade agreement with Thailand will result in higher motor vehicle exports to Thailand. Under the agreement, as previous speakers have mentioned, the majority of tariffs applying to

two-way trade between Australia and Thailand will fall to zero from 1 January 2005.

It is significant that no particular industry sector has been carved out of the agreement—unlike sugar, which was carved out of the US free trade agreement. Having said that, the downside of course is that the benefits for Australia are effectively diluted by long phase-in periods, which Thailand has negotiated over a number of sectors: 20 years for dairy products, 15 years for meat and 10 years for wine. This is why I make the point that you have to make a judgment whether the long-term national interest suits you—or suits our nation—when you come to making these agreements.

There are of course implications here for the textile, clothing and footwear industry. While it is the case that the textile, clothing and footwear exchange between Australia and Thailand is quite small, I want in particular to draw attention to the rule of origin provisions in the agreement and the potential that these could lead to sizeable flows of third-country textiles into Australia. While it is true that under the free trade agreement with Thailand Australia will progressively lower tariffs that apply to TCF imports from Thailand, the initial preference margin will only be five per cent. But should the volumes of exports surge as a result of the Thai free trade agreement, safeguard clauses in the agreement will be triggered, affording protection to local suppliers. As I said earlier, Thailand is not a major supplier of TCF products to Australia. In 2002, Thailand accounted for only 1.3 per cent of Australia's clothing imports and 2.8 per cent of textile imports.

Having made those particular comments about TCF and the Thailand free trade agreement, particularly the reference to the rule of origin in the agreement, I think there are plenty of challenges down the road for

the textile, clothing and footwear industry in Australia. In the past, the public policy obsession and the public policy view have been almost exclusively on tariff barriers. But when you look at the level of textile, clothing and footwear tariffs now, I think it is true to say that there are many non-tariff barriers which will be much more problematic down the track into the future, particularly in regard to the rule of origin. For example, the real problem for Australia's textile, clothing and footwear industry in taking advantage of the US-Australia free trade agreement is the United States yarn forward rule of origin. The yarn forward rule requires that, to take advantage of the US free trade agreement, the yarn has to be produced in Australia, which we have never done. Historically, we have never done that for textiles. We grow cotton and wool, we then ship them offshore, someone else produces the yarn and we then make clothing. So we cannot take advantage of the US free trade agreement in the textiles area because of that rule of origin provision.

The prospect of a China free trade agreement will have enormous implications for the textile, clothing and footwear industry, which will make any conversation about tariffs which are at relatively low levels now pale into insignificance. Much more problematic for the textile, clothing and footwear industry these days is a general point I mentioned earlier: with the rates of tariffs where they are, an appreciating Australian dollar is much more of a public policy issue and a practical issue for the textile industry. I suspect that there are many in the textile, clothing and footwear industry who have noted that the Australian dollar exchange rate with the US dollar this morning was 77c; rather than actually remembering what the tariff for a particular product at this point in time might be.

When you weigh all those things into the mix in my view there is a long-term national

interest benefit here in that there is a long-term economic gain for our nation. On that basis, we should sign up to the Australia-Thailand free trade agreement. Despite one or two difficulties, I think it is also the case that, in terms of making progress for a better regional trade environment and a better world trade environment, this free trade agreement in most respects would not stand in the way.

I support the legislation. I note the comments of the shadow minister for trade and the amendment that he has moved in respect of the failure of the government to ensure that labour standards and environmental measures were included in the Australia-Thailand free trade agreement. Putting those omissions to one side, I am of the view that, as a great trading nation, it is in our long-term national interest to sign up to this agreement.

It does underline a couple of fundamental policy imperatives: to keep the shoulder to the wheel, to improve the world's, the region's and our individual nation states' trading environments. Also, absolutely essentially and importantly if we are to retain our prosperity as a nation, if we are to ensure that families have decent living standards and jobs which come from economic growth, there is only one way to do that, and that is by continuing to ensure that we are internationally competitive. The great danger for our nation is that the government has been complacent in that respect for a number of years and, before we have the chance in the future to go to the next level of productivity improvements, that complacency may well have adverse consequences for Australians and their families.

Mr SLIPPER (Fisher (1.16 p.m.)—Australia is particularly keen on free trade agreements because free trade agreements do give Australian exports better access to

growing markets. Of course, there are very substantial benefits to Australia from an expansion of free and freer trade. Thus the United States free trade agreement—and now the Thai free trade agreement—will be a very important benefit to our nation. I am pleased to see that this agreement does have, broadly speaking, bipartisan support.

Initially, I would like to address the second reading amendment to the Customs Amendment (Thailand-Australia Free Trade Agreement Implementation) Bill 2004 moved by the honourable member for Hotham where he criticised the perceived government failure to provide provisions in the FTA covering labour and the environment. The member for Hotham ought to be aware that Australia does not consider that free trade agreements are the best mechanism for addressing international labour standards. He would be aware that Australia is active in all organisations with competence in this area, such as the International Labour Organisation. The Australian government believe that trade and labour standards are best handled by the ILO. Labour standards were addressed in the US free trade agreement because the US Trade Promotion Authority insists that labour standards are addressed in agreements concluded by the United States. In the agreement with the United States, we simply agreed to impose our own labour laws.

With respect to environmental standards, everyone believes that our nation's environment is very important, and, indeed, as a world community we hold the environment in trust for future generations. Again, in this case, we believe that trade and environment issues are best dealt with by the WTO Committee on Trade and Environment. The Department of Foreign Affairs and Trade actively pursues our interest in this forum, and Australia's policy approach is that environmental standards should not form part of free

trade agreements. Very clearly, these matters address the fairly spurious second reading amendment moved by the honourable member for Hotham.

Many people in the community might look at Australia and then look at Thailand and wonder why on earth we would be interested in having a free trade agreement with a country such as Thailand. Let us look at the facts. This free trade agreement will link Australia to the second largest and fastest growing economy in South-East Asia. Most objective observers would agree that the agreement is an outstanding result. It demonstrates the commitment of the Howard government to opening new opportunities for Australian exporters and investors in East Asia. It is a major market opening agreement that will lead to the elimination of Thailand's significant trade barriers across all sectors and will substantially improve the environment for services, trade and investment.

As a result of TAFTA, 95 per cent of all current trade between Australia and Thailand will be completely free of customs duties by 2010. Australian exporters will start reaping the benefits of the agreement as soon as it comes into force. These gains are available only to Australian exporters and give them an enormous advantage over their competitors. More than half of Thailand's 5,000 tariffs—accounting for nearly 80 per cent of Australian exports—will be eliminated on entry into force, while many Australian companies formerly locked out of the Thai market by high tariffs and quotas will enjoy new opportunities. Over \$700 million of current Australian exports to Thailand will benefit immediately from tariff cuts, and in the first year of the agreement it is estimated that Australian exporters to Thailand could well save over \$100 million in duties. The agreement will result in direct benefits to the Australian economy.

It is interesting to note that, when these free trade agreements are considered, people calculate in dollar terms what the benefits will be to the respective nations. According to the Centre for International Economics, Australia will benefit to the extent of \$US2.4 billion of additional GDP over the first 20 years of its operation. The agreement will enable Australia to diversify its exports to Thailand. Thai tariffs are structured around a series of high tariff peaks which force Australia to export at the low value added end of the production chain. The removal of these tariff peaks will open up new opportunities for Australia to export more simply and elaborately transformed manufactures. Apart from direct economic benefits, implementation of the agreement will also enhance Australia's broad trade, economic and security interests in the region.

A substantive and comprehensive FTA between the two countries will signal strong support for multilateral, regional and bilateral initiatives, help open a global and regional trading environment, and promote strength and stability in the region. Over the years, of course, Australia has become very much aware of the importance of becoming more involved with Asia. It is now accepted broadly across Australian politics that we are a key part of the Asia-Pacific region. Our relationships ought to be focused on these areas, although not to the extent of other relationships, and free trade agreements are important steps forward in progressing the arrangements and the understanding that we have with other countries in the region.

Thailand is the 12th largest destination for Australian exports and the 13th largest place of origin for imports, so we already have a very substantial two-way trade with Thailand. The implementation of this agreement will assist Australian exporters to get further market access to a rapidly growing economy. A good trade relationship helps other rela-

tionships, and the relationship between Australia and Thailand is healthy, robust and of long standing. It is accepted, of course, that Thailand is a very good friend to Australia and Australia has been a particularly good friend to Thailand. One only has to cast one's mind back to the Asian economic crisis just a few years ago to see how Australia was prepared to play its part in ensuring the long-term economic viability of countries in the region.

People ask: 'Does the Australian government consult before entering into a free trade agreement?' I think it is very important to make sure that the government of the day always carries the Australian people along with it when entering into substantive international treaties such as free trade agreements. There has been very wide consultation with peak industry bodies and a limited number of individual companies. Meetings were held throughout the nation—in most states as well as in the capital, Canberra. In addition, information was posted on the DFAT web site and updates on the progress of the negotiations were emailed to contacts on a regular basis. Throughout the negotiations, DFAT and other agencies conducted consultations with state and territory governments, peak industry bodies and individual firms in some capitals as well as in several regional areas. There has been wide consultation and very broad support for the principles of this free trade agreement.

Thailand will also benefit substantially from this free trade agreement. People would ask: 'Why is this one of the initial pieces of legislation that the re-elected Howard government has introduced into parliament?' There is urgency because both the Australian and Thai governments are committed to implementing this agreement—and the important economic benefits it will bring—as soon as possible. Both governments are working to complete domestic processes so as to have

the agreement enter into force on 1 July 2005. Any delay in the entry into force of the free trade agreement would disappoint both Australian business and the Thai government, would raise questions over Australia's commitment to the agreement and would be unhelpful to our proposed negotiations for an ASEAN-ANZ FTA because this free trade agreement with Thailand sets the benchmark for future trade liberalisation in the region.

It is very important that this legislation pass so that, in meeting all of our domestic processes, Australia can play its part and the free trade agreement with Thailand will come into being on time. This agreement will be of substantial benefit not only to Australia but also to Thailand. The agreement is an evolving document and there are a number of monitoring and review mechanisms built into the agreement. So we have a proposal before the House for a win-win situation. It is a win for Australia, it is a win for Thailand, it is a win for our continued involvement in the region, it is a win for Australian manufacturers, it is a win for Australian jobs and it is a win for Australia primary producers. When you look at the balance ledger there are virtually all winners and very few losers, and therefore I strongly endorse this legislation.

Mr Deputy Speaker Jenkins, since you are in the chair, before I sit down I would like to congratulate you on your re-election to that office and to congratulate Mr Speaker and Mr Deputy Speaker Causley.

Mr GAVAN O'CONNOR (Corio) (1.26 p.m.)—Mr Deputy Speaker Jenkins, congratulations to you once again on your re-election. The Thailand-Australia free trade agreement now being debated by the House is yet another example of the failure of the Howard government to execute a coherent trade strategy in the national interest—let alone the sectoral interests of key industries

where many of my constituents in Corio earn their living. It has taken the Howard government no time at all to display a disturbing arrogance in dealing with these important matters by allowing some members only 10 minutes to debate these issues. I have not only constituent interest in this agreement as the member for Corio but also shadow portfolio interest in the agriculture and fisheries areas covered by this agreement. This debate on the Customs Tariff Amendment (Thailand-Australia Free Trade Agreement Implementation) Bill 2004 is the only opportunity available to not only examine the detail of the agreement but also offer some comment on the indicative failure of both policy and process in these matters on the part of the government. So I put on the public record my strong objection to the time constraints placed on all members in this debate today.

The Australian people are all too aware of the fetish of the Prime Minister and the government for bilateral free trade deals and they are all too familiar with the propensity of the Prime Minister to ditch the national interest so as to stitch up another bilateral deal. The figures are not too hard to comprehend—even for some of the new members of this House. In 2003, bilateral merchandise trade was valued at \$5.9 billion and Thailand enjoyed a surplus of \$1.36 billion in trade with Australia. According to the economic analysis—limited though it is—undertaken by the Centre for International Economics on behalf of the government on the impacts of the agreements, the economic benefits to Thailand over 20 years are estimated at \$US6.8 billion of additional GDP, while the benefits to Australia are worth \$US2.4 billion. Perhaps the genius in the government who negotiated this agreement might enlighten me about the figures. We have a trade deficit with Thailand of \$1.36 billion and then we conclude an agreement

that delivers Thailand three times the economic benefit delivered to Australia.

Before members opposite start reciting their mantra about mandates, let me remind them of this: out of the 150 members of this House, it is unlikely that there are more than 10 members who have any detailed knowledge of what has been negotiated by the government in this agreement or have given reflective consideration to the potential adverse impacts this agreement might have on the employment of Australians or the long-term implications for Australia. I urge all members to read thoroughly the submissions to JSCOT by, for example, the Uniting Church, the Australian Conservation Foundation, the Australian Manufacturing Workers Union and the ACTU as well as the Australian Chicken Meat Federation and Horticulture Australia. Each of these submissions from the various perspectives of the proponents highlights significant and substantial shortcomings that should have been addressed by the government in negotiation and ought to at least receive the consideration of members of this House.

This agreement was negotiated in virtual secrecy. Its contents were not fully known by members of this parliament or the general public at the time the relevant minister started putting his moniker on documents associated with the agreement. This situation was reflected in Thailand among members of the Thai parliament. When I spoke to them in 2003 during my visit to that country as part of an Australian parliamentary delegation to the region, they complained bitterly that their own government had treated them like mushrooms as far as this agreement was concerned—a situation that I think we are all too familiar with here in Australia. Not only are most Australian parliamentarians blissfully ignorant of the detail of the agreement but also the legitimate processes of scrutiny of the Australian parliament have been once

again subverted and circumvented to get this agreement ratified by the parliament. The relevant parliamentary committee, JSCOT, has not completed its deliberations on this agreement. If members are interested to read some of the submissions to that committee then I am sure their reservations about aspects of this agreement will be confirmed.

As many members would know, Corio is a manufacturing electorate with a significant proportion of its work force employed in TCF and automotive manufacturing. As with all such agreements, there are differing views as to the benefits and costs that might flow. The automotive industry is certainly a case in point. I note the submissions by Ford Australia and the Federal Chamber of Automotive Industries in support of it and that of the AMWU opposing it, with each organisation advancing important arguments in support of its view. I am particularly concerned, however, about the potential impact of this agreement on TCF industries in Victoria—more specifically, on Geelong TCF companies and the workers they employ. In Geelong it is estimated that over 2,000 people are directly employed in TCF manufacturing and the sector injects over \$70 million into the local economy. This agreement will add further economic and competitive pressure to these industries, a point which is taken up by the Victorian government in its submission to JSCOT. That submission notes that Thai producers will gain preferential access across all sectors of TCF and the agreement will add significant pressures at a time when these industries are under further pressure from general scheduled tariff reductions, the elimination of tariffs for developing countries that occurred last year and the preferential access given to US TCF producers under the US FTA.

As with so many other areas of this agreement, its potential impact on the livelihoods of Australian agricultural producers

remains unclear at best. There are clearly some gains for some agricultural sectors but in many cases these gains will take a long time to be realised. For example, Australia's horticultural producers, who currently send more than \$17 million worth of product to Thailand, will have to wait for up to 20 years before tariffs on some key export items are reduced to zero. On the other hand, existing tariffs on Thai horticultural produce coming into Australia will be reduced to zero immediately the agreement comes into force. Australian and Thai farmers are not being treated equally under this agreement. Australian farmers looking to expand into the Thai fruit and vegetable market will have every right to ask why they must wait for up to 20 years to see the full benefit of this FTA while their Thai competitors will reap the benefits immediately. As a former potato grower I have a degree of sympathy for Australian growers who must wait 15 to 20 years before the Thai tariff on fresh potatoes is reduced to zero.

There is probably even more cause for concern as a result of the deal done on quarantine as part of this FTA. Australian chicken producers are particularly concerned about the impact of this agreement on Australia's quarantine arrangements. Thailand has long been trying to induce Australia to lower the quarantine barrier to allow more Thai chicken product into this country. In fact, Thai chicken meat is explicitly listed as a market access priority for Thailand at annex 6.1 of this agreement.

In many ways, the concerns expressed about quarantine in this FTA are very similar to those I raised in this place in relation to the FTA with the United States. As with the agreement with the US, the FTA establishes two committees which will sit over and above our own national quarantine regime. Chapter 6 of this agreement establishes new mechanisms and consultation arrangements in relation to quarantine through the estab-

lishment of an expert group on sanitary and phytosanitary arrangements, which will report to a joint working group on agriculture. While the government argues that these new committees will not be able to force Australia to change its quarantine arrangements, their very existence will provide Thailand with a forum to campaign to break down Australia's science based biosecurity regime. It is highly likely that the working group on agriculture will consist of trade officials. Labor has always argued that quarantine decisions should be made on the basis of the best science available and on science alone, and that trade considerations should play no part in such decisions.

As with the FTA with the United States, the structure being proposed here in relation to quarantine gives me some cause for concern. Over the last four years I have proposed a number of critical amendments to the structure and administration of Australia's quarantine regime to improve its integrity and independence and insulate it as far as possible from the sorts of arrangements contained in this FTA. After years of denying that there are any problems with quarantine arrangements currently, the government has finally got around to adopting some of Labor's ideas for improving the system. It was only after Labor exposed the mess it had made on the import risk assessments on bananas, apples and pig meat that the government was forced to adopt some of my proposals. Now that we are again considering an FTA which has the potential to compromise our quarantine system, I call on the government to implement the rest of Labor's quarantine policy.

The degree to which sectoral job losses might occur cannot be accurately assessed because the government simply has not done a proper economic analysis of the impacts of this agreement. This agreement exposes what is fundamentally flawed in the government's

approach to the negotiation and conclusion of bilateral trade agreements. Virtual secret negotiations, lack of extensive community consultation, a poor economic analysis of the potential impacts, inadequate input and scrutiny by the parliament and its designated committees, an abuse of due process by the executive, failure to address human rights and environmental considerations and a poorly developed sense of the national interest are all embedded and on display in this agreement. I say to honourable members opposite: this is all your work. This is all the government's work, and you will bear the consequences of it.

Dr EMERSON (Rankin) (1.38 p.m.)—Labor are supporting the Australia-Thailand free trade agreement but we do so with a number of important reservations. I personally have expressed ongoing concerns about the proliferation of preferential trade deals being the centrepiece of the government's trade strategy—to the extent that it has a strategy at all. It seems to have an appetite for negotiating preferential deals; otherwise known as discriminatory trade deals. We do not believe that that is the way to future prosperity for Australia. The multilateral forum is the far more productive route. Yes, it is harder to get agreement through the World Trade Organisation but the gains are all the greater. I have to agree with the President of the National Farmers Federation who said, in relation to preferential free trade agreements, that the beauty of the WTO is that you get 144 free trade agreements in one go. The commonsense approach would always be to pursue those multilateral fora, which are non-discriminatory and non-preferential in nature, and therefore unleash benefits around the globe, including among developing countries and also, importantly, for Australia.

I also want to take the opportunity to express my deep concern about Australia's appalling trade performance, and I will outline

some of the basic facts around that in my presentation here today on the Customs Amendment (Thailand-Australia Free Trade Agreement Implementation) Bill 2004 and cognate bill. It is a deeply worrying trade performance being masked, temporarily, by favourable terms of trade whereby our commodity prices are very high. As a result of China's engagement in the world economy, the prices of imported manufactured goods have been much lower, and so at this time we have favourable terms of trade. But they are masking an appalling performance as regards export volumes—something which this government must act on and act quickly.

The Australia-Thailand free trade agreement liberalises trade between the two countries but at the expense of others. That is why these sorts of deals are described as preferential or discriminatory deals. Why do we go around systematically saying, 'We will do a deal with you,' but exclude other countries? That does not get favour on the Labor side of politics—and for good reason. What is wrong with preferential deals? By excluding other countries you divert trade and create animosity, the prospect of retaliation and—as I will outline here today—enormous problems in respect of settling rules of origin. I have in my hand an annex to the Australia-Thai free trade agreement which, I understand, was nowhere near completion at the time of the signing of the deal. It makes a mockery of the signing because, if the rules of origin arrangements were very strict, then you would not have a trade deal at all. Those negotiations on rules of origin then succeed the signing of the trade deal to the point where you get incredible complexity—here, more than 220 pages setting out the requirements under this deal for rules of origin such that other countries are excluded from the deal. That means that inputs from other countries into products that are the subject of the Australia-Thai free trade agreement need

to be below a particular level in order for those products to qualify. It does not take a genius to work out that the consequence of the proliferation of these preferential deals is an enormous administrative burden as customs officials and importers and exporters will need to keep very complex records, not very different from those required under the income tax act, in order to qualify for this preferential access to each other's markets.

I believe that in the coming years the proliferation of preferential trade deals and the complex rules of origin associated with them will create an enormous administrative and compliance burden—what we call in economics huge 'deadweight' losses. For what reason? Only for the purpose of excluding other countries from the deal. That is why we need to go to non-preferential arrangements. This is not just a theoretical construct. Under the Hawke and Keating governments, Labor's approach was to consistently negotiate open—non-preferential, non-discriminatory—trade deals. That was the way to go. When we sought access to the Chinese, Japanese and Korean markets we did so on the basis of saying that everyone else should be able to enjoy the same access—we sought only an opportunity to compete with other countries. It was on that basis that those countries opened their markets to Australian agricultural, mining and other primary commodities, including wool, and unleashed a very significant boost in national income. We did so on a non-preferential, non-discriminatory basis—and that is the way for the future.

Returning to the rules of origin, to implement them you need complex documents like this annex. Such documents are also associated with other preferential deals that have been negotiated: the US-Australia so-called free trade agreement and the Australia-Singapore Free Trade Agreement. The Australia-Thai rules of origin are similar in con-

cept to those of the Australia-US free trade agreement—that is, they are based on the notion of a change in tariff classification. Effectively, that means that if you are changing tariff classification when you are producing a good then you are fabricating—you are adding value, you are changing it in some way. So the test that is effectively contained in this complex document is that, in one of the two countries, a manufacturer has changed the nature of the good in question by adding some sort of value to it.

The concept of a change in tariff classification is different to that which is used in the Singapore-Australia Free Trade Agreement and in the Australia-New Zealand trade agreement, because they are based on the percentage of value added in the particular country. So at the moment, in the four preferential trade deals with Australia in existence, there are two sets of rules of origin. One set is based on a change in tariff classification and the other is based on a minimum amount of value added in that particular country.

If you thought that was complex, it gets worse, because the reality is that the rules of origin in the Thailand-Australia trade deal are in fact a hybrid. Depending on the product involved, they may be exclusively related to a change in tariff classification or there may be a change in tariff classification and some value added test. That is why they are so complex. So already you could not do much worse. We have four trade deals and two different types of rules of origin. Even in the Australia-Thailand free trade agreement there is a hybrid of those two different types.

These rules of origin are designed to deny other countries the benefits of the trade deal. Why do we go down this path? If we are in favour of trade liberalisation, why don't we liberalise trade? Why do we behave as if opening up our market is a bad thing and say

we will do it only if someone else does something in return? The Hawke-Keating governments created the open, competitive economy on the basis that opening up your market and creating a competitive economy was a good thing, and yet this government approaches these negotiations with great reluctance to open up markets—certainly great reluctance to extend any opening of markets to third countries—as if it is a bad thing. There is the philosophic difference.

The reality is that as more of these deals are negotiated—and certainly an Australia-China free trade agreement and an Australia-ASEAN free trade agreement are under consideration—we are going to get crisscrossing rules of origin, crisscrossing trade deals, enormous complexity and a huge compliance burden, where businesses will be required, for customs purposes, to keep documentation for many years. This government tells us that it is a deregulatory government, that it wants to get government off the back of business, that it wants to get government off the back of small business in particular, and yet it is saying to businesses that might see some benefit in a trade deal with Thailand that they will now have to sign up to an incredibly complex set of administrative arrangements and keep accounting records for up to five years—much like the situation with the Income Tax Act or the GST—in order to be able to prove that they comply with these very complex rules of origin. So much for the government's rhetoric about lifting the regulatory burden off the back of business. This preoccupation, this obsession, with preferential trade deals is bad policy. There should be a genuine commitment to multilateral trade negotiations and opening up markets on a non-preferential and non-discriminatory basis.

The consequences of this appalling trade policy are now being visited upon the Australian people and the Australian economy in

terms of a very bad set of numbers—a very bad set of numbers indeed. As I said a moment ago, commodity prices at present are high and the prices of manufactured imports, especially from China, are low. The Chinese economy may continue—and it probably will continue—low-priced manufactured exports to other countries, but we cannot rely indefinitely on high commodity prices. Do we get a sense of *deja vu* about this? Do we remember 1985, when the newly elected Labor government had already become completely aware of the structural weaknesses in the Australian economy and had been warning of overreliance on primary commodity exports? Of course, when primary commodity export prices collapsed the consequence was that our terms of trade collapsed, and then we were in a terrible situation, as recognised by Paul Keating when he warned of Australia becoming a banana republic.

The current account deficit in 1986, when Paul Keating issued that warning, was a little over six per cent of GDP. There are no prizes for guessing what the current account deficit is right now. It is more than six per cent of GDP and likely to get worse. We have had 29 successive trade deficits in this country. We have record current account deficits and record trade deficits causing those current account deficits, accumulating over time to produce massive foreign debt. The Prime Minister and the Treasurer, when they were in opposition in 1995, when they rolled out the 'debt truck', said, 'We will embark on policies which over time will reduce foreign debt.' What has happened? They have doubled foreign debt from \$180 billion to more than \$360 billion, which is just under \$20,000 for every man, woman and child in Australia. Before any member opposite says, 'That's not a fair comparison,' that is exactly the comparison that the now Treasurer was using when he rolled out his debt truck. The figure then was around \$10,000; now it is

almost \$20,000 for every man, woman and child in this country.

I will explain what has happened to the volume of exports in this country. Between 1986 and the year 2000 the volume of Australian manufactured exports increased by 12 per cent per annum, but from 2000 until the present the volume of manufactured exports has grown by just five per cent per annum. Between 1986 and 2000 the volume of services increased by a very strong 11 per cent per annum. Since 2000 services export volumes have increased by four per cent. Between 1986 and 2000 the volume of primary commodity exports increased by five per cent a year, and since 2000 there has not been any increase in volumes of primary commodity exports on average. When we ask the government to explain this appalling trade performance, it will immediately mention SARS, a slowdown in world economic activity and the drought in Australia. How does the drought affect the volume of manufactured exports? How does the drought affect the volume of service exports? Of course, it does not. But the government will grab at any excuse possible to try to disguise its appalling trade performance.

If in fact there were any validity to the argument that there has been some sort of global slowdown and that this is what has caused Australia's poor trade performance, then at least our market share of these other countries' imports should be maintained. But the bad news is that the market share of Australian exports into Asia has fallen consistently over the period. Then you think, 'Perhaps it has been picked up in the United States.' But, if you look at the figures for the United States, similarly there is a very bad performance, and Australia's share of the US import market has fallen consistently over the period of this government. Then you think that maybe it is going into Europe. The bad news again is that it is not.

The only bright spot is the Middle East. But the market share has fallen in all the major markets for Australia. It is unambiguously bad trade policy, and it means that these sorts of preferential trade deals are not the way to the future. The government should concentrate on proper trade policy, improve our international competitiveness and get us to a situation where we are not confronted with current account deficits of more than six per cent of GDP and the appalling trade performance that is continuing here every month as those figures come in—29 successive monthly trade deficits, and no end in sight.

Yes, we do support this deal. It is not the sort of deal that we would initiate. We are not the government; we are not going to prevent the passage of the legislation, but we support the deal with grave reservations about the direction of trade policy and we call on the government to lift its game and improve trade policy in this country.

Mr BILLSON (Dunkley—Parliamentary Secretary for Foreign Affairs and Trade) (1.54 p.m.)—in reply—There are only a few minutes available to me to put in context some of the remarks that have been made. At the heart of it, though, we are trying to implement an agreement. We would have had a bit more time to discuss some of these points had another agreement stuck. But never mind; we will push on anyway. We are aiming to implement the Thailand-Australia free trade agreement within the time frame that was agreed. That is why this is an urgent matter.

The Labor Party has had successive speakers who have not offered any real issue or substantive opposition to TAFTA but who have chosen to talk about other issues—the broader trade performance—at a time when Australia's export performance has strong forward momentum. In the year to Septem-

ber, exports increased by 7.3 per cent. That strong momentum is becoming increasingly broad based across our economy. Exports of resources are benefiting from strong demand and high prices for minerals and energy, and there is a whole account of how that export momentum is quite positive. We are looking forward to bright prospects into the future.

In fact, our export outlook is very promising. The IMF, Treasury, the Reserve Bank and ABARE all point to continued strong export growth in 2005. As I mentioned, that is happening across a broad range of economic endeavours. I have mentioned resources. Also, rural exports are on the rebound from record winter crops and strong demand for Australian beef. Manufactured exports are also recovering in the face of challenges from weak prices and a strong Australian dollar.

Despite that, the Labor Party seeks to characterise our export performance by cherry picking some of the statistics. They mentioned manufacturing and ignored the huge growth in beef, dairy, cotton, wine, seafood and passenger motor vehicles—up by over 400 per cent, I think. Sure, one can pick bits of the trade performance out—and the Labor Party has done that. Look at some of the key sectors in the service area: tourism, education, financial services. There is a five-fold increase in the computer and information area. Things are quite encouraging in that area.

The thing that is most interesting, though, is that there must be a new trade doctrine from the Labor Party: if it is not 'all in' then nobody should seek to gain advantages from freer trade. That seemed to be the message that was coming out. The world trade round focuses on—and certainly the government's No. 1 priority is—multilateral trade negotiations, but governments would be foolish not to take gains where they are available. We

would be foolish not provide new opportunities for our exporters in markets where we can meet what those domestic economies want and secure economic and employment gains for our citizens. It would be simply naive and ignorant to do that, yet that seems to be the Labor Party's emerging trade doctrine.

They have talked about a balance of benefit, as though we should not do trade deals with countries that were highly restrictive in the past and are therefore likely to gain most. We have had a lower trade protective regime. The Labor Party is saying: 'Another country is gaining more than we would; why should we enter into a deal?' Why? Because there are gains to be had there. It is evidence of why a more open economy presents greater economic benefits, and for those economies that are most closed those gains will obviously be quite substantial. There is no dispute on the data; the Labor Party's new doctrine is just a little confusing.

They go on to talk about the government not carrying forward the trade agenda. Minister Vaile and his colleagues have not only been carrying the ball forward; they have been building alliances and building teams to make ground where it can be achieved. As leader of the Cairns Group and as a member of the five interested parties, with India, Brazil, the United States and the EU, Australia has been instrumental in putting in place a negotiating framework to move forward—for agriculture in particular—as part of the Doha Round. This work is continuing, so it is quite inaccurate to suggest that the government is doing anything other than carrying the ball and carrying it very vigorously.

Instead, Labor wants to put more things on the agenda—the very thing that is slowing up the Doha Round. Labor wants to put more items on the agenda at a time when we are trying to focus the negotiations. There is

talk about environmental and labour standards, and the member for Corio wants human rights added to the discussion, if you relate to his contribution.

The picture is positive. This is unquestionably a positive deal for our community. There is no weakness in the quarantine framework, and there are sensible review revisions. I encourage the parliament to get behind this legislation.

The SPEAKER—The original question was that this bill be now read a second time. To this the honourable member for Hotham has moved as an amendment that all words after 'That' be omitted with a view to substituting other words. The question now is that the words proposed to be omitted stand part of the question.

Question agreed to.

Original question agreed to.

Bill read a second time.

Third Reading

Mr BILLSON (Dunkley—Parliamentary Secretary (Foreign Affairs and Trade)) (1.59 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

CUSTOMS TARIFF AMENDMENT (THAILAND-AUSTRALIA FREE TRADE AGREEMENT IMPLEMENTATION) BILL 2004

Second Reading

Debate resumed, on motion by **Mr Billson**:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Third Reading

Mr BILLSON (Dunkley—Parliamentary Secretary (Foreign Affairs and Trade)) (2.00 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

STANDING ORDERS

The SPEAKER (2.00 p.m.)—I remind members that with the first sitting of the new parliament yesterday a new set of standing orders has come into operation. The terms of the new standing orders were recommended by the Procedure Committee. The committee's objective was to make the standing orders clearer and more intelligible. The revised standing orders are expressed with greater clarity and have a new structure and sequence, but I remind members that the Procedure Committee's intention was not to change the practices and rules by which the House operates. In applying the new standing orders, occupants of the chair will have regard to the practices of the House and to previous rulings.

As Speaker, my intention from time to time, as appropriate, is to indicate how I intend to interpret the practice of the House. I remind honourable members that the standing orders are made by the House and the Speaker's role is to apply them. Having been adopted by the House, they are the product of many years of experience and wisdom and are intended to help facilitate the smooth operation of this institution.

Today I will restate some points on questions and the importance of addressing all comments through the chair. The purpose of questions is to seek information and to hold the executive to account. For example, questions should not suggest their own answer or contain scorn or derision. I would remind members that lengthy questions not only

encourage long answers but make it much more difficult for the Speaker to rule on relevance. Questions will alternate and, in line with my immediate predecessors, I will not be allowing supplementary questions. I also do not feel it is appropriate that leave should be sought for the tabling of documents already available publicly. Accordingly, requests for leave will not be put to the House where a document is already on the public record—for example, a newspaper report or a *Hansard* extract.

Addressing remarks through the chair not only is correct practice but also means that members' comments are, as a matter of courtesy, inclusive of all members present and not personalised. In other words, the use of 'you' either in questions or otherwise will be strongly discouraged.

Again I remind members that it is my intention as Speaker to facilitate the smooth conduct of the business of the House. In my view, the general behaviour of members, and the subsequent public perception of the House, is in the hands of members themselves. The chair should not be required to continuously monitor the behaviour of members. There have been many comments from all sides on the need to observe appropriate parliamentary standards. Where members behave in a way that is not in accordance with these standards, the chair will take action. Members should not necessarily expect to be warned before disciplinary action is taken as, ultimately, they themselves are in control of their own behaviour.

MINISTERIAL ARRANGEMENTS

Mr HOWARD (Bennelong—Prime Minister) (2.04 p.m.)—I inform the House that the Minister for Trade will be absent from question time today and for the remainder of the week. He is travelling to Santiago in Chile to attend the APEC joint ministerial meeting. During his absence the Deputy

Prime Minister will answer questions on his behalf. I also inform the House that the Minister for Foreign Affairs will be absent from question time today and for the remainder of the week. He, too, is travelling to the APEC meeting in Santiago, Chile. The Attorney-General will answer questions on his behalf during his absence.

QUESTIONS WITHOUT NOTICE

Economy: Interest Rates

Mr LATHAM (2.04 p.m.)—My question is to the Prime Minister. Does the Prime Minister agree with the statement by the Governor of the Reserve Bank of Australia last night that interest rates in this country are likely to rise over the next 12 to 18 months? Prime Minister, what will be the impact on home buyers and small businesses?

Mr HOWARD—The Governor of the Reserve Bank had a number of interesting things to say last night, including some very relevant comments on the enduring strength of the Australian economy and the benefits to Australian home buyers. As far as interest rates are concerned, let me repeat something I am sure the Leader of the Opposition has heard before: interest rates will always be lower under a coalition government than under a Labor government.

Transport: Tilt Train Accident

Mr NEVILLE (2.05 p.m.)—My question is addressed to the Deputy Prime Minister in his capacity as Minister for Transport and Regional Services. Would the Deputy Prime Minister advise the House of action that has been taken by the Australian government in the aftermath of the derailment of the *City of Townsville* tilt train near Rosedale, in my electorate, yesterday? Is the government working cooperatively with the Queensland government to find the cause of this derailment?

Mr ANDERSON—I thank the honourable member for Hinkler for his question and note his deep concern for the people hurt in this derailment in his electorate. He rang me very early yesterday morning and, I think, he rang the Prime Minister as well, to inform us. I do place on record his very real interest and concern. I take the opportunity as well to express my sympathy—and, I am sure, that of all members—to the passengers and crew injured in this incident. As members will know, at around 12 o'clock the evening before last some seven of the nine carriages of the *City of Townsville* derailed 70 kilometres north of Bundaberg. I am informed that 120 of the 164 passengers and crew were injured, five of them seriously, including the two drivers. I know that everyone here would wish them a speedy recovery.

The Queensland government has requested the assistance of the Australian Transport Safety Bureau, the ATSB, in the investigation of this derailment. The ATSB is an operationally independent body within my department, the Department of Transport and Regional Services. It is Australia's prime agency for transport safety investigations. It dispatched a team of transport safety investigators to the site yesterday, and they returned early this morning. The ATSB will chair this investigation. It will be conducted under Queensland legislation according to the cooperative model that has been established by the Australian Transport Council.

The ATSB will also work with an officer of the Queensland Rail safety regulator, a representative of the manufacturer, EDI Rail, and other technical experts. I am informed that the ATSB has witnessed the downloading of the train's black box. The train had a black box and that information has been downloaded and will be analysed over coming days. I take the opportunity to reassure Australians that we always seek to learn from such incidents and to apply the relevant

lessons in the pursuit of the greatest possible safety for the travelling public.

Economy: Household and Personal Debt

Mr SWAN (2.08 p.m.) My question without notice is directed to the Treasurer. I ask whether he agrees with comments last night from the Reserve Bank governor about the high level of household debt and the lending practices of the banks and associated mortgage brokers. Treasurer, doesn't this warning follow similar concern about household debt from the International Monetary Fund last week and, given the significant impact a small interest rate increase will have on heavily indebted households, doesn't it make the government's \$66 billion spending spree even more reckless?

Mr COSTELLO—I congratulate the honourable member for Lilley on his maiden question as shadow Treasurer. I will take up the last part of his question. The implication is that the Labor Party believes that the government should have spent less when in fact the Labor Party's program during the election was to spend more. Oops! The most expensive election promise ever made in Australia was the Medicare Gold promise—the fool's gold promise. The Labor Party has apparently concluded that it lost the election because it had no economic credibility. With that we would agree, but, if it wants to generate economic credibility, it has to dispatch the policies that made it noncredible and it must begin with the fool's gold Medicare Gold policy.

You cannot say, 'We had no economic credibility; therefore, we will keep all of the policies that got us there.' These include—and who will forget it—the suggestion from the honourable member for Lilley himself that when families are eligible for another \$600 per annum it is not real money. It looks like real money, it buys goods and services and it goes into bank accounts, but according

to the member for Lilley it is not real money. As he develops the opposition's economic policy I ask him to recognise that real money is actual real money and it buys things.

I come now to what the Reserve Bank governor said last night. He said that the surge in household borrowing had to slow and house prices stabilise or fall and that that is what has been happening over the past three quarters and it is entirely helpful. This is a point that I have been making now for 18 months to two years. The governor went on to say:

It is important that this slowing be accepted by financial intermediaries—that is, that the banks themselves accept that the market is slowing. It is important that this be accepted by financial intermediaries as a fact of life even though it probably means the heady growth of profits from mortgage lending they have become accustomed to may not continue. There is a risk that, in attempting to resist the slowing in credit, financial intermediaries may be tempted to further lower lending standards.

I completely agree with what the Reserve Bank governor said, which is that credit is slowing, the banks have to accept the fact that credit is slowing and it would be a wrong response from the banks, in order to try and bump up credit again, to reduce the conditions of their lending. With that I entirely agree. For the member for Lilley to suggest that the governor has done anything other than warn the banks not to try and gouge back what is in fact a positive development—which the government has been arguing for for a long period of time—would be to completely misrepresent that speech.

Employment: Unemployment Rates

Mr BARRESI (2.12 p.m.)—My question is addressed to the Treasurer. Would the Treasurer inform the House of recent economic data including welcome falls in the national unemployment rate? Is the Treasurer

aware of any policies that could lead to further improvements in economic outcomes?

Mr COSTELLO—I thank the honourable member for Deakin and warmly congratulate him on his re-election. Last week the Australian Bureau of Statistics released the monthly labour force publication showing that unemployment for the month of October fell to 5.3 per cent—the lowest monthly unemployment ever recorded in Australia. The records for monthly unemployment began back in 1978 and, under those monthly figures, Australia has not recorded a lower unemployment rate than 5.3 per cent.

Mr Speaker, if you go back to the quarterly figures, you can find a comparable unemployment rate back in 1977, which was some 27 years ago. When the government came to office unemployment stood at 8.2 per cent and under our old friend the member for Hotham, when he was the minister for employment, it peaked at 10.9 per cent. Today it is at 5.3 per cent. I think all members of the House, both government and opposition, would welcome the fall in unemployment to 27-year lows. I also indicate that over the course of the last year 243,000 new jobs have been created in Australia and 173,000 of those are full-time. The monthly labour force figures bounce around from month to month but the good thing about this is that for the 14th consecutive month unemployment in Australia has been below six per cent.

If we want to keep unemployment low, we have to lock that in with good industrial relations reform. This should not be seen as some kind of end; this should be seen as a beginning for Australia. We ought to take the opportunity to pass the government's changes in relation to unfair dismissal. We ought to pass the government's changes to allow more flexibility and productivity in the

labour market. We say to the opposition that if it wants to establish economic credibility after eight years, the best way to do it is by supporting this government's policies. That is the way the Labor Party will find economic credibility, and that is the way in which Australia's unemployment will be locked low and will continue to fall.

Economy: Fiscal Policy

Mr SWAN (2.15 p.m.)—My question without notice is again directed to the Treasurer. I ask whether the Treasurer is aware of comments made last night by the Reserve Bank governor, when he said, 'I hope they are not pinning too much faith in monetary policy, because there is a limit to what it can be expected to perform.' Treasurer, isn't this comment intended to highlight the importance of policy matters outside the Reserve Bank's control, in particular, fiscal discipline by the government? Does the Treasurer agree that this constitutes a warning about possible negative consequences from the government's massive \$66 billion pre-election spending spree?

Mr COSTELLO—This is the government that put in place the monetary policy arrangements which apply in Australia, and this is the government that appointed the Reserve Bank governor. We believe that it is important for the Reserve Bank to continue the excellent work that it has been doing over the last 8½ years, and the government will continue the excellent work that it has been doing. If one were worried about fiscal policy, the first thing one would do would be to support either a small deficit or a surplus budget. The second thing one would do, presumably, would be to retire debt rather than to run it up.

In the last five budgets of the Australian Labor Party, there was not one balanced budget, and net debt increased by \$80 billion. Under the nine budgets which this gov-

ernment has brought down, we have not borrowed in net terms, we have delivered seven surplus budgets, and we have now retired \$73 billion of the Labor Party debt in net terms. When the Labor Party wants to engage in fiscal policy, it will begin seriously supporting this government's policies. We are now two years on from changes to the disability support pension—another test for the member for Lilley as to whether he can get the Labor Party to support those measures. We are the party that announced and fought for the financial sustainability of the Pharmaceutical Benefits Scheme, which the Australian Labor Party said in this parliament it would support and, during the election campaign, walked away from—which is still its policy. If the Australian Labor Party wants to start engaging in credibility on fiscal policy or, indeed credibility on economic policy, I say: there is one test. The test is its ability to support coalition policy. Until that time, it will stand condemned, without the economic credibility which it has lacked over the last eight years.

Environment: Water Management

Mr SCHULTZ (2.18 p.m.)—Over the last 12 months I have been keeping an eye on things, and that is one of the reasons why my question is addressed to the Deputy Prime Minister and Minister for Transport and Regional Services. Would the Deputy Prime Minister inform the House of the government's ongoing commitment to addressing Australia's water resource problems? Would the Deputy Prime Minister also advise the House of the progress of the National Water Initiative?

Mr ANDERSON—I thank the honourable member for Hume for his question, and I must say that I am enormously relieved to know that he is keeping an eye on me. He is very interested in water, and I think a lot of people in Australia are. Per head of popula-

tion, we use more water than anybody else in the OECD, and yet we are the driest inhabited continent on Earth with perhaps the most unreliable weather on Earth. While we have five per cent of the world's landmass, we have only one per cent of the world's water run-off in our river and water basins. So it is terribly important that, in partnership with the states and territories, scientists, environments, farmers and water users everywhere, we develop a proper strategy for using our water.

We set out our commitment during the election campaign in *Securing Australia's Water Future*. That policy affirmed our commitment to the National Water Initiative. It is an outstandingly important and very good public policy, as is the establishment of the \$2 billion Australian Water Fund. We have made good progress since the election. We have been very active on this. We have started work on implementing the National Water Commission. Ken Matthews, the former secretary of my department, has been appointed as the chief executive officer, and that has been very widely welcomed by stakeholders across the nation and I am very pleased about that. He has a personal background in irrigation, he is well known as a successful and skilled negotiator, and he has the trust and the goodwill of the many stakeholders in this very important area. He has been moving around the states and has picked up a lot of goodwill. In the end, we are dependent upon the chief ministers and the premiers to reaffirm their commitment to the National Water Initiative. I think it would be incomprehensible to all thinking Australians that they could stay away from such an important piece of public policy.

The legislation to establish the National Water Commission as an independent statutory authority will be introduced into the parliament before the end of this week. The commission will have two key responsibili-

ties. The first is to oversee and assess the implementation of the actions and outcomes of the NWI against the agreed goals of the NWI. That includes a nationally compatible system of property rights. The second responsibility is to advise on the financial assistance to be provided by the Commonwealth under the two programs of the Australian Water Fund—the \$1.6 billion Water Smart Australia and the \$200 million Raising National Water Standards.

This is one of the great challenges—I do not think anyone disputes this—confronting the nation. Using our water wisely will be of astonishing importance to us, to future generations, and to the sustainability of our life systems and our ecosystems. I would like to think we can show the way, to the benefit not just of Australians but of other people around the world who will be able to draw on the expertise and the technical progress that we are rapidly developing. All we need is to pick up the goodwill and co-operation of the state premiers. The challenge is theirs.

Howard Government: Election

Mr LATHAM (2.22 p.m.)—My question is to the Prime Minister. I draw his attention to the pre-election economic forecasts released on 10 September plus the Treasurer's statement immediately after the election that these forecasts were too optimistic and the government expected a lower rate of economic growth. If the Treasury forecasts were too optimistic why was the government willing to base its election spending commitments on them? Why did the Prime Minister fail to tell the Australian people in the election campaign that he and his Treasurer expected a weaker level of growth and that in fact their spending commitments might not be sustainable?

Mr HOWARD—My recollection is that the Treasurer did not quite say what the Leader of the Opposition represents that he

said. I simply say in reply to the Leader of the Opposition that all of the commitments we made were responsible. They are affordable on the basis of the advice we had. They will leave surpluses which are much greater than the surpluses that were announced in May of this year and they will leave behind by a country mile the surpluses that the Labor Party was unable to achieve when it was in government.

Economy: Performance

Mr CADMAN (2.23 p.m.)—My question is addressed to the Treasurer. Would the Treasurer inform the House of a recent independent international assessment of the Australian economy undertaken by the International Monetary Fund? Would the Treasurer outline what is necessary to sustain the ongoing strength of the Australian economy?

Mr COSTELLO—I thank the honourable member for Mitchell for his question. The IMF has recently conducted a scrutiny of all of its members—I think some 180-plus members, including Australia—and reported on their economic policy under what is called an article 4 consultation process. On concluding that consultation with Australia, on 27 October it released its assessment. Let me read to the House the assessment of the International Monetary Fund on Australia's economic performance:

Executive Directors commended the authorities for Australia's strong performance, with six years of budget surpluses, falling public debt, low inflation, high and rising productivity, and a long period of uninterrupted growth that has underpinned a dynamic job market. They attributed this performance to the authorities' exemplary record of macroeconomic and financial management and implementation of structural reforms, carried out in a transparent economic policy formulation framework.

Those are not the words of the government. Those are not the words of me or the Treasury. Those are the words of the IMF after its

assessment of policy making in Australia. Having obtained a report like that which puts Australia at the forefront of the developed economies of the world it would be a mistake to sit back and to say, 'There you go; there is the assessment. It is a strong assessment. We can give up the game.' The reason Australia got to where it is today is the policies that we have been pursuing of balanced budgets, reduction in debt, monetary policy agreements with the Reserve Bank, tax reform, productivity improvements and industrial relations changes. If we give up pursuing these challenges today we will not have the economic policy benefits of tomorrow. So it is important that we go on with economic policy.

The biggest challenge that we have got to confront in this country over the next 10, 20, 30 and 40 years is the ageing of the population. We have to make sure we get our pharmaceutical benefits scheme onto a sustainable basis and we have to lift productivity. There would be no one reform that would lift productivity more in this country than industrial relations reform. If we get industrial relations reform right, if we get that productivity boost in all of the factories and workplaces and shops of Australia, then we will boost our economic growth and that will go a major way to helping us deal with the ageing of the population. To the Australian Labor Party I say: give up this opposition to economic reform; get on board with the reforms which will set Australia up for the future; show that the Labor Party has changed and support this government's economic policy.

Howard Government: Election

Mr SWAN (2.27 p.m.)—My question is directed to the Treasurer. It relates to commentary on the Prime Minister's \$6 billion—\$100 million per minute—spending spree during the coalition's policy launch. Has the Treasurer seen comments in an article by

Pamela Williams on 13 October in the *Australian Financial Review* where she said:

Howard had discussed with the campaign head office the menu of possible policies. The general view was that he would choose two or three items from the list. But in the end he used them all...He had the four main courses and three desserts, as one stunned Liberal said.

Does the Treasurer recall saying on *Meet the Press* on 5 September that he would stand up to spending colleagues, including the Prime Minister? Why did the Treasurer roll over and give the Prime Minister four main courses and dessert?

Mr COSTELLO—We love questions about fiscal policy from the Australian Labor Party. Mr Speaker, you will have heard that sometimes there are questions asked in this place which are called dorothy dixers, because it is alleged that people know they are coming—although I am not sure that is absolutely true. There is another category, which is frequently asked by the opposition, and it is called 'Kylies'—referring to Kylie Minogue's *I Should Be So Lucky*.

Here is an Australian Labor Party which could not run a balanced budget, which in five deficits ran up \$80 billion of accrued debt. Here is a government which has had seven surpluses, which has paid back \$73 billion, and the Australian Labor Party says, 'That is not enough. It's too soft. You have only paid back \$73 billion of our \$80 billion accrued deficits.' We now have the prospect, as I laid out in this year's budget, of adding to seven surpluses over the forward estimates another four surplus budgets. If that were to transpire, we would have a run of surpluses which would be greater than that of any other government in Australian history.

In the election campaign, the Australian Labor Party came out with a policy not to spend less but to spend more. They still have those policies out there—Medicare Gold,

pharmaceutical benefits. They are all out there. They have not gone away. The member for Lilley has not pulled them back. But he decides to attack this government on the basis of its fiscal record. You can compare the government's fiscal record to its predecessor or you can compare it to countries overseas. Which country overseas would the member for Lilley hold up as a country that is doing better on fiscal policy than Australia? It is not the United States; it is not the UK; it is not France; it is not Germany; it is not Japan. I suppose in his ferreting around he may find one somewhere, but it will not be a major industrialised economy. When the G20 meets in Berlin this weekend—as you sit around that table at the G20—Australia will have the strongest fiscal position of any of those countries.

If the Australian Labor Party wants to find newfound economic credibility by attacking this government on its fiscal policy, all we can say is 'Bring on the Kylie Minogues', because we will be enjoying them over the next few years.

Medicare: Bulk-Billing

Mrs DRAPER (2.31 p.m.)—My question is addressed to the Minister for Health and Ageing. Would the minister update the House on the latest bulk-billing figures? What impact has the government's commitment to strengthening Medicare had on the rate of bulk-billing?

Mr ABBOTT—I thank the member for Makin for her question. It is great to have you back, Member for Makin. Let me stress that bulk-billing is not the be-all and end-all of Medicare, but it certainly is important. It should be widely available, particularly for pensioners and families. And bulk-billing rates are increasing significantly thanks to the policies of the Howard government.

I can inform the House that, in the September quarter, the national GP bulk-billing

rate increased to 71.8 per cent. That is a 5.3 per cent increase since December. The bulk-billing rate for people over 65 increased to 82.1 per cent—that is, more than eight out of 10 consultations for people over 65 are bulk-billed. That is an 8.1 per cent increase since December. I am sure that the new members for Bass and Braddon will be pleased to know that in Tasmania the bulk-billing rate has increased by 14.8 per cent since December. The new members for Kingston and Wakefield will be pleased to know that in South Australia the bulk-billing rating has increased by eight per cent since December. The new members for Bowman and Bonner will be pleased to know that in Queensland the bulk-billing rate has increased by 7.2 per cent since December.

These are not flash-in-the-pan figures; this is the third successive quarter in which the nation's bulk-billing rates have increased. And copayments are going down as well, thanks to the MedicarePlus safety net which members opposite were so keen to oppose in the previous parliament. Australians trust Medicare and they can and do trust this government to make a good system even better.

Federal Election: Member for New England

Mr LATHAM (2.34 p.m.)—My question is to the Deputy Prime Minister and Leader of The Nationals. I refer him to reports that earlier this year the member for New England was offered inducements by representatives of The Nationals, such as diplomatic and trade positions, so that he would not recontest the 2004 elections. When did the Deputy Prime Minister first become aware of this matter and how did he respond to it?

The SPEAKER—Leader of the Opposition, I am not sure that this question falls within the minister's administration.

Ms Gillard—Mr Speaker, on that indication from you and on a point of a order: you

would be aware that, in the past in this House, party leaders have been asked about matters that go to the conduct of their political party, including preference arrangements and other matters, and they have been ruled in order.

The SPEAKER—No, I rule the question out of order.

Mr Latham—Mr Speaker, on a point of order, I would just ask whether you are making a ruling that it is not appropriate in the House to ask questions of ministers in their capacity as party leaders. If so, I would ask you to reflect on that and report back to the House later on about the ample precedents under Speakers Halverson and Andrew that allowed those questions to be asked—from preference arrangements with Pauline Hanson to a whole raft of other matters.

The SPEAKER—The Leader of the Opposition has made his point.

Mr Latham—Perhaps in the spirit of goodwill on your first day in the chair, you might reflect on that and report back to the House, and I would ask you to do so.

The SPEAKER—I will report back to the House later.

Workplace Relations: Reform

Mr SECKER (2.35 p.m.)—My question is addressed to the Minister for Employment and Workplace Relations. Would the minister inform the House how the government's workplace relations reforms have resulted in benefits for Australian workers and families?

Mr ANDREWS—I thank the honourable member for Barker for his question and I report to him and to the House that the Howard government's workplace relations reforms have provided outstanding benefits for Australian families. Since this government came to office in 1996, more than 1.4 million jobs have been created in addition to those that existed at that time in Australia. In fact,

we now have record employment in Australia of 9.764 million people—that is, almost 10 million Australians are now in employment in this country. Indeed, over the last 12 months, we have seen the creation of almost a quarter of a million jobs, of which 173,000 were full-time jobs.

We have also seen significant increases in wages. The most impressive wage growth has been achieved by workers on individual Australian workplace agreements. Workers on individual Australian workplace agreements earn, on average, 29 per cent more than employees on certified agreements and women on Australian workplace agreements earn, on average, 32 per cent more than those on certified agreements.

We have an opportunity in this country to lock in low unemployment, not just for now but for generations to come. We can do that by further workplace relations reform, by passing the bills which the Labor Party has stood against in the Senate—in some cases, for many years—so that we can continue to grow the Australian economy for the benefit of Australian workers and their families.

Transport: Shipping

Mr STEPHEN SMITH (2.38 p.m.)—My question is to the Minister for Transport and Regional Services. I refer the minister to the Australian Competition and Consumer Commission's most recent container stevedoring monitoring report. Is the minister aware that the average rate of return to the stevedoring companies has increased nearly threefold from an annual rate of 10.5 per cent in 1998-99 to over 27 per cent in the financial year 2003-04? Isn't it the case that this is nearly double the rate of return available to stevedoring firms in Singapore or New Zealand, two of our international competitors? Does the minister believe that this profit level is justified at a time when the lack of investment in capacity in port infrastructure

is now costing Australia's productivity every day?

Mr ANDERSON—I think it is interesting that the ALP is now questioning us on the performance of Australia's waterfront; I really do. I think we had 49 investigations into the Australian waterfront between the end of the Second World War and our coming to government in 1996. We have seen such spectacular expenditure of public money as was involved in WIRA—the waterfront reform program that the previous government put in place—which resulted in no improvement whatsoever. Having been told by the ALP, at the behest of their union puppeteers, that you could not in the Australian context raise the productivity at Australia's major ports above 15 container movements an hour, on average, to achieve our target of 25 container movements per hour, we have today been over that figure for 13—or is it 14?—consecutive quarters, and the number is still rising.

I have been asked about exports. Not so long ago, I had the opportunity to talk to some Danish shippers. They told me they could not believe the improvement in performance on the Australian waterfront. They said that we, as exporters, ought to know what benefits it has brought to the nation in terms of their willingness to put their ships in here and the sorts of charges they impose on us. I do not think the ALP are in any position to lecture this government, which has successfully implemented waterfront reform in the face of the ALP's abysmal performance over many decades and their endless attempts to justify the inadequacies of the trade union movement's response to calls for reform.

Education: Literacy and Numeracy

Mr RANDALL (2.40 p.m.)—My question is addressed to the Minister for Education, Science and Training. Would the minis-

ter advise the House what actions the government is taking to improve standards in Australian schools for the benefit of students, parents and the wider community?

Dr NELSON—I thank the member for Canning for his question and for his commitment to standards in Australian education. As a result of this government's initiatives over the last nine years, we now know that one in 12 Australian children in year 3 cannot pass a basic year 3 reading benchmark. We know that in some parts of Australia one in five boys cannot pass it in year 5. In fact, in Sydney, Melbourne, Brisbane and other cities, there are children who have spent five years in Australia's education system and cannot read a single word. The government's determination is to make sure that Australia's school education system is driven by standards. We see it as the No. 1 issue. Before the government hands over \$33 billion of taxpayers' money for schooling over the next four years, it will require national consistency in teacher training standards, student commencement ages and leadership in schools.

The government will also make sure that school reports are in plain language. Parents are sick and tired of getting school reports that are turgid, meaningless and written in politically correct jargon which is often computer-generated. One of the conditions of the government's school funding will be that school reports be written in plain language and that students be ranked from A to E so that parents will know whether their child is in the top 25 per cent of the class or the bottom 25 per cent of the class. A school's performance will be published at the local level so that parents know exactly how schools are performing.

In addition, I have announced, on behalf of the government, that there will be a national inquiry into reading in Australian

schools. We need to look at how reading is being taught to our children. I am quite concerned about the standard of teacher training in education in Australia. It is of great concern to me—as it should be to all members of the House—when a University of Queensland report finds that 50 per cent of early career teachers do not even know what a syllable is, and three-quarters of them cannot identify the sounds in words. It is time that intestinal fortitude was shown in Australian educational leadership. It will be shown by this government, and we are focused unashamedly on standards.

Federal Election: Member for New England

Mr LATHAM (2.43 p.m.)—My question is to the Deputy Prime Minister, representing the Minister for Trade. I refer him to reports that earlier this year the member for New England was offered inducements, such as diplomatic and trade positions within the department for which the minister is acting, so that the member for New England would not recontest the 2004 election. When did the Deputy Prime Minister first become aware of this matter, and how did he respond to it?

Mr ANDERSON—I became aware of the allegations at the same time as everyone else in the Australian community: when the member for New England made them during the campaign. That is the long and the short of it.

Education: Vocational Education and Training

Mr TOLLNER (2.44 p.m.)—My question is addressed to the Minister for Vocational and Technical Education. Would the minister inform the House of the steps the government is taking to encourage young people to take up traditional trades?

Mr HARDGRAVE—I firstly want to congratulate the member for Solomon on his solid performance in being returned as the

representative of the people of the northern part of the Northern Territory. In answer to his question, this government is very committed to the view that New Apprenticeships are very much equal in status to a university degree. We are keen to challenge this sense that they are second best. Under this government the number of new apprentices in training has grown from 141,000 in 1995 to around 400,000 today. Of course, since the coalition was elected in 1996 we have in fact seen a 223 per cent increase in the number of apprentices in the electorate of Solomon alone. In 1996 there were only 453 apprentices in training there; today there are 1,464 people in training in that electorate alone.

This government is revolutionising vocational education and training through a \$289 million investment over four years. We are going to establish 24 Australian technical colleges promoting pride and excellence in the teaching and acquiring of trade skills. The colleges will be based in a number of regions around Australia which have skills shortages, a strong industry base and a large youth population—areas such as the Hunter and in Dubbo, Bendigo, Geelong, Townsville, the Pilbara and Northern Tasmania, to name just a few. The honourable member for Solomon will be very pleased to know that an Australian technical college is also planned for Darwin.

As identified by our Prime Minister, these colleges are amongst this government's highest priorities. They will provide tuition for up to 7,200 students in years 11 and 12. To keep our economy strong, each of these colleges is going to specialise in a particular trade but will offer at least four trades, including engineering, vehicle manufacture, construction, electrical and commercial cookery.

Education: Vocational Education and Training

Mr GEORGANAS (2.48 p.m.)—My question is to the Minister for Vocational and Technical Education. Is the minister aware of an acute shortage of skilled workers to help build the new terminal at Adelaide airport in my electorate of Hindmarsh? Is the minister aware that the shortage of wall and ceiling fixers is so severe that GMR Interiors, one of the construction companies on site, has to pay up to \$200 a week above the industry rate? Minister, why has the Howard government let a severe skills shortage develop that jeopardises local industry projects through inflated wages and costs? Minister, doesn't Australia's skills shortage need urgent action now, not in another four years when the government's overdue and insufficient technical colleges will finally be fully in place?

The SPEAKER—Before calling the minister, I would just remind the member for Hindmarsh, in his maiden question—I think there were four questions in there—that it would help if we compressed it a little.

Mr HARDGRAVE—One of the points the member for Hindmarsh, in asking that question, perhaps does not realise is that his own South Australian government increased TAFE fees by 50 per cent over the last couple of years, whereas this government—and Minister Nelson has been at the heart of this argument over the past couple of years—is determined to spend a record amount on vocational education and training—\$2.1 billion. This includes \$1.13 billion to the states and territories to support their own training systems—that is this year. And this morning of course we introduced legislation that guarantees that level of government funding, increasing it to \$1.154 billion for 2005. This will provide certainty in the funding arrangements and delivery of training for the 2005 academic year.

I have to say that on this side we are actually delighted and surprised that the Australian Labor Party have discovered vocational and technical education as an issue, because it is something that their arguments and question time approaches have been devoid of over a number of years. What we are determined to do is to continue our contribution to the cause, to provide the national leadership that is needed. The contribution to the states and territories has grown from \$777.9 million in the years the Labor Party were last in power to well over \$1 billion under this government. That is an increase of some 45 per cent.

Our commitment is to restoring a sense of pride to young Australians who seek to go down the course of vocational skills. We want to make sure that they feel as proud of that particular outcome as they might feel about a university degree. It is about getting the practical skills that this strong economy needs more of. The economy is growing so strongly and performing so well it is demanding that more and more people are skilled and trained in the professions that the Labor Party turned their backs upon. I would have thought the so-called workers party would have been all for having a trained work force, but the sad reality is we have been repairing their mess over the last 8½ years. Our program for the next three years will further that particular task.

Employment: Unemployment Rates

Mrs ELSON (2.51 p.m.)—My question is addressed to the Minister for Workforce Participation. Would the minister inform the House how government programs and employment services are encouraging higher work force participation?

Mr DUTTON—I take the opportunity to thank the member for Forde for her question and to congratulate her on the great work she has done in her electorate. Since 1996, when

she was elected, the unemployment rate in Forde has dropped by one-quarter and I think that is a testament not just to the great economy that this government has put in place but also to the hard work that the member for Forde has carried out over the last 8½ years.

This government stands very proud of the fact that unemployment is at a 27-year low, now at 5.3 per cent. We are very proud of the fact that this government, since 1996, has put into work 1.4 million unemployed Australians; 1.4 million Australians who could not get a job under the Labor Party have now been employed under this government. This government has also introduced, and takes great credit for, the Work for the Dole program. That is something that has been opposed by the other side but that we are very much committed to. Since 1997 Work for the Dole activities have provided 315,000 work experience opportunities for eligible job seekers. It was the Howard government that created the Job Network, and it has provided considerable results.

Opposition members interjecting—

Mr DUTTON—Despite the interjections from the opposition, it stands as a matter of record that over 518,000 job placements for the unemployed were posted in the last financial year. In the days of the CES there were only 300 sites. Since this government came into being, that has grown to 2,800 sites—over nine times the number of sites that were made available by the Labor Party to those people who were desperately seeking work.

Despite the low unemployment rates and our booming economy, this government realises and recognises that more is to be done. We have expressed on a number of occasions our concern about the increasing number of people on a disability support pension. This government remains committed during the rest of this term to helping those people who

are able to work into work, whilst at the same time those people who are profoundly disabled—those people who are most in need—will be guaranteed the continued support of this government.

I make the point today that this government stands very proud of its record in relation to the Job Network. We stand proud in relation to the support that we have provided to those people most in need on the disability support pension, but we say to those people who are able to work: look for a job and we will provide every assistance to you to find that job. We are determined to put more people back into work to keep the economy growing strongly so that we can keep interest rates low and provide for the next generation of Australian people.

Abortion

Ms GILLARD (2.54 p.m.)—My question is to the Minister for Health and Ageing. I refer the minister to recent discussions on abortion and the Prime Minister's statement that there will be no government sponsored changes. Will the minister today guarantee to the House that he has not used, and that so long as he is minister for health he will not use, either his ministerial office or departmental resources to advance views inconsistent with the government's policy as announced by the Prime Minister?

Mr ABBOTT—I thank the member for Lalor for her question. I am very happy to tell the House that the government's policy has been splendidly articulated by the Prime Minister.

Health and Ageing: Aged Care

Mr HAASE (2.55 p.m.)—My question is addressed to the Minister for Ageing. Would the minister advise the House how the government is helping older people return home after a hospital stay?

Ms JULIE BISHOP—I thank the member for Kalgoorlie for his question. The Australian government is concerned to ensure that older Australians receive appropriate care in appropriate settings, whatever their care needs may be. For example, if they require hospital care, then a hospital place ought to be available to them. In order to facilitate the transition from a hospital stay to home, the Australian government has committed over \$300 million in a number of programs, including the Pathways Home program and the innovative pool program, both of which fund a place to enable older Australians to convalesce and to assess the options available to them—for, of course, most older Australians want to and do return home after a hospital stay.

A myth has arisen—a fallacy that has, regrettably, been perpetuated by the opposition—that older Australians are somehow inappropriately occupying hospital beds, thereby creating waiting lists. That myth has now been debunked well and truly. In a recent extensive study carried out by Professor Len Grey and others and published in the *Medical Journal of Australia*, the evidence shows that the proportion of people over the age of 65 who are occupying a hospital bed has remained the same since 1993, notwithstanding an 18 per cent increase in that age cohort. The Australian government is determined to ensure that appropriate care is available to older Australians. We have invested record levels of funding to ensure that services are available for their health and care needs, whether that be at home, in the community, in hospital or in residential aged care.

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

QUESTIONS TO THE SPEAKER

Standing Orders

Mr ALBANESE (2.58 p.m.)—Mr Speaker, in the statement which you read to the House at the beginning of question time you indicated that you would be ruling that it was inappropriate for members of the opposition to ask that publicly available material, including newspaper clippings, be tabled. In order that there is a balanced view, I would ask you to think about ensuring or asking that the government also not table information that is publicly available, including newspaper clippings, so that both sides of the House will be treated the same.

The SPEAKER—The member will resume his seat. I would point out to the honourable member that I did not make a statement that in any way mentioned the opposition.

Mr McMullan—The standing order only applies to them.

The SPEAKER—The member for Grayndler has asked his question. Member for Grayndler, do you have another question?

Mr Albanese—Further to your answer, I raise a point of order. The government does not have to get leave to table documents. The opposition does. Therefore, your ruling only applies to one side of the House.

The SPEAKER—There is no point of order.

Mr Albanese—It is a question.

The SPEAKER—You raised a point of order and I have ruled on it.

PERSONAL EXPLANATIONS

Mr TANNER (Melbourne) (3.00 p.m.)—Mr Speaker, I wish to make a personal explanation.

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

Mr TANNER—Yes.

The SPEAKER—Please proceed.

Mr TANNER—In the *Australian* on 1 September 2004 I was quoted as saying the following:

We might have the Greens with the balance of power in the House of Representatives and in order to form government Labor might have to do some of the mad things they want.

I did not make this statement.

DEPARTMENT OF THE HOUSE OF REPRESENTATIVES

Annual Report

The SPEAKER—Pursuant to section 65 of the Parliamentary Services Act 1999, I present the annual report of the Department of the House of Representatives for 2003-04.

Ordered that the report be made a parliamentary paper.

AUSTRALIAN NATIONAL AUDIT OFFICE

Report of Independent Auditor

The SPEAKER—I present the report of the Independent Auditor on a performance audit of the audit management process of the Australian National Audit Office.

Ordered that the report be made a parliamentary paper.

AUDITOR-GENERAL'S REPORTS

Reports Nos 9 to 14 of 2004-05

The SPEAKER—I present the Auditor-General's Audit reports for 2004-05 entitled Audit report No. 9, *Performance audit—Assistance provided to personnel leaving the ADF—Department of Defence; Department of Veterans' Affairs*; No. 10, *Business support process audit—The Senate Order for Departmental and Agency Contracts (Calendar Year 2003 compliance)*; No. 11, *Performance audit—Commonwealth entities' foreign exchange risk management—Department of Finance and Administration*; No. 12, *Performance audit—Research project*

management follow-up audit—Commonwealth Scientific and Industrial Research Organisation (CSIRO); No. 13, *Business support process audit—Superannuation payments for independent contractors working for the Australian Government*; and No. 14, *Performance audit—Management and promotion of citizenship services—Department of Immigration and Multicultural and Indigenous Affairs*.

Ordered that the reports be made parliamentary papers.

DOCUMENTS

The SPEAKER—I present the following reports from committees of the 40th Parliament received by my predecessor after the last sitting of the House in 2004 pursuant to the standing orders:

Parliamentary Joint Committee on the Australian Crime Commission—Examination of the annual report for 2002-03 of the National Crime Authority and the Australian Crime Commission;

Joint Standing Committee on the National Capital and External Territories—Difficult choices—Inquiry into the role of the National Capital Authority in determining the extent of redevelopment of the Pierces Creek Settlement in the ACT; and

Indian Ocean territories—Review of the annual reports of the Department of Transport and Regional Services and the Department of the Environment and Heritage

Ordered that the reports be printed.

Mr ABBOTT (Warringah—Leader of the House) (3.03 p.m.)—Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the *Votes and Proceedings* and I move:

That the House take note of the following documents:

Department of Transport and Regional Services—AusLink White Paper, June 2004.

Australian Maritime Safety Authority—Report 2003-04.

Civil Aviation Safety Authority—Corporate Plan 2004-05 to 2006-07.

National Standards Commission—Report for 2003-04.

Stevedoring Industry Finance Committee—Report for 2003-04.

Sydney Airport Demand Management Act—Quarterly report on movement cap for Sydney Airport—1 April to 30 June 2004

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

MATTERS OF PUBLIC IMPORTANCE

Howard Government: Election Mandate

The SPEAKER—I have received a letter from the honourable the Leader of the Opposition proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The government's mishandling of its election mandate.

I call upon those members who approve of the proposed discussion to rise in their places.

More than the number of members required by the standing orders having risen in their places—

Mr LATHAM (Werriwa—Leader of the Opposition) (3.04 p.m.)—Sometimes when governments are re-elected they use their mandate wisely. They stick to the script and they tend to concentrate on the commitments they actually gave to the Australian people. The re-elected Howard government is not one of those administrations. It has been all over the shop since 9 October. If you were to ask the Australian people the reason why the government was re-elected they would point to interest rates and in particular the government's scare campaign and negative television advertising on interest rates.

But if you also were to ask the Australian people about the thing the government has been talking about since 9 October—what the government's one big issue to put on the public agenda has been, what one big issue the government has presented in the media day after day—the Australian people would say 'abortion'. They would ask this question: why is the government talking about that issue when it was not even mentioned in the election campaign? This has caused a great deal of public confusion.

It is hard to see how, in the circumstances, the member for Warringah can stay on in the health portfolio. This is a minister who has said that this is a huge matter of health policy principle for him. He wants to dramatically reduce the number of terminations in Australia and of course, as the Minister for Health and Ageing, under the laws of the Commonwealth he has some power to do so. But apparently we are told by the Prime Minister that he is not going to act on this big matter of public policy principle. In normal circumstances a minister so frustrated, so unable to act, so denied his big point of principle would resign under Westminster traditions.

The Commonwealth minister for health has power over the Medicare rebating of these procedures, the funding under the safety net that he boasts about and claims to have established, the funding through the private health insurance rebate and federal funding of state hospitals. He has four clear areas of power and four clear funding responsibilities. This is much more than the private view of an individual member; it is much more than the private view of an individual citizen. It is the view of health minister in the re-elected Howard government.

This is a matter that was never raised in the election campaign and a matter that has confused the Australian people. How can a government that claims a mandate on eco-

conomic management—a government that presented all those advertisements about interest rates in the campaign—talk about an issue like abortion day after day for the five weeks following the election? It is a matter that has divided and confused the Australian people. It has also demonstrated how this government is mishandling its election mandate. It is not taking the Australian people seriously. If it respected the judgment of the Australian people and wanted to act on that the government would have been talking day after day for five weeks about how it was going to hold down interest rates, how it was going to rein in spending and how it was going to take a different fiscal stance to its reckless spending spree during the election campaign.

This is a minister for health who was embarrassed earlier in the week by the nature of the cabinet discussion and the Prime Minister's ruling. We on this side of the House expect that the matter will come back. This is just a holding pattern developed by the Prime Minister and the cabinet. We are expecting that next year, possibly—with the change in numbers and the government majority in the Senate—the matter will return.

But we cannot see how the Minister for Health and Ageing can hold his position, nor can we see how the minister's stance on abortion can be justified on constitutional or factual grounds. He wants to restrict access determinations while at the same time restricting access to contraceptives and the morning-after pill. So one thing is certain: this is not health policy. This is not a health minister who can reasonably stay in the portfolio. Even though the government was re-elected on economic issues, Minister Abbott seems to think it has a mandate for intolerance—a mandate for things that were not even mentioned in the election campaign. Flush with the triumphalism of an election victory, we are now seeing the real face of political conservatism in this country, and it

is narrow, mean-spirited and divisive. It is confusing the Australian people. It is confusing an electorate that the government says voted on interest rates and economic management but which has heard very little about those issues in the five weeks since.

The public is watching the government mishandle its election mandate. The government was elected on interest rates, but it has been talking about anything but in the five weeks since. Of course, you have to look at it politically. It is talking about other issues with good reason from its point of view. Last night, the Governor of the Reserve Bank blew the whistle. He outlined how interest rates are likely to rise in the next 12 to 18 months. He said, 'We've said it is more likely that they will go up, and that is our honest answer.' That is the honest answer from the Governor of the Reserve Bank that this government—the re-elected Howard government—is determined to avoid. The government promised the Australian people that no-one would be hurt by interest rate rises over the next three years. That was the take out of the electorate from all those advertisements—that no home buyer, small business or economic interest in this country would be hurt over the next three years by rises in interest rates. Now we have the Governor of the Reserve Bank confirming that they are likely to go up over the next 12 to 18 months. He also expressed very serious concern about an area of government policy neglect—unsustainable lending practices in this country. That is something the Treasurer could have acted on. It is something the Treasurer could have identified as an issue in the campaign and something he could have been doing something about in recent years.

This is indeed a bell ringer for those Australians who were swayed by the Liberal's negative advertising—that bombardment of advertisements on interest rates. The reality is now setting in. The reality that the gov-

ernment will not talk about—the reality that it has been trying to avoid by talking about other issues over the last five weeks—is setting in: rates are likely to go up and there are concerns in the Reserve Bank about the unsustainability of lending practices in the financial sector in this country. There are also concerns that we have seen on the public agenda, in official reports and in economic analysis. Concerns have been expressed over the government's reckless spending spree since the beginning of May last year—its \$66 billion spending spree, including the \$11 billion of new commitments in the election campaign and the \$6 billion of spending on one infamous afternoon in Brisbane. On one afternoon in Brisbane the \$6 billion man racked up reckless spending commitments, putting upward pressure on interest rates, contrary to the government's promises to the Australian people.

They were pinged on this. This was identified by the IMF in its recent report. It expressed the concern that the new package unveiled in the 2004 budget—that is, the \$55 billion spending spree—could pose some risk to the medium-term outlook for interest rates. It said:

... the short-term stimulatory effect ... could complicate monetary policy formulation if it comes into play when growth of domestic demand is still significantly above potential.

That is what it said about \$55 billion of reckless spending. Imagine what it would have to say about \$66 billion. Imagine what the IMF would have to say about the government leader who spent \$6 billion in just one afternoon at his infamous campaign launch in Brisbane. The IMF would double its concerns. It would multiply its concerns about the upward pressure on interest rates that comes out of the spending that we have seen from this government since the beginning of May.

We know it is reckless, because after every election campaign the Treasurer is always fairly keen on the rewriting of history. This time he had Pamela Williams from the *Australian Financial Review* following him around the footpaths, byways and backstreets of various campaign locations. She gave this account on the morning of 13 October about what really happened with the reckless spending spree:

Most observers were stunned. Costello, who had been told of the scale of the list of spending commitments the day before the launch must have bitten his tongue. Howard had discussed with the campaign head office a menu of possible policies. The general view was that he would choose two or three items from the list. But in the end he used them all.

He took the full menu. He said: 'I'll have the whole menu plus one more wafer—one more wafer that I will put out there to break the bank, and then I will continue in this reckless spending spree.' Pamela Williams went on:

He had the four main courses and the three desserts, as one stunned Liberal said. "Howard has left them all for dead, he's suddenly not taking advice from anyone in the campaign office." one Liberal insider said later. "Costello must be pulling his teeth out."

So he started by biting his tongue and ended by pulling his teeth out. He had a rotten campaign and on the morning of 13 October, with Pamela Williams faithfully following him around the campaign trail, had to correct the record to distance himself from this fiscal irresponsibility.

So on the morning of 13 October the Treasurer was trying to distance himself from the reckless spending of the Prime Minister. Was it more than coincidence that that night he went on the *7.30 Report* with Kerry O'Brien to put further distance between himself and the reckless spending spree? Not content with distancing himself from the Prime Minister and saying: 'If you are look-

ing to blame someone for the recklessness of the spending spree, look for the bloke who took the four main courses and the three deserts plus the wafer. Blame him, not me as the Treasurer,' he decided to put distance between himself and his own department. He said:

I will make that quite clear.

They assume uninterrupted growth for the next four years.

That's the Treasury forecast, by the way, not mine.

... ..

I think it is quite optimistic.

It is unprecedented in the history of the Commonwealth for a Treasurer to distance himself not only from the Prime Minister but from his own department. That is the measure of the recklessness and irresponsibility of this spending spree that is putting upward pressure on interest rates. The Treasurer wants no responsibility for it. He wants us to blame the Prime Minister and his own department. But, in terms of the much touted Charter of Budget Honesty, we are going to blame the Treasurer, because the whole purpose of the Charter of Budget Honesty was to tell the Australian people what he thought about the state of the books before the election.

It is shameful indeed for the Treasurer to have thought that those pre-election forecasts were optimistic—that is, that Australia would have a lower rate of economic growth—and to go out and campaign on the basis of those forecasts and allow the spending to proceed, not to pull up the Prime Minister in the campaign and not to make these matters known publicly. The Treasurer has turned his own Charter of Budget Honesty into a total joke. Who could ever believe him in the future? A Treasurer who thought the forecasts of his own department were too optimistic and that growth would be lower

but who said nothing about it in the campaign. It took him four days after the election to say to the Australian people, 'Those forecasts are too optimistic; growth will be lower and the budget will be tighter.' He was starting to walk away from the Prime Minister's reckless promises. He might have been biting his tongue and he might have been pulling out his teeth, but at the end of the day he blew the whistle. He had enough in him to blow the whistle on the Prime Minister at the start of the campaign and then after it. At the start of the campaign he said that anyone who runs down the budget surplus would be putting pressure on interest rates—that is what the Prime Minister did—and he made sure, in the morning and the night four days after election day, that the Prime Minister was tagged with that particular responsibility.

It is a government that is mishandling its mandate. It won on the question of interest rates and the scare campaign, but now it is only talking about abortion. On the issue of interest rates themselves, the Reserve Bank says that they are likely to go up over the next 12 to 18 months. The IMF has expressed its concern about the extent of the spending; add \$11 billion to that concern. The Treasurer said, of course, that reckless spending would put upward pressure on interest rates; he said that at the start of the campaign. The Prime Minister then grabbed the whole menu, and the Treasurer of course is nailing him for that, after the election, backing away from their spending commitments.

So this is a fraud on the Australian people on several fronts: a government that did not tell the truth about the state of the books and what it regarded as the true economic forecasts, saying that the Treasury material was too optimistic; a Treasurer who knew there was reckless spending but only did something about it four days after the election;

and now the news overnight from the Governor of the Reserve Bank that the rates are likely to increase. So all those Australians who thought they would not be hurt by increases in interest rates need to think again about the Howard government and its duplicity.

We all know from the record level of household debt in this country that a very small increase in interest rates—just 25 basis points—can have a severe impact on the household budget. Households in this country are highly leveraged—they are at a record level of debt—and they know that with rising interest rates they would be severely hurt. They also know that the Howard government has failed them on the issue of financial support and household savings. We have seen record levels of dissaving in the household sector in this country. For nine consecutive quarters the ratio of household savings has been negative. The Australian people are asking themselves: ‘Why didn’t the government explain these things before election day? Why didn’t they tell the truth about what they thought were the accurate forecasts? Why didn’t the Treasurer tell the truth about the recklessness of the spending?’ At the end of the day, looking at the size of the mortgage and the size of the debt, they are saying, ‘If interest rates are so low, how come it’s so hard to buy your own home?’ We now find out from the Governor of the Reserve Bank that that task will become harder in the weeks, the months and the years ahead.

As we in the Labor Party said in the campaign, we want to be more financially responsible in government. It is true. We put forward a platform of larger surpluses—\$3 billion over the forward estimates—and we put forward bigger savings. Now we recognise, with the election result, that we have to work harder to win the trust and support of the Australian people on economic manage-

ment. We reassure and repeat that we will not run budget deficits, we will not increase the size of the federal bureaucracy and we will not have a long list of spending commitments. We will only promise the things that we can implement—the promises we can keep—and we will not do anything to put upward pressure on interest rates. We will work hard on that task. We will work hard on the economic agenda to build productivity, competition and growth for the future. But I give the House this one guarantee: we will not mislead the Australian people. In fact, we will hold this government to account for its fraud, its duplicity and its failure to tell the truth during the election campaign. We will let the Australian people know that this is a government that has mishandled its election mandate right from one day one. (*Time expired*)

Mr McGAURAN (Gippsland—Minister for Citizenship and Multicultural Affairs) (3.19 p.m.)—The contribution from the current Leader of the Opposition was extraordinarily revealing and instructive. It took us back in time to the 2001 post-election complaints of the member for Brand along the lines of ‘we was robbed’. There is no other way to interpret that 15-minute speech by the Leader of the Opposition other than ‘we was robbed’. That is a take-out line which is a grave insult to the Australian people and a complete and utter underestimation of their interest in federal elections and their close examination of what each side of politics submitted for their vote. Quite frankly, it is just a repeat of the mistakes of the past. It is history truly repeating itself.

The Leader of the Opposition summarised the election loss by the Australian Labor Party as: ‘It was a scare campaign on interest rates that did us in.’ I much prefer what I thought was an insightful summation, because the reasons for the election result are a lot more complex than supposedly, allegedly,

a scare campaign on interest rates. Again there is a complete misunderstanding of what happened during the election campaign and the years leading up to it. I prefer this analysis:

The overwhelming weight of opinion we had in our research was that most Australians thought the country was headed in the right direction mainly because of the economy.

I agree. Who gave that analysis? It was not Brian Loughnane at the Press Club following the election. It was not anybody on our side. It was the Leader of the Opposition. When did he give that? He gave it yesterday. That was the Leader of the Opposition commenting on the election result on 2UE yesterday. By his own words, the election was about the economy, the government's stewardship in it and who had more trust in the management of it all.

I thought it was fairly rich for the Leader of the Opposition to cite the Charter of Budget Honesty, making unsubstantiated complaints against the government regarding it. The Labor Party did not submit a single policy for costing under the Charter of Budget Honesty within five days of the election. Indeed, of a number of the policies that it finally did submit in the last days of the election campaign—obviously a strategic move on the Labor Party's part—several were highly inaccurate. The Medicare Gold policy had a costing hole of \$726 million. Labor's tax policy relied on behavioural savings only. The higher education policy had a black hole. Moreover, the Labor Party failed to put 20 policies in for costing. The Leader of the Opposition's utilisation of the Charter of Budget Honesty fails; it is unconvincing. But I believe this MPI is extraordinarily important because of its wording, of which I will remind the House: 'The government's mishandling of its election mandate'. There is a concession there by the Australian Labor

Party: the government has an election mandate.

Mr Snowden—Tell us what it is!

Mr McGAURAN—I am asked to tell the Labor Party what the election mandate is. Thankfully, during the course of an election the Liberal and National parties publish what they propose to do on their re-election for the consideration of the Australian public. I have here but a sample of all published documents across the entire government—that is our mandate. I was asked to detail for the House our mandate. This is our mandate. We published these leading up to the election and during the course of the election. We look now to the Labor Party to support and endorse our mandate.

The Labor Party has moved a matter of public importance criticising the government for mishandling its election mandate. By the way, I stand to be corrected, but it has been a long time, if ever, since an opposition has conceded that a government has a mandate. We have an election mandate. The Labor Party concedes and acknowledges that we do have an election mandate and we have the published words of that mandate. Moreover, we never shied away from this. The Prime Minister, when he announced the election, laid it out in stark, plain, unambiguous terms. In a press release on 29 August he said:

In the weeks ahead, I will be unveiling detailed plans that address Australia's major challenges over this period. As always, those plans will be fully funded, fully costed and affordable given our record of managing one of the strongest, most resilient economies in the world.

... ..

But there is more to do to protect, secure and build Australia's future. Our future plans will reflect the things I've always believed in—helping Australian families get ahead, rewarding hard work, encouraging small business, giving Australians peace of mind and real choice in health and education, ensuring rural and regional

Australia gets a fair go, and protecting the environment with policies that do not harm our economic security.

The Prime Minister laid down the boundaries of the mandate for which we were seeking endorsement from the Australian people and we followed it up over the course of the following six weeks with a great many detailed plans. Will the Labor Party support and endorse the mandate we have received? They agree there is a mandate. They must agree that it is in written form; the philosophical extent and outreach of the mandate was laid out by the Prime Minister on the very day he called the election.

The Liberal and National parties had the courage of their convictions. We sought a mandate. We did not engage in weasel words. We did not duck and weave. We did not seek to hide behind a shield of ambiguity. On every area of government administration we laid out our plans for the next parliamentary term and the Labor Party is obliged by its own wording of today's matter of public importance to support and endorse the mandate. So when we introduce legislation in the Senate relating to unfair dismissal laws for small business, the Labor Party is obliged to support it. It is part of our mandate. We have introduced it into the parliament on 42 occasions only to see the Labor Party reject it time after time. In the most clear-cut and definitive of terms, the Liberal and National parties have a mandate in government.

Also of great importance is to consider the words of the Prime Minister during the press conference of 11 October—two days after the election. There he laid out again the government's plans built on the mandate he sought and received from the Australian people. He said:

... the Government will introduce legislation to give effect to a number of things that were announced either during the campaign or immediately before ...

... ..

... we're not going to allow this to go to our head, we're not going to start proposing things that are disruptive, we certainly will press ahead very strongly with things that we've believed in for a long time, particularly in the area of industrial relations, I think we do need more industrial relations reform and if the better outlook in the Senate means that we can have a little more reform in that area, especially the things that we've talked about, then that will be to the good of the country.

So from day one after the election the Prime Minister got down to business and outlined again in plain, unmistakable terms the government's legislative agenda, based on everything we stand for, everything we have articulated and everything that has been endorsed by the election result. This MPI has an air of crying foul about it, as if somehow the Labor Party was robbed of election victory all over again. By all means continue in that state of denial. Australian Labor Party, if you completely misread and underestimate the Australian people, you will be confined to opposition for a great deal longer than you have already endured. At that press conference the Prime Minister was asked by a journalist:

You have a mandate now—

even the journalists ascribe a mandate to the government—

unlike you've ever had before and can that reasonably be ignored by the non-Government parties in the Senate?

Part of the Prime Minister's answer was:

... it does mean that the Australian people are saying something to all sides of politics and that is that if they vote for a government with a set of policies they believe that that government should have the opportunity of implementing those policies.

So the challenge for the Australian Labor Party is whether or not to honour and support the judgment of the Australian people. Whatever their emotional trauma might be after

yet another election loss, the fact is that in recent political history no government has been given as strong an endorsement as the Howard government. Just as we have a mandate to implement our policies, I personally believe—and I do not expect the Australian Labor Party to necessarily agree—that the Australian people have given the Labor Party a mandate to change their Medicare Gold policy, which the one-time President of the Australian Labor Party, the Hon. Barry Jones, has described as ‘a turkey’. That is their own president, and yet the Leader of the Opposition has already said that the Labor Party will continue with the Medicare Gold policy.

I also believe there is a mandate to change Labor’s timber industry policy in Tasmania, which the member for Lyons, who sits behind the Leader of the Opposition, claims cost the Labor Party two seats in Tasmania and would destroy the timber industry in Australia. There is a mandate: a mandate to change. Again the Leader of the Opposition, continuing his self-deceiving and denial of reality and political truth, believes that is a good policy and he will adhere to it. All I can say is: come to the seat of Gippsland and to the seat of my friend the member for McMillan, who has been returned against the odds with a stunning victory. He would agree that the imagery of the Prime Minister standing shoulder to shoulder with blue-collar Australian workers was in stark contrast with the behaviour of the Leader of the Opposition, sneaking into an underground car park and avoiding scrutiny and the very people his policies would have a devastating effect on. It was the most cut-through imagery and it had an enormous effect not just in the timber industries that are concentrated in the seats of Eden-Monaro, McEwen and Gippsland but also more indirectly in seats such as McMillan. So by all means again I invite the Leader of the Opposition and his colleagues

to continue with those policies. But the Australian public have ruled on them, as they have ruled on the mandate for the government.

I think that Brian Loughnane, the Federal Director of the Liberal Party, made some very pertinent points in his address to the National Press Club on 27 October, and in the context of this debate I would extract this quote:

The *first* point to make is that this was a vote for the Coalition and for John Howard.

We won because the people voted for us rather than against Labor.

They voted for us because they knew what we stood for, what we had achieved and what we would do if re-elected.

There is no doubt in the minds of the Australian people about what the government stands for and what the Prime Minister believes in, and we received a very strong endorsement. Now it is up to the Labor Party as to whether or not they are going to honour the will of the Australian people. But, after today’s exhibition in this matter of public importance debate, I doubt that they have learnt anything from the last election let alone from anything that preceded it—because this was not a matter of public importance about economic management. Were we not told that from now on, from this point hence, the Labor Party will speak on economic management only and this will be the thrust of their take up to the government? But instead we just got a compilation of some cheap personal shots against the Minister for Health and Ageing.

What worried me is that the Leader of the Opposition said that in regard to the abortion debate the government had divided and confused the Australian people. Let me tell you that I do not believe you can divide and confuse the Australian people, no matter how sensitive or complex a topic or an issue. The

Australian people will sort it out for themselves. They do not need this patronising, almost dismissive, remark of the kind the Leader of the Opposition indulges in. The Australian people will face up to difficult issues, as we must as elected members of parliament.

The abortion issue has always been a matter of conscience. I personally have participated in two votes on abortion issues in my time in the parliament, and it is always a conscience issue. The Prime Minister has articulated the government's policy in this regard: that there is not government sponsored action in regard to abortion issues. So it is unfair and wrong but very revealing for the Leader of the Opposition to concentrate on that issue as well as to complain about the conduct of the campaign in his first major address to the parliament on its resumption after the election. The Leader of the Opposition seems to have learnt very little, but that is a great comfort to the government, I can assure you.

Mr SNOWDON (Lingiari) (3.34 p.m.)—Mr Deputy Speaker Causley, I congratulate you on your re-election to your position.

I was interested in the contribution made by our colleague the Minister for Citizenship and Multicultural Affairs in this matter of public importance debate. He talked about a mandate. I want to address the very issue of the mandate. I draw the attention of members of the House and those who might be listening to an article in the *Australian* of 19 October written by Peter Browne. The headline is: 'This is not a mandate, sir'. The article goes through and discusses what a mandate is and how in fact the government has hidden, in the context of the election campaign, the policies that it was going to seek to impose on the Australian population after the election campaign.

Let us be very clear about it. We have said on this side of the chamber for some time that the government's campaign—leading up to and during the campaign—was built on lies, invective, innuendo and crude political tricks about the Australian Labor Party and the Labor leader. That is what we have said. We put in very positive terms our policies to the Australian community. In excess of 200 policies were launched before the election campaign was called. Then we put out an extensive election document. This is what we took to the Australian people; it is not what the government took to the Australian people. Let me just refer for a moment to the article by Peter Browne. He says that a mandate has two different meanings, and I will add a couple of further ones. The first is 'the majority electoral support a party has been given to govern'—in other words, you interpret it as the support you have been given to govern the Australian community. The second is that 'the electorate has charged the government with the job of implementing all the policies on which it campaigned'. The key issue is 'on which it campaigned'.

I would add a couple of riders. They would be that the mandate is not based on false claims and lies and that it is not a mandate which might be scrapped after the election. I say that because there are clear examples of this government assuming it has got a mandate when we argue it may well not have one. Reporting on an interview by Kerry O'Brien after the election, Peter Browne quotes Nick Minchin as saying:

I think this gives us the opportunity to implement the policies for which we now have a clear mandate ... We went to this election again saying that our policy was to sell Telstra.

The article continues:

The *Australian* took up the theme two days later, adding to Minchin's list of mandate policies: the Government's unfair dismissal laws, its proposed changes to cross-media and foreign

ownership of media outlets, and its plan to tighten the criteria for disability benefits ...

What did we find out about these particular issues during the campaign?

Mr Murphy—Not much.

Mr SNOWDON—Not a lot, because they were not campaigned on by the government—they were not in their campaign literature. I live in a rural part of Northern Australia in the Northern Territory, Alice Springs. The Leader of The Nationals arrived in Alice Springs during the election campaign to attend the Henley on Todd regatta, which is a dry river regatta. He got involved in a fight with water pistols and was given a flogging. It is interesting that during his visit to Alice Springs he did not utter the word ‘Telstra’ once. What do we expect? We expect the people of Lingiari to be able to say, ‘The Nationals are out there advocating the sale of Telstra, and this is why they want to sell Telstra.’ The only person talking about Telstra in the election campaign in my electorate was moi. The Labor Party were saying that they would not countenance the full sale of Telstra. Peter Browne said:

So you’d expect the Government to have campaigned on these policies during the election to make sure it had a clear, unarguable mandate for action. Yet in the Coalition’s 2004 election manifesto, Our Plans for Australia, and in the Prime Minister’s two main speeches during the campaign—his campaign launch and his Press Club address—there’s no mention of Telstra, cross-media laws, foreign ownership of the media or the disability benefit. On these three key policies the three documents are silent. The manifesto includes a brief reference to the unfair dismissal laws (ninth on the list of policies ...

The government came in here after the election saying they had a mandate to do these things. They have no such mandate. They did not go to the Australian people during this election campaign outlining in detail what they were going to do about these issues sub-

sequent to the election. It is a fraud upon the Australian community for the Liberal Party to say that they have a mandate to do these things, because they do not.

These are not the only areas. There are a range of them: health, welfare, education, industrial relations, voting, women’s health, aviation, land rights and—as I have already mentioned—Telstra. I want to go into the issue of welfare because it particularly affects my community. Forty per cent of the population in the seat of Lingiari are Indigenous Australians. After the election we hear that the government is prepared to promote the idea that it will reform welfare in Australia to penalise victims of neglect and poor policy by successive governments: Indigenous Australians. In the coalition’s election policy paper, *Stronger families and communities*, we get an idea of their welfare reform policy. It says:

A re-elected Howard Government will:

- Implement our Australians Working Together package that places strong emphasis on encouraging and supporting people into jobs.
- Pursue further McClure Report reforms, including further simplification of the income support payments system.

In the *Financial Review* on 10 November Laura Tingle reported:

The Howard government plans radical new levels of intervention in the lives of Aboriginal people as it tackles “passive welfare” and poor health outcomes in a likely forerunner of nationwide welfare reform.

Confidential cabinet documents reveal plans for a dramatic expansion of “mutual obligation” beyond dole payments to require individuals and family groups to modify behaviour in order to gain government assistance.

Was that explained to the Australian community prior to the election? Was it explained to the Australian community during the election campaign? There are 270 mobile polling places in the Northern Territory

where Indigenous people who live in remote communities vote. At not one of these places was there any discussion of welfare reform by those people advocating on behalf of the CLP. Nor was there any discussion at any one of these places of proposals after the election by Senator Minchin about compulsory voting or by the member for Solomon or Senator Scullion from the Northern Territory—the CLP senator—about proposals to radically amend the land rights act in the Northern Territory.

The government does not have a mandate to implement these proposals. They were not articulated during the election campaign. There is no mandate. We have a problem with the government now believing that, because it has been re-elected with such a huge majority in this place and with control of the Senate after 1 July, it can do what it damn well likes. It cannot. That sort of proposition is morally repugnant. The Australian community demand nothing less than that the parties articulate during election campaigns what is planned for the community should those parties be successful.

These proposals were not explained to the Australian community. Where was the explanation of proposals on abortion, voting or universities? Subsequent to the election campaign proposals have come out to have unchecked federal control over universities, to cut research funding, to have coercive industrial relations powers and to end automatic membership of student organisations. These changes are ideologically driven and they would undermine academic freedom. They would cut research funding and diminish work and study conditions for Australian staff and students. That was not discussed during the election campaign.

We now know the campaign was built on lies. I have a copy of a Liberal Party document which argues:

Only the Liberals have improved and strengthened Medicare by increasing the rate of bulk-billing to 100 per cent.

That must be news to the member for Warringah, who was in here this afternoon crowing about the fact that the Liberals have increased bulk-billing to 72 per cent, down from the 80 per cent when Labor lost government in 1996. Let us have some honesty this place. This was what the campaign was about for the Liberal Party: lies, fraud and deception of the Australian community. There is no mandate for many of the things which they now argue they have mandate for. Where is the minister opposite's bundle of papers—as the previous minister had in this place—which outlines these proposals? There aren't any. (*Time expired*)

Dr SOUTHCOTT (Boothby) (3.44 p.m.)—Mark down today as a red letter day: the first day of the 41st Parliament and what have we seen? The Labor Party have been asking questions on the economy. We had a question time dominated by questions on the economy, and we had a question about vocational education and training. This is the new Labor Party. Draw a line in the sand. This is the end of the Latham experiment: no more questions about reading to children, no more questions about banning junk food ads, but they might have jumped the gun a little bit. Today is day 1 of parliament, and the first item on the program is the Health Insurance Amendment (100% Medicare Rebate and Other Measures) Bill 2004. This was an election commitment outlined in the Liberal Party's manifesto.

During the election campaign, the government set out a clear platform which we took to the voters of Australia. It is called *Our Plans for Australia*. It is 44 pages long, and I commend it to members. You can find it at the Liberal Party's web site, www.liberal.org.au. One of the items is on strengthening Medicare and it reads:

And to further strengthen Medicare, the Coalition Government has announced plans to increase the GP rebate from 85% to 100% of the Medicare fee and to increase access to after-hours GP services.

That was the commitment given, and notice No. 1 on today's program is the legislation introducing it. Going a little further, just to make it very clear in the manifesto, we say:

We will reaffirm our commitment to the full exemption of small businesses from unfair dismissal laws.

This was introduced in the parliament 41 times and knocked back by the Senate 41 times.

During the election campaign, most Liberal Party members—and Nationals members as well, I am sure—put out a document, which was also incorporated in the Liberal Party's how-to-vote card, about the first seven things we would do if elected. They are: (1) establish 24 new technical colleges with a goal to lifting new apprenticeship commencements to over 1.6 million in the next five years; (2) a \$1 billion fund to upgrade schools; (3) \$2 billion in new water infrastructure projects; (4) helping small business by cutting business tax and freeing up industrial relations; (5) boosting export opportunities with 30 export facilitators; (6) fighting terrorism in our region with six special counter-terrorist teams; and (7) protecting Australia's borders with 14 new patrol boats and three new air warfare destroyers.

On election day, 9 October, just over 13 million people were enrolled to vote, and 6,179,000 people preferred the coalition compared with about 5.5 million people for the Australian Labor Party. That means that 52.75 per cent of the Australian population supported the policies of the Liberal and National parties as opposed to 47.25 per cent who supported the policies of the Australian Labor Party. Going deeper into the results, the coalition had 46.72 per cent of the primary vote. The Liberal primary vote of 40.48

per cent was the highest since 1975. The Labor primary vote of 37.63 per cent was the lowest since the federal election in 1906.

What was the election about? I distinctly remember speeches the Prime Minister gave in which he spoke about the two IRs: interest rates and industrial relations. When the election campaign started, the Prime Minister said that it was about trust: who was best to manage national security and who was best to manage the national economy. What we saw in the breakdown of the results was a continuation of the pattern that we saw in 1996—that is, in 1996, for the first time, a majority of blue-collar workers voted for the coalition. I have not seen any definitive figures for 2004, but my instincts would be that a majority of blue-collar workers supported the coalition this time. This reinforces the patterns that we saw in 1996. Essentially the Labor Party is a party concentrated in Sydney, Melbourne and Canberra, and the rest of Australia is largely represented by the Liberal Party and the National Party.

I am particularly proud that the Liberal and National parties have been able to get such strong support amongst blue-collar workers. In the government's campaign launch the Prime Minister said that the Liberal and National parties have been a better friend of workers than the Labor Party could ever dream of being. That is due to things like real wages rises of 13½ per cent during the period of the Howard government—compared with only 2½ per cent in real terms under Labor—lower interest rates, increased apprenticeships and so on.

We have heard a little bit about the mandate and, very clearly, we promised to do a number of things. Already we have some of the legislation appearing on the *Notice Paper*, and it will be appearing over the coming weeks. I look forward to the Labor Party helping us to do what we promised to do—

the things that we have always believed in and that people know we have always believed in.

The election was also very clearly a rejection of the Labor Party's four key policies. Their tax and family policy, incredibly for a Labor Party, actually created losers amongst low-income families—especially low-income mothers. The Labor school policy created losers. They talked about targeting the really rich schools, but in effect their policy was also targeting modest non-government schools with funding freezes. I cannot believe that Labor's Medicare Gold policy got through as a policy for a serious national party. It worked on the premise of asking people aged over 75 to 'give up private health insurance and the government will look after you'. It was saying that the government would find the doctors, the specialists, the theatres, the hospital beds and so on. And of course there was Labor's forest policy, which people have already delivered their verdict on.

Liberal research, which was provided by Brian Loughnane at the National Press Club, showed that 70 per cent of voters agreed that Labor's election loss was more than just poor campaigning. Sixty-three per cent agreed that Labor did not have a credible and convincing plan to keep the economy strong and Australia secure, 72 per cent of voters in marginal electorates thought that Labor needed a complete revamp of people and policies, and 82 per cent were positive about the Treasurer's handling of the economy.

That was the election. We had the Governor-General's address yesterday, and at the beginning he said:

The government will take early steps to implement the policy commitments it made during the election campaign.

He said in conclusion:

The government begins its fourth term mindful of its responsibility to use its new mandate wisely ... The government is determined to fulfil the trust placed in it by the Australian people. It will do so by implementing a wide-ranging set of policy commitments which, in turn, places trust in the common sense and good judgement of the Australian people.

We have to go back to 1993 to see what Labor did when they were in government. In the 1993 election Labor ran an election campaign where they opposed the GST in March and introduced much higher rates of indirect tax in August; they opposed enterprise bargaining in March and in April the Prime Minister, Paul Keating, gave an address to the Australian Institute of Company Directors, saying that the new government would move towards contracts and enterprise bargaining. Labor also had the l-a-w tax cuts. That is an example of a government breaching faith. This government will not be doing that. We will be doing the things that we have always believed in, the things that we have presented to the Australian people. As the Prime Minister has said, we will use our Senate majority wisely and carefully.

In conclusion, I have listened to the Leader of the Opposition's speech. It is clear that he is unable to accept the verdict of the Australian people. The majesty of the democratic process is that the people do get it right. The people have made their judgment and have judged the Liberal Party and The Nationals on the policies that we presented during the election. We deserve the opportunity to introduce what we promised. In three years time people will have the chance to judge us on our record.

The DEPUTY SPEAKER (Hon. I.R. Causley)—The discussion has concluded.

GOVERNOR-GENERAL'S SPEECH

Address-in-Reply

Debate resumed.

Dr EMERSON (Rankin) (3.54 p.m.)— Australia faces serious economic challenges. They are being masked by more than a decade of sustained economic growth on the back of strong productivity growth. Since the early 2000s the challenges have also been masked by high primary commodity export prices. If the challenges are ignored or are met with weak responses, within six years Australia could experience a cut of almost a third in the economic growth rate per person enjoyed during the 1990s. That would constitute the slowest rate of economic growth per person since the decade of the Great Depression. How do we know that? The answer is that the Commonwealth Treasury tells us so. Treasury's *Intergenerational Report*, released in the year 2002, forecast this dramatic slump in growth of measured living standards from 2010 onwards.

These alarming official forecasts are the product of two insidious forces at work in the Australian economy: the ageing of the population and faltering productivity growth. The *Intergenerational Report* expects the strong productivity growth that Australia has enjoyed since the early 1990s to come to an end soon, slipping back to its mediocre 30-year average by the middle of this decade. Some of us were warning about the dangers of slowing productivity growth before the *Intergenerational Report* was released.

Compounding these economic problems has been a sharp deterioration in Australia's export performance since 2000, such that Australia is nowhere near paying its way in the world. Australia's export competitiveness has been allowed by this government to deteriorate, causing a collapse in our export volumes. Between 1986 and 2000 the volume of Australian manufactured exports increased by a very strong 12 per cent a year, services by 11 per cent a year and primary commodities by five per cent a year. Compare that with the period since 2000, when volumes of

manufactured exports have grown by just under five per cent a year and services by four per cent. Primary commodity export volumes have not grown at all. Australia is again relying on high commodity prices, hoping our luck will not run out as it did when primary commodity prices collapsed in the mid-1980s.

In the first half of this decade Australia's trade balance has been deliberately widened by coalition government policy of promoting consumer spending as the government lets the good times roll, especially in the lead-up to federal elections. Professor Ross Garnaut points out:

The real domestic demand expansion of recent years is at least as virulent as that which precipitated the extreme monetary tightening of the late 1980s. The savings share of household income fell in the boom of the late 80s, but remained in the range of eight per cent to ten per cent. It was minus three per cent in the March quarter of 2004.

The savings share of household income has been negative for a considerable period of time, not just in that one quarter. Australian households are spending more than they are earning, financing the shortfall from borrowings against the equity in their homes. Banks are enthusiastic lenders, just as they were in the freshly deregulated financial market before the recession of the 1990s. Just last night the Reserve Bank warned banks about lowering their lending standards and facilitating this rapid expansion in credit.

Consumer spending is on fire. The March quarter consumption growth of 6.2 per cent compared with a year ago was the fastest in 30 years. Instead of hosing down consumption spending, the government has fuelled the fire through its massive budget and pre-election spending spree, spraying an extra \$66 billion onto the flames. It is hardly surprising in these circumstances that the household savings rate is negative.

Australia's 29th successive monthly trade deficit will have contributed to a quarterly current account deficit above six per cent of GDP in the September quarter. Our favourable terms of trade have added \$36 billion to national income over the last four years but Australia is consuming the proceeds of these record terms of trade from soaring commodity prices and cheap manufactured imports. The federal government and some economic commentators are sanguine about these imbalances, pointing out that Australia's deregulated market economy will adjust to them. That is true, but it is the very adjustment process that causes the human pain in the form of a potentially big fall in economic activity. The longer policy makers wait, the harsher will be the necessary adjustment and the ensuing economic slowdown.

Australia's consumption boom has been fuelling domestic inflation. A four per cent increase in prices of non-tradables over the last 12 months has been disguised by a reduction in the Australian dollar value of tradables, keeping the overall inflation rate within the Reserve Bank's target range. The IMF, in its report last week, identified these inflationary pressures and warned that the dampening effect on inflation from tradable goods may be eroding, owing to the recent easing of the Australian dollar.

As with any imbalance, something has to give sooner or later. Consumption could slow sharply as the housing bubble continues to deflate or, if consumption does not slow, the Reserve Bank will have to dampen inflationary pressures by raising interest rates. If, alternatively, the Australian dollar were to slide in the face of an ever-widening current account deficit, inflationary pressures would intensify as the price of imports rose, again forcing the Reserve Bank's hand. Employment figures released on 11 November indicate a tight job market, pointing to another possible source of pressure—wage inflation

fuelling domestic price inflation—and, despite the slowing housing market, consumer confidence seems to be going from strength to strength.

There is a whiff of the late 1980s about the present consumption boom. Consumers are behaving as if nothing will stop them from continuing on their merry spending way. If consumers do pull back in the new year, in response to falling house prices, there will be an economic slowdown. If they do not, as seems more likely at present, the Reserve Bank will be forced to hike interest rates, causing a sharper slowdown.

Where is the Howard government in all of this? That answer is that it is fuelling the consumption boom and neglecting Australia's export problems. Australia should not have been spending all of the lift in national income from our historically favourable terms of trade, hoping they will stay high from continued strong growth in China or that export volumes will soon respond. Some of this temporary increase in national income should have been put aside by the Commonwealth for the inevitable rainy days. I note that the Howard government is fond of quoting Access Economics. I will quote Access Economics too. They say in their *Budget Monitor*, released just yesterday:

If the official view is that Canberra should be spending on raising productivity and workforce participation then the \$66 billion spent across a five-year period starting with the May budget does not stack up terribly well against those yardsticks.

In other words the government is spending on consumption, fuelling the consumption flames. To avert damaging interest rate rises, the federal government should have been reining in Commonwealth spending instead of engaging in this consumption spending spree. The longer it waits before displaying some fiscal responsibility, the harder the landing will be.

Strong economic growth has generated within the coalition government an air of complacency about the fundamental economic challenges confronting Australia. It is hard to identify any coherent economic reform program from this government. I listened intently to the Governor-General's address yesterday and I could not discern a coherent economic reform program. There were a few initiatives but there was no coherence to it at all. When we look back over the last 8½ years and ask ourselves what the economic reform program of this government has been it is very difficult to find an answer. The government's so-called great tax adventure produced a \$30 billion plus complex new tax and an explosion in the size and complexity of the Income Tax Act—so much for the streamlined new tax system for a new century.

Some of the reforms in Australia's international tax regime may have been mildly beneficial to economic growth. Changes in labour market regulation might have removed some artificial restrictions on work practices, but most of those were on the way out anyway, with the introduction of enterprise bargaining by the previous Labor government. Competition policy reforms were initiated by the Keating government. They have been continued by the Howard government, but it has not initiated any new reform program of its own. So where is the reform program that Australia desperately needs to secure ongoing productivity growth and to combat the ageing of the population?

The Hawke and Keating governments created the open, competitive economy through a comprehensive economic reform program. Labor had recognised that today's productivity growth is tomorrow's prosperity. Productivity growth is the yield from doing things better and smarter. With all the inefficiencies in the Australian economy at that time there was ample scope to do many things better

and smarter. The incoming Labor government immediately embarked upon an economic reform program designed to lift productivity growth while diversifying Australia's export base by engaging with Asia and promoting non-primary commodity exports.

Labor's transformation of Australia into an open, competitive economy unleashed more than a decade of record productivity growth and economic growth. During the 1990s Australia's productivity growth surpassed that of every country in the Western world except Ireland and Finland, but including the United States. In less than a decade Australia had surged through the international field, from productivity straggler to a leader of the pack. Our productivity performance during the 1990s is estimated to have boosted average household incomes by \$7,000. There is now a general consensus that the economic reform program begun in the mid-1980s by Labor has been overwhelmingly responsible for Australia's strong productivity growth and the prosperity that it has created.

The challenge now is to secure that vital second round of productivity growth. Because preventing the ageing of the population is an impossible mission, combating it through sustaining strong productivity growth and increasing the work force participation of working age Australians is crucial in securing and improving our future prosperity. Australian governments must do everything possible to avoid the scenario identified in the *Intergenerational Report*—that is, productivity growth slipping back to its 30-year mediocre long-term average.

How realistic is it for Australia to be able to maintain strong productivity growth? Part of the answer lies in a comparison of Australia's level of productivity with those of other advanced countries. Although Australia's productivity growth since the early 1990s

has been impressive by international standards, we have not attained the levels of other comparable countries. Australia ranks below 15 OECD countries in the productivity stakes. If Australia were to achieve, say, US productivity levels, which are still below those of seven other countries, Australian household income would rise by 20 per cent or \$22,000 per year. Essential to securing that vital second round of productivity growth is maintaining and strengthening an open, competitive economy. Having opened Australia's door to global and domestic competition the door cannot be opened a second time, but it is essential to keep that door open and maybe push it open a little bit further. The Productivity Commission itself, in its interim report on national competition policy reforms, has identified a number of areas in the delivery of infrastructure, health and education services where some further gains could be secured.

The essential task is to identify the new and modern sources of productivity growth in 21st century Australia. We know what they are from the international literature and from the work that has been done in Australia. The new sources of productivity growth are: investment in skills, investment in innovation and investment in infrastructure. I will deal with those in turn.

Skills development is an incredibly potent and powerful source of productivity growth around the world. But what has Australia's performance in skills development been? The recent record is a very sorry one. A Productivity Commission review of the Australian evidence concludes that the increase in average schooling in the working age population slowed from 0.5 years in the 1980s to 0.2 years in the 1990s. When experience and educational attainment is taken into account, the evidence remains that the accumulation of skills decelerated during the 1990s. The Productivity Commission says:

... the weight of evidence suggests there was a slower rate of accumulation of human capital in the Australian workforce in the 1990s, which all else equal would have detracted from a productivity acceleration in the 1990s.

The Productivity Commission further concludes:

... there appears to have been no significant acceleration in workforce skills in the 1990s. In fact, the evidence shows a faster increase in skills in the 1980s.

These conclusions are confirmed independently by the OECD's empirical work, which indicates that skill upgrading made no contribution to Australian productivity growth between 1990 and 2000.

Drawing together the work of the OECD and the Productivity Commission, Saul Eslake from the ANZ Bank asked:

So why has education apparently not made any discernible contribution to the improvement in Australia's economic performance over the past decade? The answer, unfortunately, seems to be that there has not been any discernible improvement in Australia's educational outcomes—at least insofar as they impact on productivity growth—during this period.

Total government spending on education fell from 4.3 per cent of GDP in the early 1990s to 3.8 per cent in 2002-03. A small increase in private spending on education was not sufficient to prevent an overall reduction in national spending on education over the period.

Various indicators of educational attainment beyond high school retention rates have been used to draw comparisons between Australia and other OECD countries, leading to this conclusion by Steve Dowrick at the ANU. He says:

These international comparisons suggest that Australia's educational report card should be marked: *'Started well, but slackened off. Substantial room for improvement.'*

It is very clear that our performance with regard to skills development has been terrible and that it has detracted from productivity growth in this country.

Why should we be surprised that there are such huge skill shortages in Australia? The government's only response is to seek to bypass the states and in two or three years time to have some technical colleges in place but, by then, the skill shortages in this country will be acute and we will have forgone the sorts of increases in productivity growth that would have been available from a vigilant government investing in the skills of this nation instead of being mealy-mouthed about it and—as I said earlier—instead of spending so much of the budget surplus on fuelling the consumption fire instead of investing in our future.

The second major source of productivity growth that has been identified is research and development or investment in innovation. Economy-wide studies on the social returns to investment in R&D consistently find returns above 50 per cent and usually in the 50 to 60 per cent range. For smaller countries like Australia, the social returns are found to be even greater—of the order of 85 per cent. Just yesterday, there was a report of returns of up to 500 per cent in Australian research and development in the medical area. But what has the government done to encourage innovation in this country? One of its first decisions in the 1997 budget was to cut the R&D tax concession rate on business spending in research and development from 150 per cent to 125 per cent. When you compare business spending on research and development in Australia with that of OECD countries, it is very clear that the gap continues to widen, whereas that gap was being narrowed under the previous Labor government.

This government has gone missing on investment in innovation and new ideas as a source of productivity growth. We should be looking at our comparative advantage here in this area. Surely there is value in considering further government support for research and development in areas of biological research. Australia has the richest biological diversity of any continent on earth so why not have a proper look at that and encourage research and development in that area? All the evidence indicates that lifting Australia's R&D effort is essential to securing the vital second round of productivity growth. We cannot simply be an international free rider, utilising ICT that is developed overseas, but nor should Australia seek to invest heavily in replicating the ICT production effort of countries like the United States. We should identify our own comparative advantage in R&D and lift both private and public sector investment in R&D.

The third area of modern sources of productivity growth is infrastructure. The nation's infrastructure has been allowed to deteriorate over 20-odd years. The government has not identified a coherent national program of infrastructure investment working with the states and with the private sector to find the areas of infrastructure where we should be investing to secure that second round of productivity growth.

There should be a comprehensive economic reform program in place in this country. The Governor-General's address yesterday certainly indicated that there is no such comprehensive economic reform program. It is time that the government recognised the seriousness of the situation with the ageing of the population and invested in the new sources of productivity growth in Australia so as to ensure our ongoing prosperity and, for Labor's part, to ensure that that prosperity is not only generated but fairly shared so

that opportunities are available to all Australians.

The DEPUTY SPEAKER (Hon. I.R. Causley)—Before I call the honourable member for Bass, I remind the House that it is the honourable member's first speech, and I ask the House to extend to him the usual courtesies.

Mr MICHAEL FERGUSON (Bass) (4.14 p.m.)—Mr Deputy Speaker, it does me good to stand in this chamber today. Yesterday I took the oath of office and humbly accepted my new role as the 12th member of the House of Representatives for the people of Bass. I appreciate very keenly the sense of responsibility, honour and duty to serve that that brings. Bass has always been an electorate that commands the nation's attention. A Federation seat, it remains one of the litmus seats to watch at each election. Bass stretches from Greater Launceston and the Tamar Valley to Tasmania's north-east and the Furneaux Group of islands. Bass is regional Australia. With its urban and rural areas and people from different socioeconomic backgrounds, Bass boasts a diverse mix of industries, including textiles, boat-building, agriculture, forestry and value-added timber products, tourism, fishing and our local historic 1881 brewery, Boag's, the makers of Australia's best beer.

As I work I will daily draw on my background and past experiences to inform my work and keep my actions in tune with the needs of my community. I had the privilege to grow up in Northern Tasmania, to go to school there, make friends there and find my place in the world right there.

My family's love and support gave me self-esteem, a healthy start and the opportunity to choose my own future. My parents raised a family of seven children, and both worked hard to supply our family's needs. I was educated at a low-fee Christian school,

but I know for a fact that during my schooling in the 1980s when, under the previous government, interest rates were close to 20 per cent, times were tough for all mortgage-paying families, including mine.

I know that my family are proud of my achievements and are very pleased that one of their own is a member of parliament, in the federal parliament, and part of the government that presides instead over the lowest interest rates in three decades, record low inflation, record low unemployment and a robust economy that is giving all Australians the best opportunity in generations to succeed. My parents sacrificed many material pleasures to give their children the best start in life that they could. This is true today of so many parents in Bass who love their children so much and want the best for them. Having had these experiences as a boy, I will always know the importance of ensuring that governments manage the economy wisely so that crippling interest rates are never again visited upon Australian families.

People in Northern Tasmania have a strong work ethic and pull their weight. I got my first job at the age of 12 and I have worked ever since, helping to pay my way through college and university. I have worked for \$2 an hour at a nursery, \$4.12 an hour as a kitchen hand, \$2.50 per delivery for a pizza chain and \$10 an hour at a jewellery store, until finally I entered the teaching profession and began earning a graduate salary. When I look back, I realise the importance of being enterprising and working to better myself through the various stages of my life. The value of work should not be lost on any of us, whatever our station in life. I know the value of work and how it can make my community grow stronger, improve living standards and open up opportunities.

The University of Tasmania's Launceston campus is where I studied for my degrees in

science and education. It is also the place where I became involved in student politics. As an Independent in a Labor dominated student union, I was elected twice as a delegate to the National Union of Students and also became general secretary of the Tasmanian branch because Labor's warring factions could not agree on a candidate. In case anyone is surprised at my student union involvement, let me assure the House today that I was then and am now an unshakable proponent of voluntary student unionism. To my mind, a system that forces Australian students to be part of an organisation they do not support is indefensible, and I want to see the situation remedied.

As a graduate I worked as a temporary teacher within the Tasmanian government school system. Soon I was made permanent and was appointed to Kings Meadows High School. By my final year there I was head of the mathematics department and had my best and most satisfying year of teaching ever. Over my years of teaching I made plenty of mistakes but enjoyed many more successes. In fact, the number continues to grow every week as I bump into former students who tell me where they are in life and what they have achieved. As a former teacher this fills me with immense pride and reminds me of what I have known all along: that there may be other jobs that are just as good as teaching but few could be better and none are more important. I value education and have a passion to see us maintain a strong education system while always supporting parents' choice. A good education sets a child up for a lifetime of opportunity, and every opportunity gives a person a choice about how they would like to live their lives.

With my first-hand experience as a teacher in Tasmanian public schools, I have formed the view that the Tasmanian government have failed to properly provide for the very schools that they own and run, despite

the largesse of GST payments and specific purpose funding from the federal government. In doing so they fail the children entrusted to their care. I can testify that in one of my classes 43 children were crammed into an advanced mathematics class with the excuse that because they were smart they would be well behaved and so I would manage. I shall carry that memory with me forever to serve as a constant reminder of how not to approach the critical duty to offer a quality education.

Since my high school days I have worked closely with community services such as community radio, my church and its youth and children's work, my local Waterwatch group and a number of local charities. I was awarded Tasmanian Young Achiever of the Year for 2002 by the National Australia Day Council. With volunteer effort and community service being strong features of the communities that make up my electorate, I am keen to be a passionate advocate for volunteer organisations because I know the enormous value that they add to our society. Being elected as a representative on my local council, Meander Valley Council, has instilled in me the discipline to stay close to local people and to be quick to respond to their concerns, their needs and their dreams for the future.

I look back on those times, some of them fairly humble, and value them. I invite young people from Northern Tasmania to look at my life and, hopefully, see something of themselves. I ask them to envision what they too can achieve in this wonderful country that does provide opportunities for those who are prepared to take them and work to the best of their abilities. I will certainly engage with young people in Northern Tasmania and do everything I can to inspire them to be their best and to join me in working for the good of our home region.

My electorate takes its name from the 18th century maritime explorer George Bass. In 1797 George Bass set out on a southwards expedition along the New South Wales coast from Port Jackson. Astoundingly, he travelled 1,930 kilometres over three months in a nine-metre whaleboat manned by six oarsmen. Bass constantly went ashore to explore the coast, recording the nature of the country and the flora and fauna he found. By journey's end, Bass was convinced that he had discovered a strait separating Van Diemen's Land from New South Wales. Bass's journey with Matthew Flinders in 1798 circumnavigated the island later known as Tasmania in the 25-tonne sloop called the *Norfolk*. Of course, Bass Strait and Flinders Island were named in their lasting honour. Ask any Tasmanian whether or not they know that Tasmania is separated from the mainland, and I assure you that you will hear annoyance at the extra difficulty in getting across Bass Strait, but also some relief that at least our isolation affords something of a barricade to mainlanders wanting to get in!

For me, there is an extra layer of meaning in the story of Bass and Flinders. As a candidate for election, I put forward a bold, three-year plan to deliver important infrastructure, community projects and economic development initiatives. I am now setting about the task of implementing these promises in full. One of these projects will provide a long-term home for a perfectly built replica of the sloop the *Norfolk*. It was built by Richard Davis and volunteers in Tasmania using traditional methods. Many fine Tasmanian timbers have been used, including huon pine, celery-top pine and blackwood. In 1998, sailing identity Bern Cuthbertson and his crew re-enacted the epic voyage of Bass and Flinders almost to the day. Each day of this modern voyage was a re-enactment of the events of 200 years earlier. The *Norfolk* is an important piece of our Tasmanian heritage, and it

was a delight for me to pledge Australian government funding that would see the *Norfolk* in a new museum in Bass, where locals, schoolchildren and tourists alike could admire the vessel in its full glory and learn more about our heritage.

Today, as the 12th federal member for Bass, I want to acknowledge the efforts of each of my 11 predecessors. In every case, their contribution was a commendable effort. However, in some cases the contribution was truly historic, and these achievements will always remind me of the standard of leadership that Northern Tasmania deserves. Today I would like to acknowledge the efforts of David Storrer, who served from the first federal election until 1910; Jens Jensen, who served until 1919 and was Minister for the Navy and Minister for Trade and Customs; David Jackson, who served until 1929; Allan Guy, who served until 1934 and was Assistant Minister for Trade and Customs; Claude Barnard, who served until 1949; Bruce Kekwick, the first Liberal federal member for Bass, who served until 1954; and Lance Barnard, who served until 1975. He held a number of ministries and even rose to Deputy Prime Minister. Kevin Newman won the historic Bass by-election in 1975 which foretold the end of the Whitlam government. He served until 1984 and was responsible for seven ministries. Warwick Smith served his first term from 1984 to 1993 and his second term from 1996 to 1998 and was responsible for three ministries. Sylvia Smith served from 1993 to 1996, and Michelle O'Byrne served from 1998 until the recent election in October 2004. I acknowledge her efforts in this place and wish her and her family well.

The previous Liberal member for Bass, Warwick Smith, went without acknowledgement in the speeches of the two members who followed him, so today I take pleasure in speaking for the people of Bass to record our admiration for him. He served

with distinction, and his record of achievement for the electorate was quite remarkable. It was Warwick Smith who taught me to regard Launceston as the provincial capital of Northern Tasmania, to be protective and parochial for my community and to not be afraid to think big.

I feel honoured because of the many Northern Tasmanians who have elected me. Perhaps only members of the House who have experienced the rigours of an election campaign in a traditionally close seat will appreciate how such a clear-cut victory feels. In saying these things it is important to emphasise that, even though the seat I now occupy has only room for one, not much of this is really about Michael Ferguson. It is really about service—and honestly serving the good people of Northern Tasmania.

Today I want my first thanks to go to the people of Bass for their support and for placing their confidence in me. In thanking them, I pledge today to work hard to the best of my ability and with integrity. During the campaign, I was quite open about my belief in Liberalism, my strong admiration for Prime Minister John Howard, my Christian faith, my family values and my devotion to my family. I do not think that a public person must lay bare every aspect of his or her life, but I have been open about these things because I know that people are dissatisfied with politicians who cannot say what they mean or mean what they say. I believe that convictions define a person's true identity and motivation for life.

Naturally, like every other honourable member in this place, I represent a community of people who have differing views, priorities and values. It is only when we are prepared to respect those other views and show a preparedness to listen to them that effective representation becomes possible. I am not here to represent myself, but aim to

be an effective representative for all the people of Bass, regardless of those individual views, priorities and values. That may seem impossible, but it is an ideal still worth striving for. I want to achieve outcomes that are in the best interests of the greater community.

Today I would like to thank my supporters, my volunteer team back home and those who have travelled to celebrate this time with me and who are present in the gallery today. Of course, many of my supporters have voted Liberal all their adult lives. Some were dedicated and loyal members of the Liberal Party. But others changed their voting habit and gave their support because they believed in me and the values I live by. Regardless of their backgrounds and motivation, I thank them all. I know how hard they worked. I know that many went many extra miles. I knew all along that I could never achieve this dream on my own, and I pay special tribute to them.

I cannot thank the Prime Minister enough for his personal support, commitment and hard work in helping to achieve this result. I am so proud to call him my leader, as are so many of my fellow Australians. He is a man of total integrity and principle. I say thank you also to the many ministers who visited Bass and, of course, to all of the Tasmanian Liberal senators who helped in our campaign.

I say thank you to my parents, Colin and Glenys, and to my extended family, who have never disappointed me and who have my love forever. I pay tribute to my darling wife, Julie. She has been and will be my partner in public life. She brings special qualities to our family and I know that anything I am able to achieve in the years ahead will be her achievement too. I also say thank you to my beautiful treasures, Eloise, Thomas and James. As our children, these three

have not had a say in our decision to pursue a political life but they will, of course, be subject to it. Being away from home will be difficult, but I will not forsake them. I know that in order for the people of Bass to have an effective local member I must first be a good husband and good father.

To all I have thanked, I pledge to keep faith with you as the people who helped me to achieve my goals in these early days. I will not allow the special privilege of serving as your local member of parliament fall into arrogance. Instead, I daily rededicate myself to the mission that we all pursued together, where I had the honour of being the face and the voice for that cause.

To provide the best representation for the people of Bass I will be guided by a number of principles. They are: to give my family priority and defend my marriage; to serve the people of Bass by working to improve living standards and opening up new opportunities; to lead by example in the service of my community and encourage others to fulfil their potential; to show resolve when I am convinced as to the wisest and most honest course of action, without fooling myself that on every issue I will be right; and to be a team player in this place without sacrificing the people who sent me here.

I am proud to represent the best electorate in Australia, with its natural beauty, its proud history and its spirited people. I will work to help provide economic opportunities for Northern Tasmania. I am encouraged by the government's agenda to provide better skills for our young people through a network of new Australian technical colleges, to strengthen families' capacity to choose the best education for children and to provide them with the foundation for a happier and more successful life. I applaud the moves to encourage greater promotion of our region, its products and the skills and capacities of

its people, and moves to provide better roads and infrastructure and celebrate our natural and historical heritage through the Norfolk Museum, the Trail of the Tin Dragon tourism project, and the ongoing work of the Australian School of Fine Furniture. I am also committed to fighting for better health infrastructure, aged care services and the availability of both GPs and specialists in Northern Tasmania.

But, most importantly, I will work to support the most fundamental and important building block of our society: the family. I owe a great deal of my success to the love and support of my own family. I have seen first hand the pain caused when families break down. It hurts. It hurts those who are separating and it hurts those they love. Talking about this important subject may be almost taboo. But, however painful, the fact is that the economic hardship, emotional hurt and social devastation—especially for any children involved—mean that the trend towards higher rates of family breakdown since the Whitlam era must be recognised, addressed and reversed. I am heartened by the policies of the Howard government, which have done much to strengthen families. I look forward to working with my colleagues to develop more policies to protect and nurture this important social unit.

Plenty is written of George Bass. Among these accounts, including Matthew Flinders's own work, is the testimony that Bass was a man of great courage and resourcefulness, impatient of inactivity and eminently qualified to undertake the remarkable work he carried out. He was a man who was not to be repressed by any obstacle or deterred by danger. I take inspiration from George Bass's qualities and I will work hard for the people of Bass and Australia like I have never worked before, in the hope that the same may honestly be said about me. I hope that after my time as a proud representative of the

people of Northern Tasmania the 12th member for Bass will be remembered as one who left things better than he found them. Thank you.

Mr MURPHY (Lowe) (4.34 p.m.)—Mr Deputy Speaker Jenkins, let me begin by congratulating you on your re-election to the position of Second Deputy Speaker in the House of Representatives in the 41st Parliament. I look forward to working with you to ensure I continue to give the best representation to the people of Lowe, in Sydney's inner west. I also wish to record my sincere thanks to the electors of Lowe for re-electing me to a third term to represent them. It is a great honour and a privilege to represent my constituents, and I can assure you, Mr Deputy Speaker, that I have not wasted any time, having today already placed 47 questions on the first *Notice Paper* of this parliament.

My re-election was the result of an enormous amount of hard work by a great number of people. I would like to sincerely thank my wife, Adriana, and my very hardworking staff—Robert Balzola, John Fisk, and Adrian Leopardi—who do such a great job making my life and my work possible. I would also like to thank the Australian Labor Party members and supporters in Lowe, who did a wonderful job during the election campaign. I am very grateful for the dedicated and professional team that conducted Labor's campaign, led by Mark Morey for a second time. Mark was a key factor in my previous election campaign and in the most recent campaign. I also want to record my appreciation for the magnificent support from the then Labor Council of New South Wales, which is now known as Unions New South Wales—in particular, the CFMEU. Many members, supporters and volunteers gave up an enormous amount of their own time to assist in our successful campaign in Lowe.

I am also grateful to the former Prime Minister, the Hon. Bob Hawke, for his visit to my electorate and for formally opening—for a third time—my campaign and my campaign office in Five Dock. Further, I wish to thank my leader, Mr Mark Latham, for his support and his visits to my electorate. I notice the Prime Minister is smiling. I did not notice you visit my electorate during the campaign, Prime Minister.

Mr Howard—I always keep an eye on your electorate.

Mr MURPHY—I know you always keep an eye on my electorate. You are very welcome to come to my electorate any time, you know that. I have no doubt Mr Latham will make an excellent Prime Minister.

Mr Howard—I don't want to get you into trouble.

Mr MURPHY—No, you will not get me into trouble, Prime Minister, I hope.

The DEPUTY SPEAKER (Mr Jenkins)—The honourable member for Lowe will keep himself out of trouble by referring his remarks through the chair.

Mr MURPHY—It is not often that I have the Prime Minister making sincere interjections during my contributions in this House. It is good for him and good for me, I think. I also want to thank my colleagues, in particular the member for Lalor, Ms Julia Gillard, and the member for Hotham, the Hon. Simon Crean, for their support and their visits to Lowe during the campaign. For the record, we were all delighted with the excellent result achieved by the ALP in Lowe. Labor's local campaign did very well against a national background of an overwhelmingly negative campaign by the coalition—as we all witnessed—which was based on the US Republican style negative advertising campaign. There is little doubt the government's very effective and well-executed campaign was the most significant factor in the na-

tional result because people did respond to that negativity. We have to learn from that.

Yesterday, His Excellency the Governor-General told us in his speech:

The government will take early steps to implement the policy commitments it made during the election campaign ...

I trust this includes the government's \$6 billion campaign spending promises. Assuming it did not mislead the electorate and assuming these promises do not soon become non-core promises and disappear, this spending may risk Australia's supposed flawlessly managed economy and lead to higher interest rates. I look forward to the Treasurer's explanation to the Australian people when the next rise in official interest rates occurs. His Excellency also noted:

... a record number of Australians are in work. However, too many people of working age remain on welfare.

One little measure of that is that the proportion of working age men with jobs in Australia in September 2004 was 67.7 per cent. This is almost identical to the proportion recorded when the government was first elected in March 1996. The more the government congratulates itself, the more likely it is to ignore the real problems that still face the Australian economy.

Furthermore, throughout the election campaign the government told the electorate it has ensured Australia's security by following the United States's obsession in Iraq. The Governor-General reminded us yesterday:

There is no more important responsibility of government than the security of Australia and Australians.

I agree with that. All year the Prime Minister has argued the invasion of Iraq has made Australia safer. I do not believe that myself, and I do not believe the majority of Australians feel more secure as a result of our initial rush to invade Iraq or the hideous and

barbaric violence that we are now witnessing every day through the images on television screens from the comfort of our lounge rooms.

I was pleased to participate in a very positive campaign in Lowe fighting for the inner west residents on a number of important local issues, including ensuring the availability of bulk-billing, achieving an MRI licence for Concord hospital, fighting for aircraft noise affected residents abandoned by the Howard government and addressing the critical shortage of child-care and aged care services in Lowe. Sadly, in stark contrast, the Liberal Party's campaign in Lowe was very dirty, negative and often misleading. In addition, many of my supporters had their property damaged by people I believe to be hired thugs. Not only was their property destroyed, but so were my campaign posters standing in their yards. The Liberal Party campaign material often made absurd or very misleading claims about its efforts in relation to many local issues, including aircraft noise, bulk-billing levels and an MRI licence for Concord hospital.

One of the most important issues raised during my first election campaign in Lowe in 1998 was the issue of aircraft noise and the unfair noise burden my constituents were forced to endure and the anger they still feel about the government's failure to honour its 17 per cent air traffic movement target to the north of Sydney airport and to guarantee to build a second airport for Sydney. I still possess a copy of the then John Howard's report of June 1996 which reported: 'John Howard guarantees a second international airport for Sydney'. Mr Deputy Speaker, you will doubtless recall that I have consistently raised these issues over the years in speeches in the House and in numerous questions on the *Notice Paper*, to the point where the Deputy Prime Minister claims he has exhaustively answered my questions on this

important matter. He has not, because my constituents living to the north of Sydney have been getting variously between 50 per cent and 100 per cent more air traffic movements than they were promised. If anyone does not believe me, I invite them to have a look at the copy of the statistics from Airservices Australia for this year, which I have brought into the chamber.

Mr Deputy Speaker, you will doubtless recall that I have raised this issue and will continue to raise this issue. The people of the inner west of Sydney will not let the government escape from its failure to honour its promises. In fact, they have been betrayed by the Howard government, particularly in regard to the approval of the master plan for Sydney airport, which will see a massive expansion of air traffic movements at Sydney airport. People living to the north, as I have just said, will continue to receive up to double the number of air traffic movements than they were promised under the long-term operating plan. Quite frankly, the government has broken all of its promises to the people of the inner west about aircraft noise. Instead, it is only looking after the interests of Macquarie Bank and Southern Cross Airports Corporations Holdings Ltd who own Sydney airport and are making an enormous amount of money from the car park, the shopping centre and everything associated with Sydney airport. As I have said many times, as an airport it operates very well as a car park and a shopping centre.

My Liberal opponent began his campaign in the last election by contemptuously claiming to the electors of Lowe that aircraft noise was not an important issue. Apparently, he was unaware that I was elected to federal parliament in 1998 on that issue. The *Inner-West Weekly*, a local newspaper, reported on 6 May 2004, in respect of the Liberal opponent: 'He is relaxed on what is arguably the federal issue of most burning importance to

the inner west—aircraft noise. I don't think it's a major issue. Badgery's Creek is our long term plan.' In the same paper on 20 May 2004, a spokesman for the Deputy Prime Minister and transport minister was reported as saying: 'The government did not see a need for a second airport in the Sydney region.' It further stated that the coalition was committed to not building a second Sydney international airport.

We have come a very long way from the Prime Minister's original guarantee to build a second airport for Sydney. This matches my Liberal opponent's aerobatic display on noise policy during the federal election campaign. Unfortunately, this episode follows more absurd claims in relation to a number of important local issues. These were made in the form of Liberal Party campaign material distributed in my electorate designed to mislead voters.

Mr Deputy Speaker Jenkins, you might also recall my campaign in this House on behalf of the Concord Repatriation General Hospital for a much needed MRI licence. On this important matter, more than 10,000 people have signed my petitions and supported my two-year fight for Concord hospital to receive a Medicare eligible MRI licence. Concord hospital is the teaching hospital of Sydney university, and it is the veterans hospital. It desperately needs this MRI licence.

Ms George interjecting—

Mr MURPHY—Yes, like Wollongong, as the member for Throsby has drawn to my notice; that is true. This is critical to my electorate. It should not be refused. The health minister should do something about it. I have questions on the *Notice Paper* about that in this parliament, and I will continue to fight for Concord hospital and the veteran community for this essential health service.

To my astonishment, my Liberal opponent distributed a DL sized card titled 'MRI Machine for our local hospital', telling voters:

The Howard Liberal Government will issue a licence for a Magnetic Resonance Imaging (MRI) Machine for our local hospital.

It also said:

Unlike Labor, which has played politics with people's health for the past 9 years, local Liberals, have successfully drawn the government's attention to this critical area of need.

We know who is playing politics, because my Liberal opponent was unable to deliver anything in relation to that matter. People in my electorate will never know if what my Liberal opponent said in fact referred to Concord hospital, but I am sure Dr Lloyd Ridley, who is the head of the Radiology Department at Concord hospital, looks forward to Minister Abbott granting that MRI licence. I can assure the minister that I will relentlessly campaign over the next three years for that licence. I was pleased that Mark Latham, together with Julia Gillard, the shadow health minister, gave a commitment that should he become Prime Minister, that licence would be granted.

Members would also be aware that in the last parliament I tabled a 'Save Medicare' petition, with the largest number of signatures—something like 18,500. Australians know that fewer and fewer doctors are bulk-billing their patients, and the cost of seeing a doctor that does not bulk-bill is increasing all the time. This is true in my electorate, as well as in the rest of Australia. By now, members present in the House can guess what my Liberal opponent told my electorate during the campaign. I just happen to have a copy of a little card that he put out—yes, it is another DL sized card—which was distributed throughout the electorate. Titled 'Medicare', it says:

Only the Liberals have improved and strengthened Medicare by increasing the rate of bulk-billing to 100%.

Quite frankly, that is a lie. We all know that is a lie. Incredibly, the Liberal Party in Lowe was happy to claim that. It is just fantastic. The reality is that bulk-billing has dropped under the Howard government from 80 per cent to 72 per cent. It is a long way short of 100 per cent. We know that bulk-billing levels in Australia have fallen under the Howard government to 72 per cent. Most Australians understand this. They also know that the government does not believe in a universal health care system, which the Labor Party does believe in. However, this did not seem to deter the Liberal Party campaign in my electorate, which just merrily distributed this particular scurrilous piece of information right throughout the electorate. Even worse, my opponent did not even apologise to the electors through the media for this.

There are other issues critical to my electorate and to all Australians that I will continue to fight for in this parliamentary term. One of these is the availability of quality aged care. I note that His Excellency yesterday, in the context of maintaining Australia's economy, referred to:

The ageing of Australia's population means increasing pressure on the health and welfare sectors.

No mention was made of aged care services being a fourth term priority for the Howard government. I am sure aged care providers, residents, families and public hospital systems across Australia hope this is not true. I will continue to fight for aged care providers and residents in relation to the underfunding by the Howard government in this important area. I understand that in New South Wales alone over 20,000 elderly citizens are on aged care waiting lists and current non-concession residents are faced with increases of up to 40 per cent in the maximum daily

accommodation charge. My electorate has a large number of elderly constituents, and the availability of affordable aged care is paramount to thousands of families in the inner west. They deserve an urgent increase in affordable quality aged care services.

Another very important issue in my electorate of Lowe is the lack of affordable child-care places. I was concerned yesterday to hear His Excellency say:

The government will introduce a 30 per cent child care tax rebate to reduce the out of pocket costs paid by parents and increase by \$300 a year the rate of Family Tax Benefit Part B.

I fail to see how this is going to help the more than 200 parents who are on the waiting list of the Abbotsford Long Day Care Centre in my electorate, to just name one such child-care centre. There is a dearth, a shortage, of child-care places in the inner west. Many parents are forced to travel long distances out of my electorate, or quit their jobs, because of the unavailability of child-care places. It is a very serious issue.

I was grateful to have met the Director of the Abbotsford Long Day Care Centre, Ms Michelle Sidoti, during the election campaign. I was informed that in Lowe families' child-care gap fees have risen, making child care less affordable and creating further barriers for families in relation to work. In my opinion, there is an overwhelming public interest in investing in child care so that parents can better balance work and family responsibilities. In this parliamentary term I will continue to represent the concerns of child-care providers, parents and child-care workers in relation to Howard government funding cuts and the lack of planning to meet the demand for long day care in the inner west.

In concluding, I wish to again raise the critical issue of Australia's cross-media laws and the government's disturbing agenda in

relation to this matter. Yesterday His Excellency the Governor-General said:

The government maintains its commitment to reform Australia's media ownership laws.

I believe there is nothing more threatening or dangerous to the public interest and the future of Australia's democracy than the government's agenda and determination to concentrate media ownership. I have spoken on this issue on innumerable occasions and put innumerable questions on the *Notice Paper*, some of which are on today's *Notice Paper*. There will be more on tomorrow's *Notice Paper* about this very important issue. It does not matter how people vote in this country—it might matter to us as members of particular parties, whether we are in opposition or government—but it is critical in a healthy democracy to have diverse media. Tragically in Australia media ownership legislation, which fortunately was defeated during the last parliament, is now set to succeed and to assist our two most influential media proprietors: Mr Kerry Packer will be able to buy Fairfax and hang on to all his media interests, and Mr Murdoch with his vast media empire will be able to buy a free-to-air television network. That is a very serious threat to the public interest and one that should be of great concern to all those people who stand in this House.

The day may come when media proprietors do support different parties because it is in their interest to do so. I would hate to see the day where Mr Packer and Mr Murdoch have an absolute stranglehold on our democracy, which could happen if we concentrate media ownership. If that happens, we might as well shut down the parliament and put out a how-to-vote: one, Packer; two, Murdoch—and then you would only worry about the donkey vote. That is how serious it is.

The other issue that has been touched on since the election is that of abortion. I want

to draw the attention of the minister for health to my question No. 39 on the first *Notice Paper* of this parliament. In my pursuit of truth on this issue, this question asks the minister whether he will take steps to require medical practitioners to provide the information to distinguish between an abortion and some other medical procedure. It would be very easy for the minister for health, who I know has an interest in this matter, to answer that question and get to the issue. Then we can properly have an informed, sensible and serious debate about something which should be of concern to everybody.

The DEPUTY SPEAKER (Mr Jenkins)—Order! Before I call the honourable member for Tangney, I remind honourable members that this is his first speech. I therefore ask that the usual courtesies be extended to him.

Dr JENSEN (Tangney) (4.55 p.m.)—Thank you, Mr Deputy Speaker Jenkins, and congratulations on your appointment. I am privileged to represent the people of Tangney, a geographically small inner suburban electorate in Western Australia—being about 70 square kilometres in area—which is bounded by the Canning and Swan rivers to the north and predominantly by the Roe Highway to the south. The Tangney electorate is fundamentally residential, with light industry, numerous small businesses and no heavy industry. Murdoch University, one of Australia's premier education institutions, is the largest employer in the electorate.

I emigrated from South Africa in 1982 with my parents and siblings, some of whom are in the gallery today. I am eternally grateful for the sacrifices they have made that resulted in me having the opportunity to forge a life in Australia. I am also grateful for all the help that my wife's family have given over the years. I believe my standing here today is testament to the opportunity

every single citizen of this great nation has, whether born here or overseas.

There are numerous people that have provided a great deal of advice and assistance to me. First is my wife, Sue, who was instrumental in me actually thinking seriously about a parliamentary career and who has been tirelessly supportive. My three brothers and one sister provided a challenging environment that allowed me to develop my debating skills. There is Tony Ansett, my campaign manager in my ultimately unsuccessful bid for election in a safe Labor seat in 1998. There have been those critical to this campaign following my late preselection. David Siglin, my campaign chair, and Josie Moore, campaign secretary and treasurer, both worked full time on the campaign for a period of four months prior to the election. There is Peter Abetz, who was always ready to volunteer his services, regardless of how onerous the task.

Thanks must also go to the Hon. Tony Abbott and the Hon. Ian Macfarlane, who both campaigned in the electorate; to my friend Murray Cowper, with whom I have spent a great deal of time speaking about political issues; to my father, Norman, who I remember chiding me for not knowing that Richard Nixon was the US President when I was eight years old; to my mother, Pearl, who supported me regardless of my life's decisions; and to my children, Madeleine, Emily and Liam, who are going to have to put up with me being away from home on a regular basis. I will do my utmost to make you proud so that you feel that the sacrifices you will have to make are worth while.

The return of the coalition government has been a magnificent achievement, particularly given that this is the coalition's fourth term in office. Credit must go to both Brian Loughnane, who so ably coordinated the central campaign federally, and Paul Ever-

ingham, the state director in Western Australia. Also the efforts of the Prime Minister and other senior coalition members need to be recognised, as do the efforts of those in all the individual campaigns. The quality of the members elected is clear for everyone to see. This quality will benefit Australians due to the excellence of governance that they will continue to receive. Having spent my youth in an authoritarian nation, I have long cherished the notion of the rights of the individual, freedom of choice and expression, and the right of people to succeed in their business, unencumbered by government red tape and restrictions. To a large extent the Howard government has delivered on all of these areas.

Prior to being elected to parliament and after completing my PhD I was a research scientist, most recently working as a defence analyst. This has given me insight and knowledge on the issues relating to Australia's defence. Indeed, we live in what an ancient Chinese curse would call 'interesting times'. The last five years have seen a massive change in the geopolitical situation world wide and this has resulted in a paradigm shift in defence. This new reality has to be accepted and acted on. There are those who do not accept this paradigm shift and see the new circumstances as a mere perturbation on what has gone before. To understand the fact that the current state of affairs is a significant shift, we need to reflect on what the situation has been historically.

For the last century, what has been required to defend Australia has been to ensure that our Defence Force has had the wherewithal to defend the air-sea gap to the north. We were threatened with direct military action only in World War II and our Air Force and Navy, with backing from our American allies, proved sufficient to safeguard Australia. The position today is very different. There are those who suggest that the terrorist

threat we see today is no different from what we have seen in the past. It is different. Before the military action undertaken by al-Qaeda recently, terrorism was by nature fundamentally localised. Strikes by al-Qaeda and their kin in Kenya, Yemen, the US, Bali, Jakarta, Madrid and the Philippines show that it is now global in its reach.

Indeed, the threat is such that the word 'terrorism' is a misnomer. The current threat would more correctly be labelled 'asymmetric warfare'. Weapons to defend against this threat are not conventional. The civilised world's most powerful unconventional weapon in this war is intelligence. This weapon is multinational in scope. Australia does not have anywhere near the resources to go it alone in defending itself. We do not want to know about an event after it has occurred. The nation with the most significant resources in this area is the USA and we need to be closely allied to get full access to the information that the US gathers. In having a close relationship we are able to have a greater influence on US strategic policy in this war.

There are those who say that our involvement in the war in Iraq has made us more vulnerable to terrorist attack. Those asserting this include the 43 so-called notable defence and foreign affairs veterans. I point out to these people that the Bali attack occurred well before any attack on Iraq. It was not our policy on Iraq that resulted in this attack but, rather, the geopolitical ambition of those who support fundamentalist governments such as Afghanistan's Taliban regime. This is clearly not what we want.

There are also those who say that preemptive action is unacceptable and only places us in greater danger. They also say that, if any military action is undertaken, it should only be at the behest of the United Nations. I have a little history and some

what-ifs for these so-called experts. In 1936, contrary to the terms of the Treaty of Versailles, Germany remilitarised the Rhineland. The League of Nations did not sanction force to move the German military out. Does that sound familiar? We know how the story ends and about the horrific cost of tens of millions of lives. Now let us consider an alternative where, despite having no League of Nations mandate to forcibly prevent remilitarisation of the Rhineland, France and Britain act militarily. At that stage, Germany would have been easily defeated. In today's context, if that had happened, many would have been up in arms—pardon the pun—about the unnecessary action taken. This action would have saved tens of millions of lives, but nobody would have known. The problem is that the number of lives that would have been saved by pre-emptive action will never be known.

Clearly, pre-emptive action should never be taken lightly, but those peaceniks who have 'peace in our time' as their refrain would do well to remember this. In short, in Australia, as well as ensuring that we are able to defend our air-sea gap, we need to maximise our intelligence-gathering capability. This means keeping very close links to the US as well as developing multilateral links so that we can pose an asymmetric threat to our asymmetric foe. We also need to recognise that sometimes pre-emption is valid, even when not mandated by the glacially-paced United Nations.

Australia has been recognised in the international arena as a global participant in defence, but we must not forget the domestic issues that are important to individual constituents. There are many issues that, on a family-by-family basis, completely overshadow policies relating to global geopolitics. One of these issues relates to family breakdown. The particularly high rate of breakdown in marriages today means that

one out of two marriages will end in divorce. This is painful enough for the adult parties concerned but it is worse for the children of these adults. Where the break-up is acrimonious, things are far worse. Far too frequently the children are used as weapons. Custodial parents all too often blatantly ignore access provisions to punish the non-custodial parent, ignoring the pain that this causes the children. We must not allow these acrimonious break-ups to cause any more pain than is absolutely necessary for children and non-custodial parents.

One such example that was related to me involved a non-custodial parent who lives in my electorate and a custodial parent living in Sydney. The children were supposed to fly to Perth to be with the non-custodial parent as per access provisions. When the non-custodial parent arrived at the airport, there were no children. On phoning the custodial parent and asking why the children were not on the aircraft, the answer given was that the custodial parent simply did not feel like sending the children over at the time.

Custodial parents such as this are clearly demonstrating that, to an extent, they are not fit and proper parents in that they are not allowing their children their right to maintain contact with non-custodial parents who have been granted access. There are numerous other stories that I have heard in the period of the election campaign, and they are heart wrenching. We should pause to consider how many more of these stories are occurring daily in every single electorate in the land. It is critical that the interests of children are paramount at all times in the break-up process. We need to ensure that access provisions are not ignored by embittered custodial parents to the complete detriment of the interests of the children concerned.

Family law needs to be revamped to ensure adequate sanctions for those ignoring

access provisions and the psychological wellbeing of the children concerned. Child support provisions also have to be revisited. There are far too many non-custodial parents who are being financially crippled for many years by the excessive portions of wages that are taken for child support measures. Clearly, not all divorces can be amicable. Whilst this is recognised, we must ensure that, to the maximum extent possible, children do not become the flotsam and jetsam of ruined relationships.

If the current system is allowed to continue unchecked and unchanged we will, tragically, continue to be the sad observers of the murder-suicides that are becoming all too common. We need to reverse the trend that is becoming all too prevalent or we will have a potential national tragedy in the making, with children not allowed the access to both parents that they deserve. I look forward to becoming involved in discussion, policy formulation and legislative action as we grapple to find an equitable solution to this problem.

Also on social issues, I take a very dim view on retrospective action that the tax office takes in many cases, such as the so-called tax effective schemes. Retrospectivity is patently unfair, and when the tax office keeps retracting previous rulings and then charging those caught up in these retracted rulings not only the tax but penalties and interest as well, it becomes clear that here you have a bureaucracy that is profiting by its own ineptitude. Nowhere else that I can think of is there a profit to be made from making a mistake. What is worse is that we have a primary industry—the agricultural sector—living through hard times. This is an industry that would really appreciate money being injected into the sector, but the tax office is closing off many of these avenues to funds. We must ensure that the collection of taxes is fair and that the tax office does not

place an onerous burden on those who simply wish to invest in schemes that would have the dual benefit of allowing capital growth for the investor and providing a source of much needed finance.

On the subject of raising revenue, state governments have become so greedy that they blithely ignore simple fairness in enforcing speed limits that are quite often not set on a scientific basis but established from simple guesswork or, worse, with a view to maximising revenue from speed enforcement. Speedometer accuracy is legislated to be within 10 per cent by Australian design regulation 18, yet in many cases this is ignored in the threshold that is used to enforce speed limits. Picture hiring a car at an airport, obeying the speed limit according to the ADR-compliant speedometer but then getting a speeding ticket due to overzealous enforcement. As if this were not bad enough, speed-measuring devices in many states have scientifically unsupportable tolerances applied, blatantly ignoring Australian standards.

In many cases, they are supported by suppliers, such as Multanova, who are either totally technically inept or simply not beyond using lies to support the illegitimate tolerances to ingratiate themselves with the authorities to ensure repeat business. This highlights the need to generate legally enforceable national standards. We do not need police standing adversely affected and undermined by opportunistic traffic enforcement policies. Ensuring fair enforcement thresholds that allow for speedometer errors can be achieved by an amendment to the National Measurement Act. Scientifically justifiable speed-reading device tolerances could be enforced by ensuring that Australia standards have the full backing of legislation. Currently they do not, and the states are thumbing their noses at these standards.

Another problem with traffic legislation relates to the incorrect setting of speed limits. Internationally, it is known that the 85th percentile method is the best way of setting speed limits for road safety. This method is almost totally ignored in Australia, apart from many bodies paying lip-service to it. Instead, we get the results of junk science and fraudulent statistics thrown up to demonstrate that ever reducing speed limits and ever increasing enforcement are the way forward. They are not, and we need to improve driver training as a priority.

Australia is a nation where the tyranny of distance is apparent and individual mobility is extremely important. As this means that cars and traffic will be with us for the foreseeable future, we need to act on this and institute nationally mandated high standards of driver training as a matter of priority. Australia's love affair with the motor vehicle brings to mind the environmental consequences of our use of fossil fuels. Being an analytical person, I tend to take a dim view of sacred cows that are not backed up by verifiable facts. One example of these sacred cows having wide currency is the issue of global warming.

This issue has been taken up by parts of the community with almost religious fervour; however, the problem is that the science backing the claims is suspect. The warming trend that has been covered repeatedly in the media has been generated from ground based measuring stations. Problematically, these stations are affected by urban heat islands. Of course, this is not mentioned by the proponents of global-warming theories. There are far more reliable ways to measure global temperatures, such as through the use of Aerosonde balloons and satellites, which are unaffected by urban heat islands. Unfortunately for the global warmers, the data from these sources do not show

the warming trend, so, disingenuously, only the ground based readings are used.

There is another piece of evidence that runs counter to the global warmers' view. The major scare issue with global warming is that of melting polar caps, particularly the Antarctic ice cap. All models for global warming have the maximum increase in temperature occurring at the poles, for good reason: the absorption of heat by greenhouse gases occurs predominantly at temperatures that are common at the polar regions. So, given this, maximum heating should be observed at the polar regions. The problem for the global warmers is that this is not happening. Of more than 10 measurement stations in Antarctica, only one, on the Ross Ice Shelf, shows the warming trend. The rest exhibit no such heating. There is much other data pointing to the fallacy of the global warming scare campaign. Despite this, the global warmers want us to not only bet our economy but, more likely, significantly damage our economy on a theory that will probably go the way of the flat earth theory: restricted to a few adherents who have become totally divorced from reality.

Do not for a moment think that this makes me an antienvironmentalist. I believe that there are significant benefits to be had by controlling harmful emissions. In fact, in many cases a reduction in emissions can result in economic benefits as a result of converting some of the pollutants collected into useful products. This leads me to conclude that during this term of the Howard government we should be focusing on positive solutions to the many challenges which we face. I wish to sincerely thank the people of Tangney for voting for me and thereby bestowing this significant honour upon me. I do not take this honour lightly and I assure the people of Tangney that I will do my utmost to see to their best interests.

Mr BRENDAN O'CONNOR (Gorton) (5.16 p.m.)—I almost rose a few minutes ago, but I thought it would be only fair and fitting that the new member for Tangney was able to finish his speech. I would like to congratulate him on his election, as I do all new members—in particular the Labor members on this side, who are a fantastic bunch of people and great representatives for their electorates. I listened with interest to the member for Tangney's comments and I was most alarmed at some of the comments he made in relation to unilateral pre-emptive strikes and particularly his World War II metaphor. If you wanted to pick a sovereign state that perfected unilateral pre-emptive strikes, it was actually Adolf Hitler's Germany. I think it is fair to say that they were far more pre-emptive and unilateral than the allies. So I look forward to debating with the member for Tangney and other members in this House the issue of whether a sovereign state should break international law and, indeed, act as a rogue state, in order to rectify the problems we have with international terrorism. It is a complex issue, but I counsel the member for Tangney to consider the complexities and not to encourage those people who would like to see conflicts break out throughout the world.

I return to the comments that I would like to make today. Whilst this is my second term, in some ways I feel like a new member for a new seat, because the reality is that not only has the name of the electorate changed but 80 per cent of the electorate I now represent is different from the electorate that I represented before the election. I look forward to representing this new electorate with vigour and passion. Whilst I have lost the beautiful areas of Hanging Rock and Mount Macedon, and the fantastic regional and rural communities of Central Victoria—and I will miss them—I indeed thank them for the way in which they treated me during the three

years that I was their representative. The new area—the new demographic, if you like—of this newly constituted seat of Gorton is primarily the reason I entered politics. If you look at the nature of the people in the communities of Gorton, they largely consist of migrants and working-class families—some people like to call them the 'aspirational class' as well. There is a combination of the people in the traditional working-class suburbs of western Melbourne. There are also the growth corridors of western Melbourne, including Caroline Springs, Burnside and Cairnlea—the newer suburbs that are growing very rapidly in the region. Therefore I feel that I have a blend of the old so-called Labor suburbs and the new suburbs.

It is fair to say in very general and perhaps crude terms that there are differences between the older suburbs and the newer suburbs. If I can again generalise, I think it is fair to say that on occasion there are different expectations in the different communities that I represent. That is not to say that one area is better than the other but that I recognise the differences. I would like to see the best of the older suburbs being ingrained into the newer areas. I would like to see the new and fresh ideas that are emanating from the newer areas of my electorate washing over into some of the older suburbs. There is a great opportunity, and I hope to be part of it, to find the best in all of these areas of Gorton and ensure that we really do get the best out of western Melbourne. So I have lost the rural and regional areas of Victoria. I will miss those areas, but I think it is fair to say that in most cases they will be properly represented by other members of the House.

I now turn my mind entirely to looking after this new seat of Gorton. I think it is only fitting therefore that I make some comments about the man after whom this seat was named. John Grey Gorton was of course Prime Minister from 1968 to 1971, having

won his first Senate election in 1949, when he was part of a Liberal team that I suppose you could say ushered in the Menzies era. Not too many seats have been named after prime ministers. There are a few, of course, and their numbers are growing. We all must die one day, and if we managed to elevate ourselves to the prime ministership of this country then we could expect at some point in time to have a seat named after us.

John Grey Gorton was an interesting character. He was a very unusual character in that people referred to him as a Liberal larrikin. There are not too many Liberal larrikins known to many of us. I think that the way in which he governed this country was certainly distinct from the way in which, previously, Harold Holt and, before him, Robert Menzies governed the country and ran the executive.

Whilst he may have had a raffish and larrikin style, he also had quite an autocratic inclination. If the maxim that friends come and go but enemies accumulate is true in politics then it is certainly true for John Gorton. Internally, he accumulated many enemies in the Liberal Party. Perhaps that was his style. He took decisions. He was a strong centralist, and he believed that the major decisions of the nation should be made from Canberra. Of course, that raised the ire of the likes of Henry Bolte and others. Indeed, as we are well aware, not only were there conservative premiers who were into him because of his style but he always had members of the party room—in particular, McMahon—stalking him throughout his term as Prime Minister.

He had a three-year term. I think it is fair to say that he would have preferred to have had a better result in 1969. Whilst he won the election in 1969, I think it is right to say that it was one of the largest swings against any incumbent government—a 6.9 per cent

swing to the Labor Party in two-party preferred terms—but he hung on and ultimately, as most of us know, he ended up voting himself out of the position of Prime Minister when the ballot was tied in the party room. Of course, he was then succeeded by McMahon. He was an interesting character.

From my point of view, I would have liked to have maintained the name of the electorate of Burke. I thought Robert O'Hara Burke was a very interesting Victorian character. I think it is very unfair to see Robert O'Hara Burke now without a seat named after him, while there is still the seat of Wills. Poor Robert O'Hara Burke: after suffering an inglorious death, not finding food and water left for him, he now finds himself without a seat named after him—but his second-in-command still has one. You could say that Robert O'Hara Burke was a little unlucky in death as he was in life. That distinguishes him from John Grey Gorton, who had a long political career, survived plane crashes and even, as I said, survived the ire of many of his own Liberal Party members, both state and federal.

It is also interesting to note that the media is obsessed, as we know, with any internal divisions within the Labor Party. But, up until a very recent rapprochement between John Gorton and the Liberal Party just before his death, the fact was that the two living former Liberal prime ministers were ostracised by their party. It is fair to say that Malcolm Fraser still is ostracised and treated with contempt by too many Liberal Party members. Maybe that will change at some point, but it is certainly not a great track record when you see the Liberal Party treat their former prime ministers the way they do. I would therefore like to forewarn the Prime Minister: when he eventually makes the decision to leave this place, he should make sure he keeps up his friendships, because he

might be on a very frosty path after he leaves.

I now return to matters I would like to discuss with respect to the electorate of Gorton. Gorton is a very diverse seat. It has over 50 recognised ethnicities. It has the older migrant communities—which include people from Malta, Italy, Serbia, Croatia, Macedonia, Greece and Turkey—and it has the newer migrants from Somalia and Vietnam. Of course, it has a big mix of Anglo-Celtic community members as well. So it is a very diverse area. More than half the households use a language other than English. That is not to say that they do not speak English in the home; they most often speak both.

It is a very diverse and rich part of Melbourne. You know that when you enter any supermarket. The wonderful thing about living in and representing the community in this region of Melbourne is that, when you enter a supermarket in Gorton, you will have the most varied produce because of the cultures and the different tastes in food and the like. It is a privilege to represent this community. It is a privilege to acquire an increasing understanding of the different ethnicities and different cultures. Whilst they have varied features—and I am learning increasingly more about each community group—they share a number of common things. They share a love for this country. They share a common ambition to better themselves or to have opportunities bestowed upon them and also upon their children. They would like to see their children have equal opportunity to access education and employment. In his speech yesterday, His Excellency the Governor-General said:

Few nations can claim the special gifts that providence has bestowed on this country—as a beacon of democracy and tolerance underpinned by a prosperous economy and a fair society.

I would hope that would be the case. I am very proud to be a representative of this country. His Excellency is right to say that this country has many virtues that could be shared and embraced by other sovereign states, by other countries in the world. I wonder though whether we are a fair society. Could we be a fairer society? I think the answer is yes. I think all members of this place would say that we could be a fairer society. By way of example, I looked up some basic statistics accumulated by the ABS from census data and compared the seat of Bennelong with the seat of Gorton.

I know the Prime Minister's seat is not the wealthiest seat in the country, but Bennelong and Gorton are very different. I found that a constituent of Bennelong is three times more likely than a constituent of Gorton to earn more than \$50,000 per annum. I noticed that a resident of Bennelong was four times more likely than a resident of Gorton to be a university graduate. I also noticed that children between the ages of 10 and 14 in Bennelong were more than twice as likely as children of the same age in Gorton to have access to and use of a computer. I am sure that comparison can be made over many areas of this nation. I think some of the structural disadvantages in Gorton would compare more closely with those of electorates in regional Australia. Although Gorton is an urbanised community, if you look at its income levels, access to bulk-billing doctors, infrastructure or lack thereof, you find that the disadvantages it faces are closer to those faced by electorates in regional and rural Australia. Therefore I think we do have a long way to go.

I listen to members who represent regional electorates when they talk about disadvantage. Distance is one disadvantage, but it is not one that I am referring to now. They talk about lack of services and lack of opportunities. They talk about low wages and low household incomes. In some respects there

seems to be a parallel between some parts of urban Australia and the regions. There is a lot more we can do. I would like to be part of ensuring that we respond to some of the structural inequities that exist in western Melbourne. I say now that I will be putting all my energies into doing that.

Of course, I am disappointed with the election result. If Labor had been good enough to have been elected, locally we would have seen the commencement of the construction of the Deer Park bypass, which is a really important piece of infrastructure in what is becoming an increasingly congested community. We do not have an MRI machine in western Melbourne. We would have had one if Labor had been elected. Local issues have been adversely affected due to the election result. I will, of course, recommence my efforts to convince this government to attend to some of those problems. I can assure the constituents of Gorton and the members of this House that I will continue—as I know others, including the member for Ballarat, will—to fight for the construction of the bypass. Along with other members in western Melbourne, I will be continuing to fight for more resources in our hospitals—in Sunshine Hospital and Western Hospital. We will not give that up at all. My job will be to focus on those things that are needed for the community.

As I said, although it is my second term in office, in some ways I think the situation is a little different for me than it is for many other members, as there has been a fundamental change in the nature of those whom I represent because of the redistribution that occurred in Victoria. My result and that of Labor generally in Gorton would not have been achieved had it not been for the hard-working members and volunteers and Labor supporters who assisted me. I had to give up many of the close associations I had with people in the old electorate, but I found that

people welcomed me with open arms in this part of Melbourne. At a later date I will put on the record the names of those who worked tirelessly for Labor in Gorton.

It is a privilege to represent this region. It is a region that needs a lot of assistance. But it is full of hope. As I said, in the blend of the older style suburbs and the new growth areas of Melbourne there is a real vitality to the people I meet. I believe that given decent assistance and given equal access to opportunities in education and employment we will see great results in this area. I want to be part of that. I want to be part of the success that we can muster in this region of Melbourne. *(Time expired)*

Mr HOCKEY (North Sydney—Minister for Human Services) (5.37 pm)—Mr Deputy Speaker Jenkins, I congratulate you on your reappointment. It is a deserved selection by the parliament. I move:

That the debate be adjourned.

Question agreed to.

SPEAKER'S PANEL

The DEPUTY SPEAKER (Mr Jenkins)—Pursuant to standing order 17, I lay on the table the Speaker's warrant nominating the honourable members for Swan, Lyons, Brand, Blaxland and Franklin to be members of the Speaker's Panel to assist the chair when requested to do so by the Speaker or Deputy Speaker.

COMMITTEES

Selection Committee

Membership

The DEPUTY SPEAKER—The Speaker has received advice from the Chief Opposition Whip nominating members to be members of the Selection Committee.

Mr HOCKEY (North Sydney—Minister for Human Services) (5.38 p.m.)—I move:

That Mr Danby, Ms Hall, and Mr Wilkie be appointed members of the Selection Committee.

Question agreed to.

**REGISTRAR OF MEMBERS'
INTERESTS**

The DEPUTY SPEAKER—In accordance with resolution 3 of the House of Representatives, relating to the registration of members' interests, the Speaker has appointed Mr B.C. Wright, Deputy Clerk of the House of Representatives, as Registrar of Members' Interests in the 41st Parliament.

GOVERNOR-GENERAL'S SPEECH

Address-in-Reply

Debate resumed.

Mrs HULL (Riverina) (5.39 pm)—Thank you, Mr Deputy Speaker Jenkins, and congratulations on your reappointment to the chair. It is very nice to see. I also congratulate the Speaker and the other Deputy Speaker on their appointments. I would like to take the time to welcome all of the new members of the House. It is also great to see old friends on both sides of the House return for the next three years of parliament.

It is absolutely wonderful to be back representing the great people of the Riverina. It is very humbling to be standing here having been given enormous support during the election campaign and the election itself. We had an amazing outcome in the Riverina in that The Nationals won 92 out of the 92 polling booths in the Riverina. I think that is an excellent outcome for The Nationals. I was particularly pleased and humbled by the fact that, for what I believe to be the first time in history, the South Gundagai booth was presented to a conservative National candidate. This is recognition that the Gundagai people feel very much a part of the representation that The Nationals play in the Riverina. It is something that I am very passionate about. I would like to take the time to thank my campaign team, the booth workers, my family and all of the supporters that brought about a

great election result in Riverina which has seen The Nationals re-elected to serve and look after the interests of the Riverina people for another three years. So it is with great pride that I stand here.

Riverina is a wonderful electorate that I believe is the best 'can do' electorate in the entire parliament. It is a great feeling to represent those people who succeed—sometimes despite government and departmental attitudes from both state and federal areas—and move on to ensure a very prosperous and bright future. We have an extraordinary mix of interests right across the Riverina, from broadacre farming through to intensive horticultural irrigation, the manufacturing industries, defence bases, Charles Sturt University and Riverina TAFE, which spans right across my electorate. They have had enormous support from the government for the past six years that I have been fortunate enough to be the member. We have been able to achieve an extraordinary amount. In fact, during the election, when we were looking at the count of what we have achieved over the six years, we saw in excess of \$2.3 billion having been brought into the Riverina with some fantastic programs and grants that have been able to move our electorate forward with some extraordinary successes.

It was a great election. It was fantastic! It was a great election campaign that I really did enjoy. I enjoyed it more than the 2001 election campaign because it was this time that I saw the absolute evidence of things that I had raised in the House, raised with the party and raised with the coalition actually coming to fruition. It was very exciting to see those deliveries. Not only were they deliveries for the Riverina but they were also deliveries right across Australia.

We looked primarily at health and aged care, which is one of the major issues that confronts every electorate and every member

in this House. We looked at the announcement that, from 1 January 2005, the rebate for all GP services will be increased from 85 per cent to 100 per cent of the Medicare schedule fee. This means that a significant amount of dollars will go into health services in my electorate. We saw the introduction of the Medicare safety net, which has seen almost 78,000 people in my electorate register as part of a family group. More than 6,000 people in the Riverina have already hit the safety net, meaning that they are now able to receive 80 per cent of their out-of-pocket costs of the Medicare services provided out of hospital. So we are starting to see some real benefits delivered to the man on the street in the Riverina. We also saw that individuals who are beneficiaries of the concession card or who receive family tax benefit part A can access safety net benefits once their out-of-pocket hospital expenses exceed \$300. So that was exciting.

We looked at greater incentives for general practitioners. In my electorate, the Riverina Division of General Practice is an extremely successful example of an after-hours medical clinic. I am very proud of that process because they put a lot of work into it. They operate from rooms in Calvary Hospital, and the clinic provides valuable and much needed services to people throughout Wagga Wagga and the surrounding area. It is serviced by a majority of local doctors. They work on a roster system that ensures that the clinic is staffed after hours during the week and on weekends and public holidays. That enables our GPs to have a better quality of life with their families without having to provide after-hours services all the time. They now work perhaps one night in three or one weekend in three. I found that this has been a sensational benefit.

Let us look at the announcement about trades and services. During his campaign launch speech, the Prime Minister made a

number of remarks about the importance of trades and services. They were remarks I have made in this House time and time again since becoming the member for Riverina. In the Prime Minister's words I saw a significant step in the quest for greater recognition of and support for the valuable trades and services areas and the current skills shortage that is being faced by industry right across Australia but nowhere more so than in the Riverina. The Prime Minister said:

I want an Australian nation in which a high quality technical education is as prized as a university degree.

As I said, I have been advocating this for some time. It was really thrilling to see it recognised by the Prime Minister. In one of my speeches recorded in *Hansard* I said:

They should not be looked down on by anybody and they should not be considered different and given less time in their educational pursuits than those who look to go to university.

I also said that Labor has 'completely disregarded the rights and aspirations of hundreds of thousands of young Australians who want to enter a world other than a university world'. The conversations and debates that were being held consistently in this chamber were only about HECS fees and university placements. I said that I want to see a world that our apprentices and tradesmen can be proud of: 'a world where they can become qualified and certified tradesmen or tradeswomen and feel proud that they have done so'.

The Prime Minister has recognised that. He has put forth his proposal for technical colleges. You can bet that, even though my electorate is not named in that list of potential areas for technical colleges, I will be making the strongest, most aggressive and most belligerent representations to ensure that Griffith, in the Riverina, is able to secure one such technical college. Griffith is unique in its make-up. It is unique in its multicul-

tural history. The Italians have done much to develop Griffith and much of the Riverina in the irrigation area. We have award-winning wineries and export-winning wineries. We have a successful rice industry, through Sun-Rice. We have a horticulture industry. We have a citrus industry that is always struggling, but you can bet that I am always going to be there to ensure that its needs are at least heard and recognised. It can count on me for that support. The citrus industry is one that deserves support from all sides—from the coalition, from the opposition and certainly from state governments as well.

I am looking forward to mounting the case for putting a technical college in Griffith to establish trades and apprenticeships and to provide the growth that is required to meet the shortage of skilled tradesmen in a host of areas. It will see Griffith, Leeton and the surrounding towns move forward productively, as they have done right through the history of the Riverina. They have turned it from a dust bowl into a showpiece that I am very proud of. It certainly is an area with a rich tapestry of production. I am looking forward to mounting that case to ensure that my electorate is a beneficiary of the trades and services announcements and to encourage our kids to stay in the Riverina and be proud of getting an apprenticeship or a trade or service position.

I was able to espouse something very dear to my heart during the election campaign. I looked towards the next three years, hoping to represent the Riverina, and said that I wanted to bring forth mental health issues. I wanted to drive the process of delivery of mental health services. I would like the opportunity—and this is the very first opportunity I have had—to put forward proposals for mental health. I would like to see an independent commission formed to take written submissions and evidence from hearings across this nation for the purpose of investi-

gating, one, the impacts on mental health sufferers and their families of the state government's decision to close institutions; two, the accommodation and service needs required to adequately address the growing mental health services shortages; and three, what services and facilities are currently available in rural areas.

Those services include medical accommodation for mental health sufferers, crisis accommodation for families and respite care for sufferers and their families. They also include psychiatric and supporting GP services; the availability of early intervention services in mental health; the availability of adequately trained people to deal with the range of mental health conditions that exist in rural and regional Australia particularly; the impact of poverty, poor health and drug use on mental health patients primarily in rural areas; and the availability of accommodation services and respite care for brain acquired injury sufferers and their families.

I would like to see a commission formed to do exactly that, to report back to the government with a plan on what services, facilities and capital works programs would be required to resolve the shortfalls in providing services particularly for those in rural and regional areas. I would like it to provide an estimate of costs of the funding that would be needed to implement the identified shortfalls. A program should then be developed to implement the outcome of such a commission.

We desperately need more accommodation facilities and services and respite care to assist mental illness sufferers and their families in the Riverina. Mental health is an increasingly important issue and one that is continuing to gain more recognition and understanding in the wider community. I look forward to being able to put forth my thoughts on those areas, to try to drive the

development and implementation of new policies to assist those people who are sufferers and carers in the area of mental health.

Another passion of mine is to try to future-proof our disabled children. Again, that is something that I have raised before in this House and certainly in the party room: that we need a proposal that would allow families to set up a trust that enables an asset- and income-building vehicle for those children who qualify for a disability benefit. The trust should not be income or asset tested so that it does not impact on those receiving the carers payment or on the children who are receiving disability benefits. The trust could receive the same favourable tax treatment as a super-annuation fund, because the main aim of establishing such a trust would be to secure a retirement future for children with disabilities as they age.

We now see many young people with disabilities who have many needs. Recently, we have seen many preemie babies who have been miraculously saved by experiencing the modern technology in medical research which has been delivered to them. But some of these babies have been unfortunately left with severe and significant disabilities, which will mean that they will need a variety of care and certainly a variety of support structures as they grow older. My wish is to be able to influence some direction in that area in my next three years in the parliament here so that those people in the Riverina and beyond can look towards financial future-proofing of their children so that, when carers and parents become too old to adequately look after their children, they know they have peace of mind—that there is a facility or a caring institution that will be able to take the worry from their minds.

As I have mentioned in this House many times, I have seen elderly people in my electorate who need care themselves who are still

at home, looking after dependent, disabled children who are ageing, with nowhere to turn. I think this is an issue of major concern for parents of disabled children. As I said, many of these parents are elderly and frightened about their children's future wellbeing. So I look forward to being very much a part of trying to drive that process. There can be nothing worse for a parent than not to have security for a child who depends entirely on parental support for their very existence.

During the election campaign, we also saw a huge commitment to funding education. This is something that I support. I was very happy. I quoted from a speech in *Hansard* where I said that I had found myself in the unenviable position of coming into the House and defending to past ministers the rights of a public education system—basically saying that schools A and B should have covered playgrounds and airconditioning facilities. They should have resources available to them. They should be able to have music halls and covered auditoriums. They should be able to have every child reach their potential.

During the Prime Minister's campaign launch, he pledged an investment of an additional \$1 billion over existing funding over four years to upgrade classrooms, libraries, basic amenities and the grounds of government and poorly resourced non-government schools—and \$700 million of this funding will be spent on high-priority public school infrastructure. I am looking forward to hopefully being able to secure some of that funding, particularly for Griffith High School, which just before the HSC suffered a serious, purposely lit fire that saw all the electives that counted towards HSC marks destroyed. I think that must have been absolutely desperate for those students. If any school does, that school deserves some attention and some assistance in providing much-needed facilities—a music room and particularly an

area where the multicultural flavour of the school can achieve its potential. I am looking forward to hopefully being able to access funding in the future to enable this school to provide its students with the potential to articulate their individual music styles from their individual nations. The remaining \$300 million will be available to high-priority infrastructure projects in less well-off Catholic and independent schools. I would love some of that as well for Sacred Heart in Cootamundra and a few of my young Catholic schools which are certainly in need of significant upgrades.

There is one thing I was very proud of, that I have advocated for six years, about which there was an election announcement. We did not have the same announcement from the opposition during the election campaign. I am speaking of school students in school term hostels—those students who have no choice for an education other than to leave home and go into a school term hostel. That hostel then delivers those children to the school of their choice. It might be the Catholic school; it might be the local public school, infants school, primary school or high school. These children go into school term hostels from kindergarten through to year 12. As I said, this is the only form of education that these kids are able to access.

Finally, John Anderson, the Deputy Prime Minister, in his regional policy statement, guaranteed and committed \$2,500 per student who attends school term hostels—something that has been neglected by the Labor state governments for the past six years. We have finally rectified it. I appreciate this generous gesture by the federal government—and by John Anderson, the Deputy Prime Minister, in particular—in remembering that there are only 900-odd students in this group, but they should not be forgotten. They have not been forgotten.

Mr EDWARDS (Cowan) (6.00 p.m.)—Mr Deputy Speaker Jenkins, I compliment you on your re-election to the position, and I also take the opportunity to congratulate Mr Speaker on his election. I also congratulate the government on their re-election. I must say that I thought in the lead-up to the election that my own chances of being returned to this place were rather slim. I say this because Cowan is a seat most sensitive to the issue of interest rates, with an extremely high proportion of mortgagees. Indeed, I think Cowan has the second-highest proportion of mortgagees of any electorate in Australia. In the face of these odds, and despite an extreme fear campaign, the Liberal Party was unable to unseat me. That is something in which I and my supporters take great pride.

Part of their failure in Cowan was due to the fact that the Liberal Party in the northern suburbs of Perth is a divided party. It is deeply divided on factional and power based grounds. It is also deeply divided over the decision to allow the state member for Kingsley to pass the baton to her husband as the endorsed candidate for the seat when she stands down at the next state election. This decision has infuriated a number of decent local Liberals who have walked away from the party in disgust at this piece of blatant nepotistic factionalism. Fortunately for me, this scandal and division helped defuse what could have and should have been a potent campaign against me in Cowan. The Liberals must now look at Cowan as a squandered opportunity and as the one that got away. The fact that they did not finish me off is something I intend to make them pay for by reminding them constantly of their responsibilities, promises and pre-election commitments to thousands of Australian families, and by keeping them accountable for their actions.

The Cowan Liberal candidate was largely left out in the cold, with only two people

believing that the seat could change hands—that is, the Liberal candidate and me. I congratulate him on his campaign, despite the fact that he campaigned on some rather silly personal issues which I think distracted from his main focus. Had the Liberals concentrated their interest rate fear campaign on Cowan, I would have found my victory much harder to achieve. Another factor in my re-election is the fact that my office and I have worked extremely hard in Cowan for over six years. We have established a good, solid and credible reputation for hard work and commitment to the seat and to the residents of Cowan. We have always put the interests of our constituents first and we will continue to do that. We received strong, loyal backing from many local groups, associations and individuals who stuck with us, and I thank them for their loyalty. I also thank those members of my local branches who worked hard to keep the seat Labor. I thank my staff and my family for their continued support and I thank those many individuals—not members of the ALP, but individuals—who offered their support on the day and who helped to staff the many polling booths throughout the electorate.

I say to the many people who were taken in by this government and this Prime Minister over the interest rate fear campaign that we in opposition will now keep the Liberals to their word not to allow an increase in interest rates. That was their commitment to the people of Australia and we intend to hold them accountable. I can well understand young Australians being concerned for their future and wanting to secure their family homes and thereby falling prey to the Howard fear campaign. Many young people are committed to the hilt financially in an industrial environment where job security under this government is uncertain and, if the government gets its way, that uncertainty will increase. I say this to government members:

let the Australian people down over this issue—let interest rates rise—and the electorate will ravage you at the next election. You gave your word that you would not allow interest rates to rise and you must now stand by that commitment.

Returning briefly to the issue of infighting amongst local Liberals in the northern suburbs of Perth, I will watch the forthcoming state election with interest. In the state seat of Kingsley, the wife of a former Liberal member for Cowan is contesting the seat as an Independent. A well-known, well-respected and highly regarded community worker, Judy Hughes, is contesting the seat for the ALP. The husband of the current Liberal state member and perhaps a host of other Independents will also be contesting the election. One of the questions which is intriguing a number of residents is how the Liberal candidate, who is employed by a Liberal senator, is able to spend so much time doorknocking. I call on Senator Campbell to explain whether this employee is on full-time or part-time employment. If he is on full-time employment, Senator Campbell should explain why this employee is given so much time to personally campaign for a Liberal Party state seat whilst being paid in a very lucrative job by the Australian taxpayer.

I want to return to the issue of interest rates and financial stability for Australian families. For some time, I have been very concerned about the spiralling level of domestic debt in Australia. Indeed, some years ago, whilst I was Minister for Consumer Affairs in the West Australian government, I initiated an inquiry into household debt and the ease of access of credit in that state. This inquiry was chaired by Dr Geoff Gallup, now the Premier of Western Australia, who was then a very active backbencher. The inquiry was funded in part by credit providers in Western Australia. They were none too happy about the inquiry but they were, for

reasons of responsibility, forced to look at the issues. Unfortunately, I do not have with me the findings of the work carried out Dr Gallup, and I do not want to rely on my memory. However, the speech by Reserve Bank Governor Ian Macfarlane to the CEDA annual dinner in Melbourne last night gives further cause for concern about what is and has been an increasing problem in Australia for some time—that is, the ease of access for so many people to credit and exposure to the debt trap. Governor Macfarlane had this to say last night:

In financial markets, volatility is low, as are spreads on corporate debt over treasuries. It is not hard to see why many market participants would feel that things have never been safer.

But we should remember that it is in these circumstances where the biggest mistakes can be made. When everyone feels that risks are at their minimum, over-confidence can take over and elementary precautions start to get watered down. In addition, competitive pressures from those who under-estimate risk can push even the more prudent institutions into actions they will later regret.

Let me illustrate this point in relation to household borrowing. Following the more than halving of inflation and interest rates that occurred over the past decade or so, there was a surge in household borrowing and an accompanying rise in house prices. We have examined this process at length before, so I will not go over it again tonight. During this process, banks and other lenders were able to grow their balance sheets rapidly and, despite narrowing margins, were able to record rising profits year after year. At some point, however, the surge in household borrowing had to slow, and house prices stabilise, or fall. That is what has been happening over the past three quarters, and it is an entirely helpful development. Had the credit growth and house price growth of 2003 continued through 2004, the risks of future financial instability would have been much larger than is now the case.

It is important that this slowing in household credit be accepted by financial intermediaries as a fact of life, even though it probably means the

heady growth of profits from mortgage lending they have become accustomed to may not continue. There is a risk, however, that in attempting to resist the slowing in credit demand, financial intermediaries may be tempted to further lower lending standards, and that would carry with it serious medium-term risks.

When I said earlier that lenders may be tempted to further lower lending standards, the use of the word further was deliberate. The incentives in the mortgage distribution system have changed in such a way that there has been a step-by-step reduction in credit standards over recent years. A significant proportion of mortgages are now sold by brokers who are paid by commissions on volumes sold. The growth of low-doc home loans means that intermediaries are now lending to individuals whose income is not substantiated. There has also been an upward drift in the maximum permissible debt-servicing ratio. When once a maximum of 30 per cent of gross income was the norm, now it is possible for borrowers on above-average income to go as high as 50 per cent of gross income (and a much higher percentage of net income). The new lending models used by the banks (and provided on their websites to potential borrowers) seem to regard the bulk of income above subsistence as being available for debt-servicing.

It is not hard to see how a situation like this develops. Once a few lenders adopt an aggressive approach, others must match them or lose market share. They are then re-assured by standard risk-management models, which are based on Australia's history of extraordinarily low mortgage defaults. Even those lenders who have reservations find it difficult to follow a different path, especially as the lenders taking on more risk may well be rewarded by higher profits (and higher share prices) in the short run.

There have been a few occasions recently where banks have taken the decision to tighten up on lending to particular sectors, e.g. inner city apartments. Despite this causing some pain to developers, it is a good thing overall for the economy. But these have been small steps compared to the much bigger drift to lower credit standards, and it may be more difficult to expect

future instances of such prudence in an environment of slowing overall credit growth.

We highlighted some of these concerns in our recent Financial Stability Review, and I am taking the opportunity tonight to repeat them. They were also made last week by Dr Laker, the Chairman of APRA, in a speech which sadly went unreported. I am not suggesting we have an urgent problem on our hands—

to worry about the future—

but if present trends continue we could well have one in a few years. More importantly, I think the time to air these concerns is when confidence is at its highest and people are least likely to worry about the future.

That is the end of the quote that I want to use from the Governor of the Reserve Bank. Indeed, this is a speech which I would have sought to have tabled when I had finished speaking, such is the import of what he had to say last night. Unfortunately, I cannot now do that under the current Speaker's ruling. I hope he will have a think about that, because this is indeed an incredibly important speech—one which has now pricked the interest of many people in Australia and one which I think must be directed to the attention of members opposite, particularly those on the front bench.

In his speech, the Governor raises some serious concerns. In my view, a long hard look needs to be taken at the practices of some banks and credit providers in the country. I say this at a time when families are coming under increased financial pressure as we head into Christmas—the peak spending time of the year. In the lead up to Christmas, families are exposed to incredible pressures to spend and are subjected to clever and unrelenting advertising campaigns designed to attract consumers. Peer and advertising pressure and the desire to provide the best one can for one's family at Christmas time creates additional temptation to spend at this time of the year. Freely available credit and

the temptation to spend now and worry about it in the new year is the cause for much post Christmas financial hardship for many families. Often these bills have to be paid at the same time families face the added burden of back-to-school expenses.

I urge credit providers to accept their responsibilities as outlined by the Governor's speech and their need to be responsible in the provision of credit. I also urge families to most carefully measure their capacity to handle the debt they get into during the Christmas period. Charitable groups such as St Vincent de Paul, the Salvos and other worthy organisations are already under considerable pressure. The Governor's speech is timely for both credit providers and credit users. If we ignore his warning, those charitable groups I just mentioned will come under greater pressure and so too will many battling Australian families.

In conclusion, I want to thank the electors of Cowan once again for their continued support, and I assure them that I will not let them down. I am a product of the northern suburbs of Perth. As a kid I ran around in areas of bush that are now housing and suburban development. As an adult I have lived, studied, worked and, with my wife, raised a family in the northern suburbs. I know what it is like to be unemployed. I lived for three years, post Vietnam, in a rehabilitation program without a job. I know what it is like to measure every penny and to live on a pension. I know what it is like to go without. I have never forgotten that, and I never will.

I am a product of an environment that treated credit with extreme distrust, and it concerns me greatly to see families exposed today in the manner that so many are. The Reserve Bank of Australia does indeed have an extreme responsibility to all Australians. So, too, do banks and other credit providers. So, too, do governments, none more than this

Howard government because it has done most to fuel the fires of inflation, and it has presided over the decline in credit regulation in recent years. This government must heed the warning by the Governor of the Reserve Bank of Australia. I and others on this side of the House intend to keep this government to its responsibilities and ensure its accountability to the people of Australia.

Mr SLIPPER (Fisher (6.16 p.m.)—I support the speech made by His Excellency the Governor-General. There was very recently an election, and the people of Australia had the choice of returning the current government or voting for the opposition. Fortunately for the future of our nation they chose to return the Howard government with an increased majority. It means that our nation will be safe and secure. It means that a judgment has been made that this side of politics is more suitable to manage our \$800 billion economy than the opposition. It means that, once again, sound economic management will continue to prevail so that as a government and as a nation we are able to provide a future for our children and grandchildren.

The opposition leader during the campaign was prepared to huff and puff and promise just about anything he wanted, with a view to crawling onto the Treasury benches. Of course, that would have been a disaster for Australia, given the fact that it is important to make sure that Australia is safe and secure, that our economy continues to grow and that job opportunities continue to be created. When you look at the matter of public importance proposed by the Leader of the Opposition today, it shows just how out of touch the opposition is and how the opposition has not yet learnt the lessons of the last election and of the elections from 1996 onwards. The Australian people are prepared to look very closely at the performance of a government which has been prepared to

make tough and difficult decisions in these uncertain and trying times. They have been prepared to reject opportunists who come forward and say what they believe the Australian people want to hear from an opposition.

It is important that as a nation we run our economy well. This government since 1996 have been prepared to make difficult decisions which have been in the interests of the nation. We recall the close to \$11 billion deficit, the black hole, that we inherited in 1996. We did not create the problem, but we accepted the responsibility for fixing it. We all recall the huge federal government debt that was inherited by this government, and through sound economic management since 1996 we have been prepared to repay most of that debt. That means that as a government we now have more money to spend on desirable social objectives because we are not paying the amount of interest that the previous government was paying.

Mr Deputy Speaker Causley, at this stage I would like to congratulate you on your re-election to that position. As I said in an earlier speech today, I also congratulate Mr Speaker and the Second Deputy Speaker. It is important that as a nation we look at where we are going. As a parliament it is important that we do whatever we can to improve standards. It is important to recognise that this parliament speaks for the Australian people and that every three years the Australian people have the opportunity of casting a judgment on the performance of the government of the day. When you look at the results of various state elections around the country, which have seen the election of Labor governments, it is pretty clear that the Australian people these days are prepared to look at parties which are credible. They saw that we as a government were a credible government worthy of the continued support of the Australian people.

I would like to thank the constituents of the electorate of Fisher on the Sunshine Coast for their continued support of me. They elected me in 1993, 1996, 1998, 2001 and re-elected me with an increased majority in 2004. The Sunshine Coast is no doubt the most desirable part of Australia in which to live. Australia is a wonderful country, but people choose to move from other parts of the country which are less desirable to the Sunshine Coast. I would like to refer to the people who move from the rustbelt areas of southern Australia to the sunbelt. Every year thousands of people move to the Sunshine Coast because it is such a wonderful area in which to live. I think the Deputy Serjeant-at-Arm's brother even resides on the Sunshine Coast in the area of Caloundra.

This increasing population gives special challenges to government because we always need infrastructure to meet the needs of our growing population. It is important that governments remain responsive and continue to spend money to make sure that the infrastructure is there to meet the needs of a growing population. It is an unfortunate fact that so often it takes a little longer than we would like for governments generally to recognise population shifts. One of the ongoing challenges for future governments will be the sea change community phenomenon and how people have moved from areas which are not seen as being areas of opportunity to areas of greater opportunity, and many of those are around the Australian coastline. A very large number of them are around the coastline of Queensland.

The population of the Sunshine Coast will double over the next 10 to 15 years. It is important that many areas of infrastructure are improved progressively to make sure that we have that infrastructure as the population increase occurs. The Sunshine Coast has almost the oldest population in Australia—people who have served their nation well

during their working lives move to the Sunshine Coast—and we always have the challenge of having an adequate number of nursing home beds. Through its policy of increasing spending in this area the government has made sure that we are much better off than we have been, although there are still areas of need as far as aged care places are concerned.

The government announced expenditure of some \$200 million to upgrade the Bruce Highway as far as Caboolture, improving the access road to the Sunshine Coast. This is a very big win for the Sunshine Coast because it means that the worst bottleneck between Brisbane and the Sunshine Coast will be removed when this road is constructed. The difficulty is that the population continues to grow, so when this road is completed it will then be necessary to increase its size from six lanes to eight lanes. It remains an ongoing challenge. I just want to say to those ministers responsible for this area of governmental activity that, if necessary, I will camp at the door of their offices to make sure that we, the Sunshine Coast, continue to receive our share of government spending in this particular area.

The world is not the same place that it was. As a nation, post September 11 and October 12 we have learnt that we have to be vigilant. It is important to recognise that terror will be with us for some time and that this government had policies which were recognised by the Australian people as suitable to keep Australia safe and secure from terrorist threats.

I mentioned disciplined economic management and the importance of maintaining sound economic management to ensure that the future of our nation's children and grandchildren remains secure. It is important to maintain stable interest rates—and interest rates are almost the lowest they have been

for some decades. It is important to be able to truly fund better education, health and defence services. It is important to be able to create the right conditions for jobs and growth.

It is interesting that the opposition dropped the ball. They did not have a plan for the future and they were judged quite harshly by the Australian people at the recent election. It is difficult to bring forward a Leader of the Opposition and suggest that he is a person who is able to manage our \$800 billion economy when his only economic credentials refer to his blunders when he ran the Liverpool City Council as mayor. History has shown that Labor never had the discipline to control their spending, and the risk to our nation would have been great, had Labor been elected.

Ms King—Mr Deputy Speaker, I rise on a point of order. The member's statement contained an imputation against the Leader of the Opposition. I ask you to ask him to withdraw that.

The DEPUTY SPEAKER (Hon. I.R. Causley)—There is no point of order.

Mr SLIPPER—I am sure the Leader of the Opposition will be pleased about the attempted intervention by the member for Ballarat, but the facts are there: the Leader of the Opposition was Mayor of the Liverpool City Council, the Liverpool City Council was sent into debt and I understand that an administrator was effectively appointed. We have a situation since 1996 where we have had a Prime Minister and a Treasurer who have both shown an incredible capacity to manage the Australian economy. They were put forward as leaders of the government, along with the Deputy Prime Minister, and the alternative on the other side was found by the Australian people to be wanting—they did not have the credentials; people simply could not take the risk. That is one of the

reasons why the coalition was returned with such an outstanding majority.

This election sees almost a record number of new members—probably not a record, but close to it—elected on both sides of the House. I want to take this opportunity to congratulate those new members on both sides, both on their maiden speeches and on their anticipated performances representing their electorates. I have to say that I believe most members are elected to this place with the right aims, with the right intentions and with the right beliefs. The fact that we do not always agree is probably a healthy thing, but we have to recognise that most members of parliament seek to serve their constituents and the nation to the best of their ability.

At the last election the Queensland Liberal Party played quite an incredible role in ensuring the return of the government. We have two new members elected: the member for Bonner and the member for Bowman. This gives the Liberal Party a record representation in the House of Representatives. The election of Dr Russell Trood as the third Liberal senator along with the election of Mr Barnaby Joyce as a National Party senator means that for the first time in a quarter of a century the government of the day will be able to control the Senate and will be able to see the implementation of legislation without the frustrations imposed by minor parties. The government, I am pleased to say, will exercise this mandate in a restrained and responsible way.

One of the difficulties we have had in the past is that, when a government gets elected at the polls and stands for a series of policies, unfortunately it is not able to implement its mandate because the Senate either refuses to pass the legislation enacting those policies or amends it so that the government of the day is effectively forced to break its promise to the Australian people. Post 1 July the situa-

tion will change. That will mean that the government will be able to implement its election promises.

I hope that we bring forward all of the legislation which has been rejected by a recalcitrant Senate since 1996 to make sure that we are able to keep faith with the Australian people in implementing not only our policies from the 2004 election but also those of the elections of 2001, 1998 and 1996. It is really important that governments do implement their promises. I found it personally frustrating to note that since 1993—or, in particular, since 1996, when we were elected—the government of the day has not been able to implement its policies, and the policies that are implemented are not fully implemented and do not have the positive effect they would have had if we had been able to entirely keep faith with the Australian people. All that is set to change, and I look forward to that situation.

I do ask the opposition parties, particularly the smaller parties in the Senate, to recognise that the existing Senate is a lame-duck Senate and that the government does have a coming mandate. I ask them to recognise the positive impact that our policies—like the abolition of Labor's unfair dismissal law for small businesses, which would create 50,000 jobs—would have. If we are able to implement these policies prior to 1 July then it means that these job-creating opportunities and other benefits will flow through to the Australian people. It really is important, I think, that the Senate recognises that the government has a mandate. The government will have the numbers in addition to its mandate on 1 July, but I believe it is important that these matters are passed by the Senate as soon as possible.

Over the years a large number of people have been elected to the House of Representatives—there have been over 1,000 people

since 1901, when the Commonwealth was established—and all of us must appreciate that it is a very great privilege to serve the Australian people. We represent our nation and the parliament represents the Australian people. This government is determined to implement its election promises. This government has made some very difficult and tough decisions since 1996. We have put ourselves forward for re-election in 1998, 2001 and 2004, and it is great to see that the Australian people are prepared to reward initiative, enterprise, hard work and achievement. I just want to say that people do expect the government to implement its promises. As an elected member I was greatly heartened to hear, when I saw what the Senate result was, the Prime Minister mention very quickly that we were seeking to implement all of our promises in full and on time for the Australian people.

As a member of parliament representing the Liberal Party on the Sunshine Coast, I want to say that it is a very great privilege to represent the best area of the nation. I want to give my thanks to those people who have voted for me over the years. It is a very great privilege to serve them. I just want them to know that, as a local member, my door is always open.

At this stage I would also like to thank the Prime Minister and the government for the fact that I was able to serve in the ministry from 1998 until 2004. Politics is a game of snakes and ladders and swings and roundabouts. We are the collection of our life's experiences. While all of the decisions made by those in senior positions might not be the decisions that one might aspire to, it is important to recognise that no-one owns a job. It is important to recognise that it is a very great privilege to serve. I would like to take this opportunity and put my personal thanks to the Prime Minister and the government on record. The Department of Finance and Ad-

ministration is a central order department. It is one of those departments that have been responsible for making sure that the government has been successful and has managed the Australian economy successfully. It has within its bureaucracy a number of very senior and very competent officers. I would like to take this opportunity to thank those officers for assisting me in my ministerial role from 1998 until 2004.

To sum up, the election was won by this side, not by the opposition. It is important to recognise that this government does have a mandate to implement its policies. I would ask the opposition to recognise that mandate and not make the government wait until 1 July next year before the very important policies which will improve education, health, defence services, growth and jobs are implemented. I support the Governor-General's address very strongly.

Mr GIBBONS (Bendigo) (6.34 p.m.)—First of all, I pass on my congratulations to Speaker Hawker. Also, I congratulate you, Mr Deputy Speaker Causley, and Deputy Speaker Jenkins. In the Bendigo electorate the federal election campaign was conducted on two fronts: on local issues specific to central Victoria and on the obvious national issues affecting our nation. Labor once again set the agenda on local and national issues. Labor led the campaign and committed to funding the completion of the Calder Highway all the way to Bendigo. Labor started the project and only Labor committed itself to finishing it within five years. Labor led the campaign to establish an MRI service at our major acute hospital because that is where all patients will have easy access to the service. Labor led the campaign to retain 150 Bendigo jobs at the Department of Defence Geospatial Analysis Centre, currently at Fortuna. Only Labor had a policy to reintroduce the Commonwealth dental assistance scheme. Over 10,000 people in central Victo-

ria have been waiting for up to six years for treatment. The Howard government scrapped this dental service in 1996.

On national issues Labor provided fully funded and costed policies to save Medicare by restoring bulk-billing, increasing the bulk-billing rebate and rewarding doctors who reach bulk-billing targets in order to dramatically increase, for all central Victorians, access to bulk-billing doctors. Labor announced a fully-costed policy to fund 20,000 extra university places and 20,000 extra TAFE places every year and to reverse the Liberals' 25 per cent HECS increase. Labor pledged to fund all schools, both public and private, according to need, which would have resulted in every school in central Victoria—government, Catholic and private—gaining a substantial increase in funding. Labor introduced major environmental policies, including ratifying the Kyoto agreement and restoring the health of our rivers and oceans, as well as simple environment policies like scrapping plastic carry bags. Labor outlined a fairer and far more compassionate policy for assisting asylum seekers whilst maintaining the security of our borders against people-, wildlife-, drugs- and firearm-smuggling operators. Labor reiterated the American alliance that we founded, but only on an equal partnership basis. We will never allow our alliance partners to dictate or dominate our foreign policy.

The Prime Minister and Treasurer would have us believe that their sound economic management has created the economic prosperity that this nation is supposed to enjoy. If that is the case, why will it take this government another 10 years to finish the Calder duplication when Labor started the project 20 years ago? Why has it taken the Howard government four years to even recognise that the Bendigo region needs MRI services? Why is it almost impossible to find a doctor

who bulk-bills and why are over 10,000 people waiting for dental treatment? Why are thousands of pensioners and retirees being slugged with massive Centrelink debts because of inappropriate overpayments, in most cases through no fault of their own? If we are experiencing this so-called economic prosperity, why is securing university and TAFE places beyond the reach of the majority of central Victorian families? Why, according to ACOSS, are over two million Australians living on or below the poverty line and why are over 800,000 kids growing up in jobless households, with both parents unemployed?

Labor believes in economic prosperity with a purpose, and that is to create opportunities for all Australians, including those throughout central Victoria. Labor's Calder guarantee would have enabled the state government to finish the project by the new 2009 deadline which was caused by the Howard government's dumping of its own 2006 deadline. Just in case there are any doubts regarding the Howard government's 2001 Calder Highway election promises, and leaving aside the Treasurer's now infamous 2001 election campaign commitment to match state government funding, I will quote from a story in the *Bendigo Weekly* on 9 November 2001—the day before the election—written by the then federal Liberal candidate for Bendigo, Mr Maurie Sharkey. It states as part of his election platform a 'firm commitment to match dollar for dollar with the state government funding to complete the Calder to Bendigo by 2006', which at that time was the state government's time frame. This and the other Calder Highway funding commitments from the coalition over the past four years are not worth the paper they are written on.

The Howard government abandoned the Calder at Kyneton and recklessly blew out the 2006 completion date it promised at the

last election. There has been no new federal government money spent on the Calder for over four years. It has disappeared from the Liberal's road map. The state government is the only government currently funding the two construction sites under way today. Now the election is over, the Howard government is still short-changing the Calder. The Liberals will take up to 10 years to finish it, if ever. They have only put in enough money for the Calder in the five-year AusLink program to half finish the remaining 43 kilometres of the highway. There is no finishing date at all for the final Faraday to Ravenswood section.

The Calder Highway Improvement Committee, which is not widely known for its radical views, has admitted that the Liberals will take seven to eight years to finish the road. It has branded this as 'ludicrous'. Nobody in Bendigo trusts the Liberals anymore. During the 2001 election period, Treasurer Costello promised to keep up the duplication of the Calder, but all he duplicated were road taxes. Now he has duplicated the same worthless, throwaway promise that he ditched after the last election.

Labor stated time and time again in the months leading up to the AusLink announcement that the Howard government would allocate a funding amount for the Calder just to get them through the federal election. That is precisely what they did by allocating \$114 million over five years in the July AusLink statement when the required amount from the Commonwealth to complete the project is \$193 million. The Treasurer made the Calder funding announcement in Geelong—which the Treasurer might be advised is nowhere near the Calder Highway. He also announced in a throwaway line in his media conference that an extra \$82 million would be made available in the next AusLink five-year plan. Nothing in any of the AusLink information available at that

time mentioned the additional \$82 million. The minister responsible, Mr Anderson, never mentioned it. It was just another Treasurer Costello promise. However, the figure has very recently been added in the form of a two-line statement on the Department of Transport and Regional Services web site for AusLink.

As we got closer to the election announcement, former and current junior roads ministers, Senator Ian Campbell and Mr Jim Lloyd, stated that they would bring forward the \$82 million to this five-year AusLink allocation if required. That begs the question: are these real dollars or are they just Khemlani dollars? The fact that there are no forward estimates for the next AusLink five-year plan has conveniently escaped their notice. Apparently they can pluck \$82 million out of the air just to get them through an election. If that is the case, why can't they pluck the full \$193 million out of the air in this five-year plan and finish the project within five years, which is the state government's current time frame? That time frame is conditional on the Howard government honouring its election promises.

Of course, now we have the Howard government shifting the goalposts yet again on the Calder with the Minister for Transport and Regional Services announcing last week that major roads projects, including AusLink projects, will be subject to this government's vicious and unfair industrial relations reforms. There was no mention of this outrage during the election campaign and now, in an attempt to slime out of their election commitments, the coalition have introduced a new tactic—they have opted out of their funding commitments by adopting the same old tactic of shifting the blame onto the states. As always, there will be plenty of supporters and government apologists to peddle the rubbish that the states are responsible for the delays involving these projects.

The Howard government, after four years of lobbying, has still not announced the go-ahead for an MRI facility to be developed to serve the central Victorian region from the most appropriate location at the Bendigo Health Care Group's Bendigo Hospital. I noticed during the election campaign that Minister McGauran announced funding of \$6 million for a mobile MRI capability for his own electorate of Gippsland. He was quoted in the *Age* newspaper as saying that he had been working on this project for several months. So the government showed no hesitation during the election campaign in finding \$6 million for an MRI service in one of its marginal seats but still refused to allocate a licence for an MRI service for Bendigo.

MRI is a vital medical service that will not cost this government one extra dollar. If anybody has any doubts about the Howard government blatantly pork-barrelling with taxpayers' money in its own marginal electorates, this is a glaring example. We have been lobbying and waiting over four long years for a basic MRI service, but Minister McGauran's marginal electorate strikes gold in just a few short months. I wonder why? This government should be condemned in the strongest possible terms for blatantly favouring its own marginal seats and ignoring Labor-held electorates. The current Minister for Health and Ageing is a master of blatant partisan attitudes concerning Labor-held electorates, and the Bendigo MRI issue is an undeniable example of his ideologically-driven bias. He obviously prefers seeing these essential medical services allocated to the private sector, even when the most obvious location is our major public hospital.

The acute care campus of the Bendigo Health Care Group is the only critical care service in the region. If there were an MRI facility, critically ill patients, such as head injury patients, would not need to be transferred or transported up to 150 kilometres

away to Melbourne or Ballarat for an MRI scan. This is the only site in Bendigo that has an emergency department. The Bendigo Health Care Group has the only comprehensive cancer service available in the region, with chemotherapy and radiotherapy; hence unwell patients undergoing cancer treatment would not need to be moved or transported for treatment that requires MRI. The Bendigo Health Care Group has the only paediatric service available in the region and, as honourable members may well know, children often need sedation for the performance of an MRI scan. If MRI is not available at the acute care campus, then patients will need transport and appropriate sedation support for that procedure.

The Bendigo Health Care Group is the major provider of orthopaedic surgical services in the region, for which MRI is an important diagnostic tool. The Bendigo Health Care Group provides the most comprehensive radiology services in the region, which include all radiology and nuclear medicine modalities—currently with the exception of MRI. This is provided and is accessible to all patients in the region. People experiencing sudden and serious illness or involved in accidents are always admitted to the Bendigo Health Care Group's accident and emergency department and to the critical care unit whether they are covered by private health insurance or not. It is essential that modern MRI technology be available within easy reach. It would simply be ludicrous if these patients requiring an MRI scan were put in an ambulance and transported elsewhere in the district to get that scan and then returned to the critical care unit.

The critical care and accident and emergency departments provide the most modern and vital equipment used in training young doctors and it is essential that they have access to technologies like MRI. The Bendigo Health Care Group is able to treat privately

insured patients as well as public patients. It takes referrals from other major hospitals in the region, including those as far away as Mildura, Swan Hill and Echuca. Having to transport seriously ill people over any distance adds considerable risk to their recovery and wellbeing. The Bracks government has had \$3 million allocated since May 2003 to pay for the new building and imaging equipment, but it has been blocked all the way by the Howard government's refusal to approve a Medicare licence for the service. On top of this, the Liberals in Bendigo refused to back our own hospital. They have told the federal Liberals that the service does not necessarily have to be located at our major public hospital. The government's stonewalling has meant that many Bendigo district patients have had to travel to Melbourne or Ballarat for MRI services that should be available in Bendigo. The Bendigo region is one of the largest in Australia to be without licensed MRI services.

Ten thousand people are on the waiting lists of public dental services in the Bendigo electorate and they are waiting for up to six years. I urge the Howard government to introduce a commitment similar to Labor's \$300 million Australian dental care program. Many pensioners, elderly people and low-income families would benefit from a new federal commitment to public dental services. Labor's plan would have provided up to 1,300,000 extra dental procedures for Australians, which would be enough to clear the existing backlog and substantially reduce the waiting lists.

In 1996 the Howard government ruthlessly cut off the federal funding that Labor had been providing for state dental services under the Commonwealth Dental Health Program. If the Howard government were to implement Labor's plan, concession card holders, such as pensioners, health care card holders and their dependants, would get free

check-ups when they need them, subsidised dental treatments, restorations and dentures. Labor's plan included assessing the dental health of every person admitted to residential care and putting in place an action plan to provide ongoing care. State and territory governments will spend \$383 million on dental services for health care card holders and school children this financial year, but it is not enough. I urge the minister to work with the states and territories to implement a program similar to Labor's Australian dental care program, in a genuine partnership with the states and territories to deliver badly needed services to agreed national benchmarks.

Every school in Bendigo and Central Victoria would have gained considerably under Labor's fairer schools policy. Local Central Victorian schools, both government and non-government, now look to Labor in the future for a fairer and more equitable schools funding policy, as was announced during the recent election campaign. A future federal Labor government will lift all school funds to a decent standard of resources. Local non-government schools, like St Augustine's school in Maryborough, would benefit from cuts to the most expensive schools in the state, like Melbourne Grammar, with its abundance of top-of-the-line resources. Local government schools, like all Bendigo electorate primary and secondary schools, stood to gain substantially under Labor's \$1.9 billion boost to government schools.

Labor believes local schools need improved resources, including better classrooms, new computers and better trained teachers. Labor's plan would have delivered real increases in funding to Bendigo government schools, Catholic schools and other needy non-government schools. Government and Catholic schools would be big winners under a future Labor government, with a much fairer schools policy. Education and

skills underpin a country's prosperity and its citizens' success. More Australians with TAFE or university qualifications means more Australians in good jobs and higher living standards for everyone. But under the Howard government too many talented Australians are being turned away from TAFEs and universities because there are not enough funded places. People with lower marks are able to buy their way into universities if they can afford to pay full fees—in some instances as much as \$200,000. Good students without finance will miss out. Students who do get a university place struggle to make ends meet under mounting financial pressure, which has now worsened with the 25 per cent increase in HECS fees.

The Howard government's user-pays university education and its reduction in TAFE funding policies now make both education sectors beyond the reach of more families in Bendigo and Central Victoria. The quality of university and vocational education is being compromised by ballooning student to staff ratios and inadequate support and facilities. Our university system is in crisis because of the Howard government's attacks. The Howard government's simplistic response is to force students and their families to pay more. Labor believes that Australia's university system needs vision, investment and long-term reform, not just short-term revenue measures to increase student contributions. Labor's future education policies will create more opportunities for people to get a university or TAFE qualification and provide the incentives for our universities to excel in the 21st century. Labor believes targeting key areas of skill shortage, like teaching and nursing, relieves the financial burden on students and restores achievement as the only criterion for access to university. These are the policies that the electors of Bendigo supported in the October federal election.

According to Labor's national secretary, Mr Tim Gartrell, the coalition's interest rate scare was most effective, based on their success in prosecuting the argument that Labor is the party of high interest rates. It is an issue that Labor needs to confront as we argue our economic credentials this term. But, much more importantly, the Liberal campaign on this issue was effective because of the financial situation that so many Australians find themselves in. Under John Howard, the cost of buying a home has nearly doubled. In 1996, it took an average of 5½ years wages to buy a home. Now it is almost 10 years. Mortgage interest payments cost more than ever. The burden of monthly mortgage debt has risen by more than 50 per cent. Household debt stands at \$766 billion and growing, compared with \$289 billion when the coalition took office. Household savings have shrunk to new lows, giving Australian families very little to fall back on if they are suddenly placed under extra financial pressure.

When Labor left office, Australians were saving \$5.80 out of every \$100 they earned. Now they are going backwards. Today, for every \$100 they earn they go into debt an additional \$1.90. It is little wonder that people were susceptible to a scare campaign, however misleading, on interest rates. Record levels of household debt—not just mortgages but personal loans and credit cards—have ramped up the fear of economic ruin and transformed the interest rate issue into a potent scare campaign rivalling the *Tampa* for its scale and impact across Labor's marginal seats. This is backed up by quantitative polling conducted three nights from election day which gave the Labor team some stark and confronting news. A majority of swinging voters agreed that, 'Even though I think it's time for a change, I can't take even the smallest risk of interest rates going up.' In many ways this was the fault line de-

termining the result on 9 October: a vote for change versus the fear of economic insecurity driven by the high cost of servicing these record debt levels. I suspect that the people who took that course of action will live to regret it as we move through this parliamentary term, especially now that the government has gained control of the Senate.

Mr SCHULTZ (Hume) (6.52 p.m.)—At the outset in this address-in-reply I thank my constituents in the electorate of Hume for the honour they have once again bestowed upon me by giving me their unqualified support and, through their votes, re-electing me to the federal parliament. I would also like to take this opportunity to thank the 450-plus booth workers, my campaign committee and the many branch members who worked tirelessly on polling day to assist me to obtain that goal.

I suppose it is an appropriate time to remind my parliamentary colleagues, many of whom would appreciate what I am saying, that it is the people who work on the polling booths who assist us to obtain the level of support that we get from our constituents by being there unselfishly working on our behalf on polling day as volunteers. I cannot speak too highly of the contribution those volunteers in the Hume electorate made to me increasing my majority on a two-party preferred basis from 57.4 per cent to 64.2 per cent. I know that much of that can be attributed to the hard work that members like me put in on a personal basis but, more importantly, I think it is indicative of the influence that those volunteer workers on the polling booths had on that particular vote.

I would also like to take the opportunity to acknowledge and put on the record the significant contribution that my wife made over the last 12 months. As members will be aware, on 17 November last year I had a very distressing accident with hydrochloric

acid which resulted in the loss of the sight in my left eye. Over the period of time from 17 November until polling day, I had something like nine operations, which were designed to do various things. The point that I am getting to is that I could not drive my vehicle over the significant number of miles that I had driven over the last 16 years as a state and federal member of parliament. My wife unselfishly, with the commitment that we have from our partners and wives, undertook to ensure that I met every invitation I had from my constituency and gave up her own personal commitment to the people in the electorate that she has given tirelessly as an individual over many years.

At times we probably take our wives and our partners for granted. I certainly do not. I appreciate the magnificent contribution my wife has made. She has finally let me behind the wheel, after I did a five-lap circuit of the raceway at Goulburn to prove that I could still drive a vehicle despite the fact that my left eye no longer functions. So thank you to Gloria, my wife, and once again thank you to all those people who worked to re-elect me to this great place.

I did, however, undertake to rigorously pursue a number of issues that, to be quite frank with you, Mr Deputy Speaker, I have tried to comply with the system on over the last six years. I do get a little bit upset, as some of my parliamentary colleagues will understand, when I think that my constituents have been short-changed in terms of some of the funding that they believe they should get in what can only be described as the 'fair go' environment that we as Australians are renowned for. In this three-year term I am going to be very vigorous in my approach, and I put a number of ministers on notice in that regard.

I am going to be ensuring that, in particular, I pursue the issue of the road funding for

the outer eastern route Barton Highway bypass at Murrumbateman, which has been an issue for some three decades in the Yass Shire and which has been frustrated by a campaign by people who wanted the bypass to go along one particular route at the expense of the other, despite all the agencies who have undertaken investigations and put out study reports on the issue since June 1996. Since I came into this place a significant number of reports have come out. In fact, there were around seven of them up until October 2000 which said quite plainly that the eastern route bypass at Murrumbateman was the only way to go, for all sorts of reasons. Finally, the Minister for Transport and Regional Services and Deputy Prime Minister, the Hon. John Anderson—after receiving a rather terse letter from me leading up to the 2001 election—did make the announcement that the bypass route for the Barton Highway at Murrumbateman was the eastern route.

In the last 24 hours I have had occasion to talk to the new Minister for Local Government, Territories and Roads, who advised me—and this horrified me—that I would find it difficult to get road funding for that particular project because the road funding for that type of project had been committed for the next five years. I find that reprehensible and an absolute disgrace, given the amount of money that I saw go into some rural electorates that did not have the urgency that this bypass has. Each year that it has been neglected this bypass has been killing between two and four people and injuring between five and 12 people. I put the government on notice that I am going to pursue that, and I do not really care who I upset and how negative they might be about my contribution to that issue. I am doing it on behalf of people's lives and my constituency, and people can think what they like about it.

Another issue that I raised with the Attorney-General—and, thanks to his sensible approach to the issue, it still has not been resolved—relates to child abduction in Australia and the need for Australia to make that a criminal offence, because people are illegally taking children out of this country to countries like Malaysia that are not Hague Convention countries, and parents are unable to get their children back into this country. I think that is an absolute disgrace and I will be pursuing that issue and, if I have to, I will introduce a private member's bill if the bureaucrats in the department take it upon themselves to think that it is not a very important issue.

I now get to a particular issue that has been raised in this place and was the subject of a report last December. It is the issue of the Child Support Agency and what it is doing in this country—and more importantly what it is doing to males in this country. One of the biggest complaints about the Child Support Agency is that the non-custodial parent is considered by the Child Support Agency to have dependants that they are responsible for and which they must pay benefits for and yet Centrelink considers them to have no dependants and therefore considers them ineligible for any tax benefits or family assistance.

I recently had an email from a father in regional New South Wales whose former wife had an affair, left him, took the children to Melbourne and is now receiving \$360 a fortnight in child support from her ex-husband. He sees the children once a month and occasionally gets them for a week during the school holidays. Incredibly, he is still required to pay child support to his former partner on the days he has the children. Why is the non-custodial parent who is paying child support not recognised by the tax office, Centrelink or any other department as a

person with dependants? Why is this not taken into account?

I would now like to look at the issue of the custodial parent using children as a weapon. I will quote from another email that I received:

Have you ever been told by your ex that if you don't buy her a new car, that you will never see your kids again? If you had, you may realise the severity of the problem fathers face in this country.

It is a disgusting and immoral situation when custodial parents use their children to extort even more money out of their former partner, who is already paying child support. Unfortunately this situation is all too common. People are threatened over and over that they will never see their kids again if they do not accede to the wishes of the custodial parent. The Child Support Agency is overwhelmingly on the side of the custodial parent, even when they are totally disregarding their custody arrangements, which have been court ordered. There is an indication of this is in the following email. It says:

I am a non-custodial parent (through no choice of my own) who has never missed a week's obligation to the CSA in the last 6 years. However I am now at my wits end and find that there is zero understanding, zero tolerance and zero empathy for men (mostly) in similar situations to that of myself.

I have court-orders that were put in place 4 years ago. The mother of my children has been in contravention of these orders on an ongoing basis for this entire time. For example, when I ring (twice per week and every week without fail) I get told the kids are too busy to talk, or they don't want to talk to you or she will try and create a drama for no reason and make it look like I am the bad guy. She is supposed to give me 48 hours notice of any change of address or telephone numbers. She recently moved interstate and sent me a text message on my mobile 2 weeks after the event to advise—what a joke. Totally refuses to inform me of contact details regarding schooling and has no

interest in co-operating let alone acknowledging any court orders. I am supposed to have my children for a week of each school holidays—never happened in four years. It was ordered that my daughter (10 years of age) undergo some counselling—never happened. Last weekend I had organised to have an access visit. I pay for air tickets, accommodation and car rental in advance (they were interstate). I get to where they are supposed to be and she has moved to another state—another \$700 down the toilet. Why is she not accountable for this in any way?

The non-custodial parent has rights but they are constantly being ignored by the Child Support Agency whose only motive is to collect as much money as possible, at any cost. When a person ignores a court order over custody, they may get a slap on the wrist. If a person refuses to pay child support because the custodial parent is not obeying the court order, their personal bank accounts and/or tax returns may be accessed, in most instances in an environment where the 28-day appeal process is ignored by the Child Support Agency.

Let me now talk about the Child Support Agency accessing personal bank accounts. There are numerous cases that I have been told about where the CSA has accessed personal bank account records, sometimes even when they relate to a joint account with a new partner. After accessing these bank accounts, intercepting tax refunds and doing whatever they have to, the CSA is well known for neglecting its responsibilities. Earlier in the year I heard the story of two men in my electorate who had large amounts wrongly taken from them by the Child Support Agency and given to their ex-partners. I received another email about something similar that happened. This email is from the second wife of a man:

May 2004 the CSA intercepted a tax refund for the 2002/2003 year of over \$5,500 and gave it to his ex. This was despite his lodgement of income of Centrelink payments given when his son

moved back to his mother's and also the fact that he was still sole carer for their daughter.

What happened next has led us down a path of frustration, disbelief and angst since. Upon contact made by CSA advising of the intercepted tax refund my husband was told that he could only prevent its payment by submitting a financial hardship application. Application for reassessment was being filled in within the timeframe given. However the CSA made the payment to my husband's ex during this time - it turns out that they 'could' have put the money in an account on hold until reassessment had taken place, because apparently, as we were soon to find out, once the money is paid to the ex it is impossible to get it back.

I repeat that: it is impossible to get it back!

We were never given the option to have the money held, despite our pleas with CSA to advise how this payment could be stopped until sorted out.

All the while my husband contested that he had given a lodgement of income and why was this happening as his tax return was for a period when he had both children in his care and received no child maintenance from his ex as she chose not to work since her remarriage 5 years ago.

After being sent to numerous "units" within the CSA, such as Objections, Complaints, Compensation, Reassessment etc, it was discovered that my husband had indeed given the lodgement he had been declaring all the time but that the CSA had in fact placed his income details on the incorrect case...his carer case (for the child that had relocated back to his mother). CSA rang him for a lodgement of income on his son's case number and yet placed that lodgement on a totally different case. They admit an administrative error was made, but the CSA have for the past 4 months vehemently stated that the action taken was 'lawful'.

We took the avenue they suggested re Compensation, it was refused because even though they admit to putting the information onto the incorrect case, and even though they admit to not following up on the 15% variation rule between lodgements - this being a major discrepancy, they

state they have acted lawfully according to their legislation.

My husband did his reassessment and the lawyer/senior case officer ruled that there had been an error by the CSA and that my husband be remitted the outstanding amount they deemed he owed and the outstanding \$7,000 debit be wiped. He now has a credit of over \$5,500 with the CSA that states by them is only to be used for future child support payments. They refuse to give him back his money.

So they wrongly took money from this man and, when it was acknowledged that a mistake was made, instead of returning the money they give him a credit on his account. The CSA seem to be a law unto themselves. They take anything they can get their hands on and never acknowledge any mistakes. I could go on all night, because I have hundreds of examples of this sort of treatment of males by the Child Support Agency.

Let me now talk a bit about anti-male bias. One of the biggest concerns that people have with the CSA is the bias against males that the agency seems to have, although I strongly acknowledge that many women are also victims of the CSA. There seems to be a very coherent anti-male bias. Males are constantly harassed by the CSA, often when there is absolutely nothing for them to pay. I will not quote from the emails because it will use up too much time and I will not have an opportunity to make the comments that I want to make. I have received emails from fathers and second wives. Incidentally, 51 per cent of the 400-plus emails that I received came from women supporting what I have just said in this acknowledgement of the problems that the CSA is causing. The CSA has just assumed that the male in the situation has to pay child support even though it was the children's mother in some cases who had taken off and not contacted her children.

There are countless incidents. My office received another call from a man in New South Wales who has custody of his child yet the CSA recently relieved him of \$11,000 to be given to his wife in Darwin. I got another report today of the Child Support Agency illegally accessing a bank account, which I have asked the person to send me details of, and taking \$15,000. He does not owe them money; he is living up to his obligations, yet they continue to drive this into men. Let me tell you what this does to males. It affects the male suicide rate, and I have had two of my constituents commit suicide because of it. One of the saddest things about the CSA chasing people for payments is the high rate of suicide in male payers of child support. What is even more disturbing is the poor way that the CSA handle this problem even when there is strong evidence that it is an issue.

A lady in my electorate of Hume rang my office a few months ago complaining that the CSA were harassing her with letters after her son had committed suicide earlier in the year. She rang the CSA to ask what the problem was and was then asked for several personal details such as her address and date of birth when she was not even a payer to the CSA. When she refused to give this personal information because she felt that the CSA had no right to this information, she was told that it would make the procedure to close her son's file more difficult. This was a woman still grieving over the loss of her son who had taken his own life a couple of months previously.

I could go on and on, but I will not. I am putting the new ministers and the Child Support Agency on notice that I am going to pursue this, despite the comments that have been made in the past and the thought from some of my parliamentary colleagues that it is not an issue out there. It is an issue out there and it is an issue that needs to be re-

solved. If the resolution of the issue means that we have to re-look at the legislation, remove the legislation or put in new legislation then we have to do that in the interest of fairness and equality in an act that was originally brought in by the Australian Labor Party to ensure that both the male and female partner, when a marriage or a relationship broke up, equally shared in the support of the child. That is not the case now. It has gone from child support to spousal enrichment and something has to occur to stop that unfair bias against males.

I thank you, Mr Deputy Speaker, for the opportunity to speak here tonight. As I said, I am going to continue to push these issues for the next three years and I will vigorously pursue any minister of the Crown on this side of politics in this three-year term who thinks that it is too hard politically for him or too hard based on the advice he gets from the bureaucrats who have a vested interest to ensure that the 3,000 people—as an example—who work for the Child Support Agency remain in employment and, more importantly, remain in their anti-male biased state. (*Time expired*)

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

COMMITTEES

Selection Committee

Membership

The DEPUTY SPEAKER (Hon. I.R. Causley)—The Speaker has received advice from the Chief Opposition Whip nominating members to be members of the Selection Committee.

Ms JULIE BISHOP (Curtin—Minister for Ageing) (7.13 p.m.)—I move:

That Mrs Gash, Mr McArthur, Mr Barresi and Mr Neville be appointed members of the Selection Committee.

Question agreed to.

SPEAKER'S PANEL

The DEPUTY SPEAKER—Pursuant to standing order 17, I lay on the table the Speaker's warrant nominating the honourable members for Fairfax, Paterson, Mackellar, Herbert and Maranoa to be members of the Speaker's Panel to assist the chair when requested to do so by the Speaker or Deputy Speaker.

GOVERNOR-GENERAL'S SPEECH

Address-in-Reply

Debate resumed.

Mr RIPOLL (Oxley) (7.14 p.m.)—Mr Deputy Speaker Causley, I congratulate you at the outset on your re-election to your position. The vote was tight. Had there been a free vote in the parliament for the position of Speaker, as there was with your position, the Speaker of the House might have been another member. But I congratulate the Speaker, David Hawker, the member for Wannon. I would also like to congratulate the Second Deputy Speaker, Harry Jenkins, the member for Scullin. I acknowledge the good work that those members do. I would like to acknowledge all the newly elected members of parliament. In particular I would like to refer to my Labor Party colleagues: the member for Adelaide, Kate Ellis; the member for Cunningham, Sharon Bird; the member for Hindmarsh, Steve Georganas; the member for Kingsford Smith, Peter Garrett; the member for Parramatta, Julie Owens; the member for Prospect, Chris Bowen; the member for Richmond, Justine Elliot; and the member for Watson, Tony Burke. I would like to congratulate each and every one of them for their hard work and commitment to their local areas. I will be listening keenly to their first speeches in this place, as I know that that is a very special time for all of them and all of us.

I would also like to acknowledge the contribution of former members of parliament

who either lost their seats or retired at the last election. I would especially like to mention Con Sciacca, the former member for Bonner and, prior to that, Bowman, for his hard work and dedication to his local area. In particular I acknowledge his friendship to me and his guidance in this place. I believe his legacy is huge and he leaves some very big shoes to fill.

This is my third term as the member for Oxley. It is indeed a great honour to once again be entrusted to work for the people of my region and to be their representative, their voice, in federal parliament. Over the next three years I will continue to represent all my constituents and do the utmost to ensure that the federal government delivers on its election promises for the region of Oxley and, more broadly, south-east Queensland. The people of Australia have high expectations of all elected representatives. As we set about discharging our duties, I believe we should all be mindful of the great responsibilities that have been bestowed upon us to represent our fellow citizens and to make a positive contribution to their lives.

The federal election saw the electoral boundaries redistributed in Queensland. That means that Oxley now takes in much more of Brisbane's south-western suburbs, in particular the suburbs of Corinda, Oxley, Sinnamon Park, Darra and Seventeen Mile Rocks. It is a great honour for me to be representing the residents of these suburbs, who were previously in Ryan. It is the first time that I have represented them in this place. I know that over the coming years we will get to know each other a little better, as we did in this election campaign, and I will have a deeper understanding of the particular issues that affect them more directly. I will also be working very hard for these people, as I will for all my constituents, to deliver improvements to ensure that they are receiving their fair share of what the government claims are

the economic good times. I want to make sure that people in my area share that growth and opportunity.

Although the boundaries of Oxley have altered, I believe that the needs and issues that confront the local people have not changed. For many in Oxley, the more things change the more they stay the same. Over the next three years, many of my constituents, if not all of them at some stage, and many from the seats around Oxley, will be forced to travel on an inadequate, dangerous bitumen basket case called the Ipswich Motorway. Members will know that I have spoken on the issue at length many times in this place. I have also done so in the community and have run many campaigns. However, the reality is that the federal government does not seem at all interested in fixing the problems that plague the motorway, which is part of the national highway network. Rather, the government is more interested in employing delaying tactics, which it has now done for nearly nine years on this issue. It is more interested in coming up with other options—half bypasses and a raft of other so-called solutions—than accepting the outcome of a report which it commissioned and paid for to the tune of around \$6 million, and which delivered a very definitive outcome. It said that upgrading the Ipswich Motorway was actually the best solution, having looked at all possible options.

The election win should not be any solace to the government. Nor should the return of the member for Blair, who campaigned on doing something differently. I do not believe that it should vindicate their view on the motorway for one minute. I campaigned very strongly on the full upgrade of the Ipswich Motorway and not only was returned to this place but also gained an increase in my percentage. So if at any time the government use their return as some sort of vindication, I will say to them: 'How would you explain

my win—apart from many other issues, of course, and some good campaigning?’

The federal government, and the Prime Minister no less, did promise \$627 million for this corridor during the election campaign. I want to be perfectly clear about this: the Prime Minister made reference to the Ipswich Motorway and said that this amount of money had been set aside and that in fact \$400 million was available immediately to deal with this problem. This was to be money in addition to anything that was contained in the AusLink document. Other members of this House are also on the public record echoing this commitment to the people of south-east Queensland. I want to make it clear here today and put it on the record that if the so-called half bypass, the Goodna bypass, is found not to be viable in the new report that is being done by the federal government in coordination with the state government, there is a commitment from the federal government to get on with the job and deal with the problem at its core. I will be working very hard and being very public about this to ensure that they keep their word.

Without doubt there are a number of other key issues for the people of Oxley, and one of those is public housing. I have put my thoughts on the record many times because I feel that this is a key area where not only the state government but the federal government has a role to play. Queensland has a public housing crisis. The federal government, I believe, has walked away from its responsibilities in this area. It has withdrawn more than \$400 million from the state government, making it very difficult for any government at that level to effectively meet demand. This demand is particularly acute in my electorate. Interestingly, during the Governor-General’s speech at the opening of parliament yesterday there was no mention of public housing. It is an issue that I believe is

critical to the wellbeing of all Australians. There was no mention of the Howard government wanting to address the looming housing crisis for the people of Oxley or anywhere else for that matter. This is a great shame and very short-sighted.

Oxley, like many parts of Australia, is experiencing an inordinate amount of growth. No growth rate is more acute than that of the electorate of Oxley and the south-east of Queensland. It is in fact expected that in my region within the next 20 years there will be some half a million new dwellings, with one million new people moving to the region, and that Ipswich as a city will grow by a further 250,000 residents—double the number which it has now. The areas of Goodna and Springfield, which are at the heart of my electorate, will become the new regional hubs of activity and community focus. From my perspective, they will get what they truly deserve—that is, their much deserved place in the sun and the true recognition they deserve as important places within our community.

This incredible growth will need to be supported with increased infrastructure efficiencies and development and, I believe, infrastructure reform. This includes all sorts of things, such as major investments in schools, hospitals, sporting facilities, roads, transport networks, public transport, water, electricity—the list is huge. All of these needs are being met and planned for by the Queensland state government, but the state government also needs the support of the federal government to make it a viable proposition.

The region’s health and education services are also important for the people of Oxley. I think the government’s current policies in these areas are hurting people in my electorate by not allowing the maximum benefits to flow for the people who are in the most need.

For instance, let us consider the health system and Medicare, something that was a key campaign and election issue. This reminds me of question time today, when I heard the Minister for Health and Ageing boasting about what a wonderful job the government was doing in relation to the delivery of health services. I have some unfortunate news for the minister. If he had not noticed, in Oxley in particular, like many other electorates around the country, bulk-billing rates have actually declined significantly, steadily, over many years under the Howard government. In some suburbs, in fact—and I am sure this is the case for all members in here, regardless of their political persuasion—bulk-billing rates have fallen to zero. You simply cannot find a bulk-billing doctor in those localities. Going to a doctor has become a financial decision rather than a health or a medical one. I believe this is not something about which the minister should boast. Although the government may have been returned to office, this does not diminish the need to improve health services. This does not somehow sideline the need to improve access to Medicare and bulk-billed services. I place a high level of importance in my community on the provision of these services and on making sure that people have fair access to them.

I also place a high level of importance on the provision of education services, as I believe all members of the parliament do. I also believe that there is a huge role to be played by the federal government. Sadly, I still believe that the federal government is putting the wrong sort of pressure on our higher education facilities and that for many young people now—particularly in my electorate, which does not have a high participation rate at university level—university is becoming further out of reach. It is becoming something of a pipe dream to be able to achieve a university education. I mention that first, but

I do not believe that that on its own is the most significant or important thing in terms of education.

Access to further education at a TAFE level, to skills and training and other job opportunities, as has been mentioned by other members, is also vitally important. But I do not believe that the government's decision to bypass the TAFE networks and system that the states have already established and to establish these 24 new technical colleges is good public policy at this stage. I think it is duplication. In the end it is a bit like, 'We can do better,' or 'We can take over a system,' rather than actually trying to provide some serious infrastructure and educational facilities in the states. I believe the federal government needs to work hand in hand with the state governments in our TAFE system.

To look at it from the perspective of the facilities that are currently in place, I have the Bremer Institute of TAFE at Bundamba in my electorate, which is a massive TAFE facility that I believe is underused. With the support of the federal government, if it took some of the resources that it is going to put into these 24 new technical colleges and poured some of those resources into the Bundamba TAFE, we would see an incredibly well-resourced, effective, efficient TAFE system that could deliver some incredible outcomes for a lot of young people in my electorate.

Many young people tell me that getting access to training does lead to getting a better job, and it is their top priority, whether it be at university or at TAFE. I think equal importance should be placed upon those, depending on what young people want to do. But the mere fact that 15,000 young people are turned away from TAFE and 20,000 young people are turned away from university every year highlights the problem that we all face in this place. What is needed

from the government are policies that will present opportunities for young people, that will give them choices—the choices that we often hear about from this government. There is no doubt that for young people right across Australia the provision of training and other opportunities to gain skills, be they at university or at TAFE, as I have said, is essential for any good governance.

While all these issues affect the people of Oxley, they also have an impact on every Australian, right across the country. I believe the federal government has a role to play through our local communities as well, in particular in the delivery of services and infrastructure. It should not just be a simple case of the federal government shifting blame, shifting responsibility, to the states for anything it believes it no longer has some sort of responsibility for. I believe that is just a cop-out and a simplistic approach to better government. I think the states instead should look at developing strong relationships and ties with other state governments, regardless of their persuasion, to provide the services and infrastructure that all Australians deserve. One of the major challenges for the future, I believe, is the nation's infrastructure, efficiency and productivity. It is something that the federal government should look closely at.

Labor takes very seriously the need to implement an infrastructure policy framework, something that we can work towards for the future. As such, the Labor Party has created a portfolio to deal with these issues, with a dedicated shadow minister, Stephen Smith, the member for Perth, supported by a shadow parliamentary secretary. I am greatly honoured to have been appointed as the shadow parliamentary secretary for infrastructure and I am very much looking forward to working with Stephen Smith and tackling the big issues which confront this nation.

If the last 20 years were characterised by economic reform—and, may I say, that was actually begun and delivered by the Labor Party—I believe the next 20 years will be characterised by infrastructure reform. In my part of the world, the condition of Queensland's infrastructure has been the talk of the town for some time. The Beattie government last month released its Draft South East Queensland Regional Plan, which put in place a framework for future growth and development for the region over the next 20 years, with a funding and infrastructure strategy to complement this plan to be released in April 2005. The Beattie government is to be congratulated, as it has been by industry and by many people in the community, for taking such a visionary approach to the state's planning and development needs. I believe this is a legacy that will pay many dividends to future generations of Queenslanders and, for that matter, beyond Queensland state boundaries. More importantly, it should be understood that this plan will be backed by legislation, something which has not been done, as I understand it, in any other state in the past, giving that plan a greater carriage than any similar plan that has been previously drafted.

Debate interrupted.

ADJOURNMENT

The SPEAKER—Order! It being 7.30 p.m., I propose the question:

That the House do now adjourn.

Federal Election: Member for New England

Mr WINDSOR (New England) (7.30 p.m.)—The House would be aware that the Australian Federal Police have referred an alleged breach of the Commonwealth Electoral Act to the Director of Public Prosecutions for determination relating to an inducement offered to me not to stand for re-election at the election just held. The House

would also know that the Prime Minister has called on me to name the names of those people involved in the attempt to bribe me.

I would like to place on record an account of a meeting that took place on 19 May 2004 at 10.30 a.m. at the office of Tamworth businessman Mr Greg Maguire in the Powerhouse Motorcycle Museum. The meeting was attended by Mr Maguire; Mr Stephen Hall, my campaign co-chairman; Ms Helen Tickle, my campaign secretary; and me. I have had many meetings with Mr Maguire in the past relating to the development of the Australian Equine and Livestock Centre, and Mr Maguire has also assisted with advice during previous election campaigns.

It was assumed that the meeting was to be about the upcoming election and progress that Mr Maguire had made in relation to the equine centre concept and planning which was being developed for federal funding. Prior to that issue being raised, Mr Maguire indicated that he had spent four to five hours the night before in the company of the Deputy Prime Minister, John Anderson, and National Party senator Sandy Macdonald and a black-haired woman whose name he did not recall.

Mr Maguire made a number of points regarding the previous night's meeting, and I would like to go through those points: John Anderson was paranoid about me and the demise of The Nationals and the rise of Independents; Mr Anderson asked Mr Maguire to meet with me and give me some messages, which Mr Maguire was then doing; Mr Anderson said that if I tried to get any credit for the funding of the Australian Equine and Livestock Centre the funding would not take place; Mr Anderson was also concerned about my continued association with the Australian Equine and Livestock Centre, given my political position; Mr Anderson and Senator Macdonald asked Mr

Maguire what it would take to get me to not stand for re-election and indicated that there could be another career for me outside politics, such as a diplomatic post or a trade appointment, if I did not stand for the seat of New England. Senator Macdonald said, 'Offer him whatever it takes, we can deliver.' One of the them also said, 'The government makes about 500 political appointments, it can be done.' Senator Macdonald also said, 'Windsor has a pension, why does he want to hang around anyway?' Apparently, he was referring to my 10 years in state parliament.

I know Greg Maguire quite well. My response to Mr Maguire was, 'Greg, you should know I'm'—there was an expletive put in here—'offended by that and you should know full well that I would not consider any such appointment.' Mr Maguire replied, 'I know, mate, I've just been asked to deliver the message.' My response was, 'I cannot understand these guys and the lengths that they will go to to get rid of me—to think that I would even consider such an offer.' I apologised to Ms Tickle for my swearing. My further comment to Mr Maguire was, 'I believe'—and I still do believe this—'that this is an act of stupidity and desperation to regain the seat. Tell Anderson and Macdonald I'm not interested.' Mr Maguire responded with 'I still want you to get in touch with Anderson. Anderson is saying you won't talk to him,' which I agreed to do. The conversation took place in this very spot a couple of weeks later.

I believe that Mr Maguire was acting only as a messenger for John Anderson and Sandy Macdonald. The matter became public knowledge as a result of discussions which I had with Tony Vermeer of the *Sunday Telegraph* relating to my role in a hung parliament. The matter was subsequently mentioned in an article by that journalist in the *Sunday Telegraph* on 19 September 2004. I would like to point out that Mr Maguire is a

very well-regarded businessman in Tamworth. He has been the prime mover in promoting the concept of the Australian Equine and Livestock Centre. I congratulate him on his success and thank him for his efforts. In my view, Mr Maguire is— (*Time expired*)

The SPEAKER—The member will resume his seat.

Ryan Electorate: Roads Implementation Program

Mr JOHNSON (Ryan) (7.35 p.m.)—Mr Speaker, I extend my very warmest congratulations to you on your election to the high office of Speaker of the 41st Parliament. I want to continue on the theme that the member for Oxley just raised in the debate on the address-in-reply. I want to talk about infrastructure. I want to refer to the Queensland Labor government's release of the Roads Implementation Program, which I think is an absolute disgrace because of some of the projects which it conveys to the people of my electorate.

In particular, there is this notion that the Queensland Labor government wants to construct a western bypass that would carve up the suburbs of Ryan. In this, the very first speech that I will make in the 41st Parliament, I want to place on the record my absolute opposition to this. In recent weeks I have had an enormous number of the people of Ryan contact me to ask for my position on the RIP as well as to express their total opposition to this proposal.

I want to place very strongly and very firmly on the record that I will be doing absolutely everything in my capacity as the re-elected member for Ryan to oppose any notion that the Queensland Labor government can construct a road that would split the Ryan electorate in half. Such a road is absolutely untenable. I want to reassure some of the active members of the Moggill Community Association that I will be very strongly

opposing this issue. In the parliament tonight I want to assure one of the more active and more sensible members of that association, Mr Howard Westmoreland—who very kindly emailed me on Tuesday, 16 November, to confirm whether I hold the position I do hold—that I will be very strongly opposing the western bypass as proposed by the Queensland Labor government.

There is no way in the world that I would support a plan that would split the suburbs of Pullenvale, Moggill and Kenmore and carve a swath right through the Ryan electorate into The Gap and further north. It is very important that I reassure Howard Westmoreland and people like Lyn Gasteen, who is also a very active member of the Moggill Community Association, that my position on this is absolutely firm. I want to express not only to the Moggill Community Association but also to the broader Ryan community that, as the re-elected member for Ryan, I will not be supporting any unclear and untenable position of the Labor government.

This leads me on to the Goodna bypass, which of course has been an issue of contention. Quite a few members of the Moggill Community Association campaigned very strongly against me in the last election campaign. I want to express on the record in this parliament that I think it is quite inappropriate for members of a community association to engage in political campaigns either for or against any aspirant for any office in any parliament. As a community association they are rooted in the community, they are grounded in community issues and they should be putting forward their position on the basis of merit rather than engaging in very strong and, at times, inappropriate conduct against candidates on both sides of parliament.

My position in terms of the Goodna bypass remains absolutely valid. I will not be

supporting the Goodna bypass option if on/off ramps are proposed. I think I have made that very clear. I want to reiterate that in the parliament again tonight so that there is no doubt in the minds of members of the community and members of the Moggill Community Association in particular. In this first adjournment debate of the 41st Parliament, I have pleasure in putting that position forward and I think that the people of Ryan will appreciate their local member being candid and consistent with regard to his position. I will be running with this position throughout this parliament. I look forward to serving the people of Ryan with great enthusiasm and great integrity, and I look forward to making more remarks in my speech in the debate on the address-in-reply tomorrow morning.

Donnelly, Mrs Marie

Callea, Mr Anthony

Ms GILLARD (Lalor) (7.40 p.m.)—I would like to address two matters in the adjournment debate tonight: one in my capacity as Manager of Opposition Business and the other in my capacity as the member for Lalor. In my capacity as the Manager of Opposition Business, Mr Speaker, I am sure that you would join with me in saying that every one of us in this parliament relies very heavily on the people who work here. Of course, we know that they work in all sorts of capacities: from the people who clean our offices and do such a remarkable job to the most serious appointees who help in this chamber with the conduct of the parliament. No matter how many times we take the opportunity to thank them, our thanks is never enough for all the hard work and dedication that they display in their service to this parliament. I would like to record tonight that a person of exceptional service and ability has retired from her post, and I think that that should be recorded on the parliamentary

Hansard and be mentioned in this place. The person of whom I speak is Marie Donnelly. She was first employed as the personal secretary to the Speaker in 1975—quite a long time ago and during some heady days for both sides of politics. She has worked for Speakers from both sides of the House, having served for such a long time.

Marie finished up in her capacity as the personal secretary to the Speaker last night. I am sure, Mr Speaker, you would agree with me that it is unfortunate that you had only such a brief opportunity to work with her—such is the nature of changeovers in the parliamentary timetable. Marie was a true professional: courteous, efficient and, above all, the sort of person who gave her best to everything she did. Her knowledge of this parliament was supreme. She was warm and approachable and regarded as a friend by all. She is famous for her sense of humour, which I understand in the kindest possible way has been described as wicked. In a place that is so often characterised by a sense of self-importance, I think it is vital to have people in the parliament who can have a laugh. It is important for all of us to have the occasional laugh at ourselves, about each other and with each other, and Marie certainly was a contributor to that good humour in this place.

After nearly three decades of hard work and dedication, I am sure she will be sorely missed by you, Mr Speaker, by many members in the House of Representatives and certainly by the many staff who worked with her. Members on this side of the House as well as those on the other side—if I may have the temerity to put a view on behalf of the other side of the House—would congratulate her on her exceptional record of service and say that we wish her well. Thank you very much, Marie.

Can I now move to a matter that relates to my electorate of Lalor—

Mr Billson—A national issue.

Ms GILLARD—It is a major national issue, as my friend at the table reminds me. The major national issue of importance to the electorate of Lalor this week is what is going to happen on *Australian Idol* on Sunday night. It will be the final show when we find out who is to be the new Australian idol. Mr Speaker, I can see you are judging this with good humour. Let me say to you that the fate of Anthony Callea who is a Werribee boy from my electorate of Lalor, and who now lives in Sanctuary Lakes within my electorate, is a matter of extreme concern to the local community. You cannot drive down the main street in Werribee—Watton Street—or down Synnot Street without seeing life-size posters of Anthony to remind local people to vote for him and to support him on *Australian Idol*. His mum, Santana, and his dad, Cosmo, who live in my electorate fly to Sydney every weekend to watch their son compete.

The matter has got so serious in my electorate that Wyndham council and a local nightclub have got behind the effort and have installed large screens where hundreds of people gather every Sunday night to watch Anthony perform. Perhaps the highest accolade of all: a pizza restaurant in Altona Meadows has even created an Anthony Callea Special in honour of Melbourne's rising star. I am sure that every member of my electorate, every member of the Werribee community and the Sanctuary Lakes community, will be ensconced in front of our TV screens on Sunday night supporting Anthony Callea.

Honourable members interjecting—

Ms GILLARD—Of course, people will be exercising their votes. The other contestant is a young girl called Casey, who has a lot of support as well. But, from the perspec-

tive of the locals of my electorate of Lalor, we are looking forward to Anthony Callea being the next Australian Idol, and there will be a lot of excitement in the electorate if he is.

Rural and Regional Australia: Education

Mr WAKELIN (Grey) (7.45 p.m.)—A long-running issue since I have been in the parliament has been the imbalance between those who have access to higher education in rural and remote areas and those in urban centres. I would just like to remind the House that, in a historic sense, something like 49 per cent of people aged between 25 and 64 who live in our major cities have been able to achieve a higher education, but in very remote areas the figure is as low as 33 per cent.

In relation to this, a whole lot of issues come to mind, but I will just name a few. Taxpayer dollars that are invested, as well as of course private dollars, are very much invested in our urban centres, and in their own way that creates economic opportunity. Not only does the imbalance between urban centres and regional or very remote areas come to the fore in terms of direct access, but in terms of economic opportunity a much tougher situation occurs for regional, rural and remote areas.

I will just go to a few specifics. In our major cities, 3.4 per cent of the population have a postgraduate degree; in very remote areas, 1.1 per cent do. So that is a factor of three times. In terms of a certificate, it is about equal in major cities and remote areas—that is, 18 or 19 per cent. In relation to those who have access to a bachelor degree, the factor is about half—that is, about 15 per cent have access in urban areas compared to about eight per cent in remote areas. It is not that people in rural and regional Australia lament it. They see their lifestyle as very preferable to any other option, but it does mean that

access and opportunity for young people is not the same.

Once again, early in the 41st Parliament I am putting on the record that there is much left to be done. It is not just a matter of the financial implications. It is difficult enough, and it is more difficult for many. Clearly, access to youth allowance is a tougher proposition. Costs are very much higher when children have to go away to the city for their degrees. Certainly people on average incomes in Port Augusta or Port Lincoln, or anywhere else outside cities, have a much greater outlay in relation to their net income. That is fairly well established. Therefore, there is a great need for the government to look at the opportunity for greater incentives to address this imbalance.

As I said, it is not just a matter of money. In terms of addressing what is known as the attitudinal approach to the value of education, there is still much to be done. I would like to say here tonight that the raising of the value and the perception of education for rural and regional people is important; there is still work to be done. To sum up, it is important that we recognise the disadvantage and the financial impediment and that it is unfair to average Australians that this imbalance remains. Without great cost to the taxpayer, there is a great opportunity to see rural, regional and very remote Australians get a much fairer go in access to education.

Lowe Electorate: Kokoda Track Memorial Walkway

Mr MURPHY (Lowe) (7.49 p.m.)—Mr Speaker, I congratulate you on your election to high office and wish you well. I wish to raise a very important matter for my electorate in the House this evening. I will begin by referring to an excellent report by Ms Veronica Apap in this week's edition of the *Inner West Courier* titled 'Where's the respect?' The report concerns a series of despicable

acts of appalling vandalism and criminal damage committed recently on various stations along the Kokoda Track Memorial Walkway in Concord in my electorate of Lowe. Ms Apap reports:

All over the Inner West people stopped to remember those who gave their lives in war on Remembrance Day last Thursday. But for one group of veterans the loss was even deeper because their only memorial has been continuously attacked. The Kokoda Track Memorial Walkway at Concord has been vandalised at least three times this year causing thousands of dollars worth of damage.

I attended the commemoration service at the Kokoda Track Rose Garden on Remembrance Day last week, and I have previously spoken about this magnificent memorial. For members who may not be familiar with the memorial, it is on the shores of the Parramatta River. The rainforest walkway is some 800 metres long, and it runs around Bray's Bay between Concord Repatriation General Hospital, the famous veterans hospital, and the Rhodes railway station. The origin of the walkway is found in the Australia Remembers program, when the Keating government and the then Minister for Veterans' Affairs, the Hon. Con Sciacca, announced plans for the walkway in 1994 after very vigorous representations by that very respected and distinguished World War II veteran and then New South Wales state president of the RSL, Mr Rusty Priest AM.

The memorial was only possible because of the wonderful work, agitation and support of Rusty Priest, Concord Council, Concord Rotary, the Returned Services League of Australia, the New South Wales Department of Urban Affairs and Planning, and Concord hospital, who all got behind the project. The objective of building the memorial, as listed on the walkway's tremendous web site, is to provide a permanent memorial to all veterans who served in World War II, with particular

emphasis on the south-west Pacific area. It is also there to provide an educational experience on this magnificent part of our Australian heritage for current and future generations.

There are 22 stations along the walkway that reflect particular battles and events of significance relating to the New Guinea campaign. Each of the 22 stations allows an opportunity for visitors to reflect on the service and sacrifice of our Australian soldiers. Shamefully, four of these stations—namely Kokoda, Uberi, the Coast Watchers and Oivi—were attacked by vandals, damaging the granite slabs that make up each station, with a total damage bill of approximately \$16,000.

Late this afternoon I spoke with Rusty Priest, the Chairman of the Kokoda Track Memorial Walkway, who along with the director of the Kokoda Track Memorial Walkway, Ms Alice Kang, does a magnificent job in promoting the walkway and organising the many memorial services associated with it. I would like to inform all members that Rusty is working flat out to raise money to repair the damage to the stations and to raise the large amount of money—approximately \$200,000—needed to install security cameras as a deterrent to vandals.

Mr Priest has recently appeared on the Alan Jones program on radio 2GB and the Steve Price program on radio 2UE and through the generosity of listeners has already raised a significant amount of money towards this project, but there is more to be done. I want to thank Rusty for his efforts and thank Mr Jones and Mr Price for the support they have given him. Tonight I also call on the Minister for Veterans' Affairs and the government to get behind Rusty Priest and help fund part of this project. Anyone who wants to contribute to this project can contact Ms Alice Kang at veterans services at

Concord hospital in Sydney on (02) 97678488 or walkway chairman Rusty Priest on 0418288668. I am sure Rusty would be happy to take your call right now. Well done, Rusty Priest!

Drought: Assistance

Mrs HULL (Riverina) (7.54 p.m.)—Mr Speaker, may I take this opportunity to congratulate you on being elected to your extremely superb and important position in the House. Yesterday we had an announcement in my electorate of Riverina of drought support continuing for Hay, Hume and east Gundagai. The announcement is something that I embrace and welcome. We have been absolutely devastated by drought over the past few years. Many of my constituents who are farmers have had three or four crop failures in a row. This affects not only the farmers but also the small businesses and larger businesses in my community right across the Riverina. So the declaration from the Minister for Agriculture, Fisheries and Forestry, Warren Truss, that the farmers in Hay, Hume and Gundagai divisions B, D and C east of the Hume Highway are to have a 12-month extension of assistance under the Australian government's exceptional circumstances assistance program has been warmly welcomed.

We have an issue, though, in an area called the south-west slopes and plains. The minister has been advised by the National Rural Advisory Council, NRAC, that perhaps there have been improved seasonal conditions over the past 12 months and that that has removed the need to extend EC assistance for dryland producers in the south-west slopes and plains region. I disagree with NRAC's decision that EC assistance should not be extended in this area, because many parts of the south-west slopes and plains are in a desperate position at the moment. Ariah Park, Rankins Springs and other areas are

certainly in desperate need of assistance simply to enable them to exist for the next 12 months.

But I congratulate the Australian government on the money that they do put into drought assistance. The Australian government have already spent more than \$7 million on drought assistance for farmers in EC areas. The extension of assistance in my electorate yesterday recognises that these drought conditions continue in many parts of the country.

The New South Wales Rural Assistance Authority is now going around and assessing and determining how we can assist these farmers. But it is not just the dryland farmers in areas that have not had rain who are hurting and being threatened out there; the rural counselling services are deluged with calls from people in need, with cries for assistance from all over the place. Bill Thompson and the team from the north-east rural counselling service do an enormous job in and around Coolamon and Ariah Park, right across that north-east rural area of Riverina. The Murrumbidgee rural counselling service also does an extremely good job in assisting people experiencing drought.

This year for the first time we will have an EC application for irrigation for those areas of intensive irrigation in the Riverina, which is unheard of. That application is being made simply because we have not had rain in the catchments. There has been a reduction in allocations to my irrigators over the years from the New South Wales state government. We are looking to put in an EC application simply because the industry is in such dire straits. When this EC application comes forward, I appeal to the minister to look at it with compassion and I appeal to the New South Wales state government minister to ensure that he proceeds with that application.

Ministerial Reply

Mr ANDERSON (Gwydir—Minister for Transport and Regional Services) (7.59 p.m.)—Briefly, I just want to say that I completely repudiate the member for New England's allegations of improper inducements offered indirectly by Senator Macdonald and me earlier this year. I would make the first point that there was no meeting on 18 May; I was in Queensland, in Bundaberg, on the evening of the 18th. I have on three or four occasions met Mr Maguire. In total I doubt that I have spent four or five hours with him. But I want to make it very plain that, at those meetings, neither I nor Senator Macdonald gave him any indication or authorisation to suggest to the member for New England—

The SPEAKER—Order! It being 8 p.m., the debate is interrupted.

Mr Anderson—Mr Speaker, I require that the debate be extended.

The SPEAKER—The debate will continue until 8.10 p.m.

Mr ANDERSON—any indication or authorisation—any indication of any nature whatsoever that he might be offered some inducement in return for not running for the seat of New England. I cannot know what representations Mr Maguire might have made at the meeting that apparently took place on 19 May, but I can know that he had no authority whatsoever—implied, nuanced or whatever—from me or from Senator Macdonald to stand aside in return for some inducement.

I understand that the police have interviewed a number of people in regard to this matter. They have not interviewed the member of my staff who was in attendance at the meeting that Senator Macdonald and I had with Mr Maguire. They have not interviewed Senator Macdonald. They have not interviewed me. But the matter is, of course, for them to take forward if they believe that

there is a case that has to be answered by anyone.

My position is quite simple in this matter. I repudiate completely the claims. I do not engage in corrupt behaviour. So far as I am aware, at all times I have maintained what I believe to be both the law and the spirit of the law in relation to Australia's electoral matters. I think that matters. I think it is important. I think that people who know me know that I think those things are important. I said during the campaign that I would not do it. I have not done it and I would certainly not authorise anyone else to make those sorts of offers on my part. I said that during the campaign. I repeat it now. That is, so far as I am concerned, all that I intend saying on the matter.

House adjourned at 8.02 p.m.

NOTICES

The following notices were given:

Mr Anthony Smith to move:

That this House:

- (1) notes the terrible, and mostly unavoidable, consequences of death and injury occurring on Australia's roads each year;
- (2) notes the importance of Australia's car and truck drivers and motor cycle riders remembering to drive and ride safely at all times, being mindful of their passengers' safety and the safety of other road users;
- (3) notes the Australian Government's plans, as announced in May 2003, for a compulsory national program of driver education for all new provisional licence holders that aims to reduce the number of young people killed and maimed on our roads;
- (4) notes the critical need for all levels of government and the broader automotive and related industries to work cooperatively with the objective of promoting safer driving and to partially fund driver education for new, mostly young, drivers; and
- (5) recognises the successes and ongoing work of community-based organisations, including

schools, in their efforts to teach and promote safer driving and other key road safety messages.

Mr Abbott to present a bill for an act to amend the law relating to private health insurance incentives, and for other purposes. (*Private Health Insurance Incentives Amendment Bill 2004*)

Mr Anderson to present a bill for an act to establish the National Water Commission, and for related purposes. (*National Water Commission Bill 2004*)

Ms Ley to present a bill for an act to amend the law relating to social security, veterans' entitlements and family assistance, and for related purposes. (*Family and Community Services and Veterans' Affairs Legislation Amendment (2004 Election Commitments) Bill 2004*)

Ms Ley to present a bill for an act to amend the A New Tax System (Family Assistance) Act 1999, and for related purposes. (*Family Assistance Legislation Amendment (Adjustment of Certain FTB Child Rates) Bill 2004*)

Mr Abbott to move:

That, unless otherwise ordered, the following amendment to the standing orders be made:

Omit Standing order 215 and substitute the following standing order

215 General purpose standing committees

- (a) The following general purpose standing committees shall be appointed:
 - (i) Standing Committee on Aboriginal and Torres Strait Islander Affairs;
 - (ii) Standing Committee on Health and Ageing;
 - (iii) Standing Committee on Agriculture, Fisheries and Forestry;
 - (iv) Standing Committee on Communications, Information Technology and the Arts;
 - (v) Standing Committee on Economics, Finance and Public Administration;

- (vi) Standing Committee on Education and Vocational Training;
 - (vii) Standing Committee on Employment, Workplace Relations and Workforce Participation;
 - (viii) Standing Committee on Environment and Heritage;
 - (ix) Standing Committee on Family and Human Services;
 - (x) Standing Committee on Industry and Resources;
 - (xi) Standing Committee on Legal and Constitutional Affairs;
 - (xii) Standing Committee on Science and Innovation; and
 - (xiii) Standing Committee on Transport and Regional Services.
- (b) A committee appointed under paragraph (a) may inquire into and report on any matter referred to it by either the House or a Minister, including any pre-legislation proposal, bill, motion, petition, vote or expenditure, other financial matter, report or paper.
- (c) A committee may make any inquiry it wishes to make into annual reports of government departments and authorities and reports of the Auditor-General tabled in the House. The following qualifications shall apply to these inquiries:
- (i) Reports shall stand referred to committees under a schedule tabled by the Speaker to record the areas of responsibility of each committee.
 - (ii) The Speaker shall determine any question about responsibility for a report or part of a report.
 - (iii) The period during which an inquiry into an annual report may be started by a committee shall end on the day the next annual report of the department or authority is presented to the House.
 - (iv) If a committee intends to inquire into all or part of a report of the Auditor-General, the committee must notify the Joint Committee of Public Accounts and Audit of its intention, in writing.
- (d) Each committee appointed under paragraph (a) shall consist of 10 members: six government and four non-government Members. Each committee may supplement its membership by up to two members for a particular inquiry, with a maximum of one extra government and one extra non-government Member.

Mr Abbott to move:

- (1) That in accordance with section 54 of the *Australian Crime Commission Act 2002*, matters relating to the powers and proceedings of the Parliamentary Joint Committee on the Australian Crime Commission shall be as follows:
- (a) That the committee consist of 10 members, 3 Members of the House of Representatives to be nominated by the Government Whip or Whips, 2 Members of the House of Representatives to be nominated by the Opposition Whip or Whips or by any independent Member, 2 Senators to be nominated by the Leader of the Government in the Senate, 2 Senators to be nominated by the Leader of the Opposition in the Senate and 1 Senator to be nominated by any minority group or groups or independent Senator or independent Senators.
 - (b) That every nomination of a member of the committee be forthwith notified in writing to the President of the Senate and the Speaker of the House of Representatives.
 - (c) That the committee elect a Government member as its chair.
 - (d) That the committee elect a deputy chair who shall act as chair of the committee at any time when the chair is not present at a meeting of the committee, and at any time when the chair and deputy chair are not present at a meeting of the committee the members present shall elect another member to act as chair at that meeting.
 - (e) That, in the event of an equality of voting, the chair, or the deputy chair when acting as chair, have a casting vote.

- (f) That 3 members of the committee constitute a quorum of the committee, provided that in a deliberative meeting the quorum shall include 1 Government member of either House and 1 non-Government member of either House.
- (g) That the committee have power to appoint subcommittees consisting of 3 or more of its members and to refer to any subcommittee any matter which the committee is empowered to examine.
- (h) That the committee appoint the chair of each subcommittee who shall have a casting vote only and at any time when the chair of a subcommittee is not present at a meeting of the subcommittee the members of the subcommittee present shall elect another member of that subcommittee to act as chair at that meeting.
- (i) That the quorum of a subcommittee be 2 members of that subcommittee, provided that in a deliberative meeting the quorum shall comprise 1 Government member of either House and 1 non-Government member of either House.
- (j) That members of the committee who are not members of a subcommittee may participate in the proceedings of that subcommittee but shall not vote, move any motion or be counted for the purpose of a quorum.
- (k) That the committee or any subcommittee have power to call for witnesses to attend and for documents to be produced.
- (l) That the committee or any subcommittee may conduct proceedings in any place it sees fit.
- (m) That a subcommittee have power to adjourn from time to time and to sit during any adjournment of the Senate and the House of Representatives.
- (n) That the committee may report from time to time.
- (o) That the committee or any subcommittee have power to consider and make use of the evidence and records of the Joint Committees on the National Crime Authority and the Australian Crime Commission appointed during previous Parliaments.
- (p) That, in carrying out its duties, the committee or any subcommittee, ensure that the operational methods and results of investigations of law enforcement agencies, as far as possible, be protected from disclosure where that would be against the public interest.
- (q) That the foregoing provisions of this resolution, so far as they are inconsistent with the standing orders, have effect notwithstanding anything contained in the standing orders.
- (2) That a message be sent to the Senate acquainting it of this resolution and requesting that it concur and take action accordingly.

Mr Abbott to move:

- (1) That, in accordance with section 242 of the *Australian Securities and Investments Commission Act 2001*, matters relating to the powers and proceedings of the Parliamentary Joint Committee on Corporations and Financial Services shall be as follows:
- (a) That the committee consist of 10 members, 3 Members of the House of Representatives to be nominated by the Government Whip or Whips, 2 Members of the House of Representatives to be nominated by the Opposition Whip or Whips or by any independent Member, 2 Senators to be nominated by the Leader of the Government in the Senate, 2 Senators to be nominated by the Leader of the Opposition in the Senate and 1 Senator to be nominated by any minority groups or independent Senators.
- (b) That every nomination of a member of the committee be forthwith notified in writing to the President of the Senate and the Speaker of the House of Representatives.
- (c) That the committee elect a member nominated by the Government Whips or the Leader of the Government in the Senate as its chair.

- (d) That the committee elect a deputy chair who shall act as chair of the committee at any time when the chair is not present at a meeting of the committee, and at any time when the chair and deputy chair are not present at a meeting of the committee the members present shall elect another member to act as chair at that meeting.
- (e) That, in the event of the votes on a question before the committee being equally divided, the chair, or the deputy chair when acting as chair, have a casting vote.
- (f) That 3 members of the committee constitute a quorum of the committee, provided that in a deliberative meeting the quorum shall include 1 Government member of either House and 1 non-Government member of either House.
- (g) That the committee have power to appoint subcommittees consisting of 3 or more of its members and to refer to any subcommittee any matter which the committee is empowered to examine.
- (h) That the committee appoint the chair of each subcommittee who shall have a casting vote only, and at any time when the chair of a subcommittee is not present at a meeting of a subcommittee the members of the subcommittee present shall elect another member of that subcommittee to act as chair at that meeting.
- (i) That the quorum of a subcommittee be 2 members of that subcommittee, provided that in a deliberative meeting the quorum shall comprise 1 Government member of either House and 1 non-Government member of either House.
- (j) That members of the committee who are not members of a subcommittee may participate in the proceedings of that subcommittee but shall not vote, move any motion or be counted for the purpose of a quorum.
- (k) That the committee or any subcommittee have power to call for witnesses to attend and for documents to be produced.
- (l) That the committee or any subcommittee may conduct proceedings at any place it sees fit.
- (m) That a subcommittee have power to adjourn from time to time and to sit during any adjournment of the Senate and the House of Representatives.
- (n) That the committee may report from time to time.
- (o) That the committee have power to consider and make use of the evidence and records of the Joint Committees on Corporations and Financial Services and Corporations and Securities appointed during previous Parliaments.
- (p) That the foregoing provisions of this resolution, so far as they are inconsistent with the standing orders, have effect notwithstanding anything contained in the standing orders.
- (2) That a message be sent to the Senate acquainting it of this resolution and requesting that it concur and take action accordingly.

Mr Abbott to move:

- (1) That a Joint Standing Committee on Electoral Matters be appointed to inquire into and report on such matters relating to electoral laws and practices and their administration as may be referred to it by either House of the Parliament or a Minister.
- (2) Annual reports of government departments and authorities tabled in the House shall stand referred to the committee for any inquiry the committee may wish to make. Reports shall stand referred to the committee in accordance with a schedule tabled by the Speaker to record the areas of responsibility of each committee, provided that:
- (a) any question concerning responsibility for a report or a part of a report shall be determined by the Speaker; and
- (b) the period during which an inquiry concerning an annual report may be commenced by a committee shall end on the day on which the next annual report of that Department or authority is presented to the House.

- (3) That the committee consist of 10 members, 3 Members of the House of Representatives to be nominated by the Government Whip or Whips, 2 Members of the House of Representatives to be nominated by the Opposition Whip or Whips or by any independent Member, 2 Senators to be nominated by the Leader of the Government in the Senate, 2 Senators to be nominated by the Leader of the Opposition in the Senate and 1 Senator to be nominated by any minority group or groups or independent Senator or independent Senators.
- (4) That every nomination of a member of the committee be forthwith notified in writing to the President of the Senate and the Speaker of the House of Representatives.
- (5) That the members of the committee hold office as a joint standing committee until the House of Representatives is dissolved or expires by effluxion of time.
- (6) That the committee elect a Government member as its chair.
- (7) That the committee elect a deputy chair who shall act as chair of the committee at any time when the chair is not present at a meeting of the committee, and at any time when the chair and deputy chair are not present at a meeting of the committee the members present shall elect another member to act as chair at that meeting.
- (8) That, in the event of an equality of voting, the chair, or the deputy chair when acting as chair, have a casting vote.
- (9) That 3 members of the committee constitute a quorum of the committee, provided that in a deliberative meeting the quorum shall include 1 Government member of either House and 1 non-Government member of either House.
- (10) That the committee have power to appoint subcommittees consisting of 3 or more of its members and to refer to any subcommittee any matter which the committee is empowered to examine.
- (11) That the committee appoint the chair of each subcommittee who shall have a casting vote only and at any time when the chair of a subcommittee is not present at a meeting of the subcommittee the members of the subcommittee present shall elect another member of that subcommittee to act as chair at that meeting.
- (12) That the quorum of a subcommittee be 2 members of that subcommittee, provided that in a deliberative meeting the quorum shall comprise 1 Government member of either House and 1 non-Government member of either House.
- (13) That members of the committee who are not members of a subcommittee may participate in the proceedings of that subcommittee but shall not vote, move any motion or be counted for the purpose of a quorum.
- (14) That the committee or any subcommittee have power to call for witnesses to attend and for documents to be produced.
- (15) That the committee or any subcommittee may conduct proceedings in any place it sees fit.
- (16) That a subcommittee have power to adjourn from time to time and to sit during any adjournment of the Senate and the House of Representatives.
- (17) That the committee may report from time to time.
- (18) That the committee or any subcommittee have power to consider and make use of:
- (a) submissions lodged with the Clerk of the Senate in response to public advertisements placed in accordance with the resolution of the Senate of 26 November 1981 relating to a proposed Joint Select Committee on the Electoral System, and
 - (b) the evidence and records of the Joint Committees on Electoral Reform and Electoral Matters appointed during previous Parliaments.
- (19) That the foregoing provisions of this resolution, so far as they are inconsistent with the standing orders, have effect notwithstanding anything contained in the standing orders.
- (20) That a message be sent to the Senate acquainting it of this resolution and requesting that it concur and take action accordingly.

Mr Abbott to move:

- (1) (a) That a Joint Standing Committee on Foreign Affairs, Defence and Trade be appointed to consider and report on such matters relating to foreign affairs, defence and trade as may be referred to it by:
 - (i) either House of the Parliament;
 - (ii) the Minister for Foreign Affairs;
 - (iii) the Minister for Defence; or
 - (iv) the Minister for Trade.
- (b) Annual reports of government departments and authorities tabled in the House shall stand referred to the committee for any inquiry the committee may wish to make. Reports shall stand referred to the committee in accordance with a schedule tabled by the Speaker to record the areas of responsibility of each committee, provided that:
 - (i) any question concerning responsibility for a report or a part of a report shall be determined by the Speaker; and
 - (ii) the period during which an inquiry concerning an annual report may be commenced by a committee shall end on the day on which the next annual report of that Department or authority is presented to the House.
- (2) That the committee consist of 32 members, 12 Members of the House of Representatives to be nominated by the Government Whip or Whips, 8 Members of the House of Representatives to be nominated by the Opposition Whip or Whips or by any independent Member, 5 Senators to be nominated by the Leader of the Government in the Senate, 5 Senators to be nominated by the Leader of the Opposition in the Senate and 2 Senators to be nominated by any minority group or groups or independent Senator or independent Senators.
- (3) That every nomination of a member of the committee be forthwith notified in writing to the President of the Senate and the Speaker of the House of Representatives.
- (4) That the members of the committee hold office as a joint committee until the House of Representatives is dissolved or expires by effluxion of time.
- (5) That the committee elect a Government member as its chair.
- (6) That the committee elect a deputy chair who shall act as chair of the committee at any time when the chair is not present at a meeting of the committee and at any time when the chair and deputy chair are not present at a meeting of the committee the members present shall elect another member to act as chair at that meeting.
- (7) That in the event of an equality of voting, the chair, or the deputy chair when acting as chair, have a casting vote.
- (8) That 6 members of the committee constitute a quorum of the committee, provided that in a deliberative meeting the quorum shall include 1 Government member of either House and 1 non-Government member of either House.
- (9) That the committee have power to appoint subcommittees consisting of 3 or more of its members and to refer to any subcommittee any matter which the committee is empowered to examine.
- (10) That, in addition to the members appointed pursuant to paragraph (9), the chair and deputy chair of the committee be *ex officio* members of each subcommittee appointed.
- (11) That the committee appoint the chair of each subcommittee who shall have a casting vote only, and at any time when the chair of a subcommittee is not present at a meeting of the subcommittee the members of the subcommittee present shall elect another member of that subcommittee to act as chair at that meeting.
- (12) That the quorum of a subcommittee be 2 members of that subcommittee, provided that in a deliberative meeting the quorum shall comprise 1 Government member of either House and 1 non-Government member of either House.

- (13) That members of the committee who are not members of a subcommittee may participate in the proceedings of that subcommittee but shall not vote, move any motion or be counted for the purpose of a quorum.
- (14) That the committee or any subcommittee have power to call for witnesses to attend and for documents to be produced.
- (15) That the committee or any subcommittee may conduct proceedings at any place it sees fit.
- (16) That a subcommittee have power to adjourn from time to time and to sit during any adjournment of the Senate and the House of Representatives.
- (17) That the committee may report from time to time.
- (18) That the committee or any subcommittee have power to consider and make use of the evidence and records of the Joint Committees on Foreign Affairs and Defence and Foreign Affairs, Defence and Trade appointed during previous Parliaments.
- (19) That the foregoing provisions of this resolution, so far as they are inconsistent with the standing orders, have effect notwithstanding anything contained in the standing orders.
- (20) That a message be sent to the Senate acquainting it of this resolution and requesting that it concur and take action accordingly.

Mr Abbott to move:

- (1) (a) That a Joint Standing Committee on Migration be appointed to inquire into and report upon:
 - (i) regulations made or proposed to be made under the *Migration Act 1958*;
 - (ii) proposed changes to the *Migration Act 1958* and any related acts; and
 - (iii) such other matters relating to migration as may be referred to it by the Minister for Immigration and Multicultural and Indigenous Affairs.
- (b) Annual reports of government departments and authorities tabled in the House shall stand referred to the committee for any inquiry the committee may wish to make. Reports shall stand referred to the committee in accordance with a schedule tabled by the Speaker to record the areas of responsibility of each committee, provided that:
 - (i) any question concerning responsibility for a report or a part of a report shall be determined by the Speaker; and
 - (ii) the period during which an inquiry concerning an annual report may be commenced by a committee shall end on the day on which the next annual report of that Department or authority is presented to the House.
- (2) That the committee consist of 10 members, 3 Members of the House of Representatives to be nominated by the Government Whip or Whips, 3 Members of the House of Representatives to be nominated by the Opposition Whip or Whips or by any independent Member, 2 Senators to be nominated by the Leader of the Government in the Senate, 1 Senator to be nominated by the Leader of the Opposition in the Senate and 1 Senator to be nominated by any minority group or groups or independent Senator or independent Senators.
- (3) That every nomination of a member of the committee be forthwith notified in writing to the President of the Senate and the Speaker of the House of Representatives.
- (4) That the members of the committee hold office as a joint standing committee until the House of Representatives is dissolved or expires by effluxion of time.
- (5) That the committee elect a Government member as its chair.
- (6) That the committee elect a deputy chair who shall act as chair of the committee at any time when the chair is not present at a meeting of the committee, and at any time when the chair and deputy chair are not present at a meeting of the committee the members pre-

- sent shall elect another member to act as chair at that meeting.
- (7) That, in the event of an equality of voting, the chair, or the deputy chair when acting as chair, have a casting vote.
- (8) That 3 members of the committee constitute a quorum of the committee, provided that in a deliberative meeting the quorum shall include 1 Government member of either House and 1 non-Government member of either House.
- (9) That the committee have power to appoint subcommittees consisting of 3 or more of its members and to refer to any subcommittee any matter which the committee is empowered to examine.
- (10) That the committee appoint the chair of each subcommittee who shall have a casting vote only and at any time when the chair of a subcommittee is not present at a meeting of the subcommittee the members of the subcommittee present shall elect another member of that subcommittee to act as chair at that meeting.
- (11) That the quorum of a subcommittee be 2 members of that subcommittee, provided that in a deliberative meeting the quorum shall comprise 1 Government member of either House and 1 non-Government member of either House.
- (12) That members of the committee who are not members of a subcommittee may participate in the public proceedings of that subcommittee but shall not vote, move any motion or be counted for the purpose of a quorum.
- (13) That the committee or any subcommittee have power to call for witnesses to attend and for documents to be produced.
- (14) That the committee or any subcommittee may conduct proceedings at any place it sees fit.
- (15) That the committee may report from time to time.
- (16) That the committee or any subcommittee have power to consider and make use of the evidence and records of the Joint Committees on Migration Regulations and the Joint Standing Committees on Migration appointed in previous Parliaments.
- (17) That the foregoing provisions of this resolution, so far as they are inconsistent with the standing orders, have effect notwithstanding anything contained in the standing orders.
- (18) That a message be sent to the Senate acquainting it of this resolution and requesting that it concur and take action accordingly
- Mr Abbott to move:**
- (1) That a Joint Standing Committee on the National Capital and External Territories be appointed to inquire into and report on:
- (a) matters coming within the terms of section 5 of the *Parliament Act 1974* as may be referred to it by:
 - (i) either House of the Parliament; or
 - (ii) the Minister responsible for administering the *Parliament Act 1974*; or
 - (iii) the President of the Senate and the Speaker of the House of Representatives;
 - (b) such other matters relating to the parliamentary zone as may be referred to it by the President of the Senate and the Speaker of the House of Representatives;
 - (c) such amendments to the National Capital Plan as are referred to it by a Minister responsible for administering the *Australian Capital Territory (Planning and Land Management) Act 1988*;
 - (d) such other matters relating to the National Capital as may be referred to it by:
 - (i) either House of the Parliament; or
 - (ii) the Minister responsible for administering the *Australian Capital Territory (Self-Government) Act 1988*; and
 - (e) such matters relating to Australia's territories as may be referred to it by:
 - (i) either House of the Parliament; or
 - (ii) the Minister responsible for the administration of the Territory of Cocos (Keeling) Islands; the Terri-

- tory of Christmas Island; the Coral Sea Islands Territory; the Territory of Ashmore and Cartier Islands; the Australian Antarctic Territory, and the Territory of Heard Island and McDonald Islands, and of Commonwealth responsibilities on Norfolk Island.
- (2) Annual reports of government departments and authorities tabled in the House shall stand referred to the committee for any inquiry the committee may wish to make. Reports shall stand referred to the committee in accordance with a schedule tabled by the Speaker to record the areas of responsibility of each committee, provided that:
 - (a) any question concerning responsibility for a report or a part of a report shall be determined by the Speaker; and
 - (b) the period during which an inquiry concerning an annual report may be commenced by a committee shall end on the day on which the next annual report of that Department or authority is presented to the House.
 - (3) That the committee consist of 12 members, the Deputy Speaker, 3 Members of the House of Representatives to be nominated by the Government Whip or Whips, 2 Members of the House of Representatives to be nominated by the Opposition Whip or Whips or by any independent Member, the Deputy President and Chairman of Committees, 2 Senators to be nominated by the Leader of the Government in the Senate, 2 Senators to be nominated by the Leader of the Opposition in the Senate and 1 Senator to be nominated by any minority group or groups or independent Senator or independent Senators.
 - (4) That every nomination of a member of the committee be forthwith notified in writing to the Speaker of the House of Representatives and the President of the Senate.
 - (5) That the members of the committee hold office as a joint standing committee until the House of Representatives is dissolved or expires by effluxion of time.
 - (6) That the committee elect a Government member as its chair.
 - (7) That the committee elect a deputy chair who shall act as chair of the committee at any time when the chair is not present at a meeting of the committee, and at any time when the chair and deputy chair are not present at a meeting of the committee the members present shall elect another member to act as chair at that meeting.
 - (8) That, in the event of an equality of voting, the chair or the deputy chair when acting as chair, have a casting vote.
 - (9) That 3 members of the committee (of whom one is the Deputy President or the Deputy Speaker when matters affecting the parliamentary zone are under consideration) constitute a quorum of the committee, provided that in a deliberative meeting the quorum shall include 1 Government member of either House and 1 non-Government member of either House.
 - (10) That the committee have power to appoint subcommittees consisting of 3 or more of its members and to refer to any subcommittee any matter which the committee is empowered to examine.
 - (11) That the committee appoint the chair of each subcommittee who shall have a casting vote only and at any time when the chair of a subcommittee is not present at a meeting of the subcommittee the members of the subcommittee present shall elect another member of that subcommittee to act as chair at that meeting.
 - (12) That the quorum of a subcommittee be 2 members of that subcommittee, provided that in a deliberative meeting the quorum shall comprise 1 Government member of either House and 1 non-Government member of either House.
 - (13) That members of the committee who are not members of a subcommittee may participate in the public proceedings of that subcommittee but shall not vote, move any motion or be counted for the purpose of a quorum.

- (14) That the committee or any subcommittee have power to call for witnesses to attend and for documents to be produced.
- (15) That the committee or any subcommittee may conduct proceedings at any place it sees fit.
- (16) That a subcommittee have power to adjourn from time to time and to sit during any adjournment of the Senate and the House of Representatives.
- (17) That the committee may report from time to time.
- (18) That the committee or any subcommittee have power to consider and make use of the evidence and records of the Joint Standing Committees on the National Capital and External Territories, the Joint Committees on the Australian Capital Territory, the Joint Standing Committees on the New Parliament House, the Joint Standing Committee on the Parliamentary Zone and the Joint Committee on the National Capital appointed during previous Parliaments and of the House of Representatives and Senate Standing Committees on Transport, Communications and Infrastructure when sitting as a joint committee on matters relating to the Australian Capital Territory.
- (19) That the foregoing provisions of this resolution, so far as they are inconsistent with the standing orders, have effect notwithstanding anything contained in the standing orders.
- (20) That a message be sent to the Senate acquainting it of this resolution and requesting that it concur and take action accordingly.
- Mr Abbott** to move:
- (1) That, in accordance with section 205 of the *Native Title Act 1993*, matters relating to the powers and proceedings of the Parliamentary Joint Committee on Native Title and the Aboriginal and Torres Strait Islander Land Fund shall be as follows:
- (a) That the committee consist of 10 members, 3 Members of the House of Representatives to be nominated by the Government Whip or Whips, 2 Members of the House of Representatives to be nominated by the Opposition Whip or Whips or by any independent Member, 2 Senators to be nominated by the Leader of the Government in the Senate, 2 Senators to be nominated by the Leader of the Opposition in the Senate and 1 Senator to be nominated by any minority groups or independent Senators.
- (b) That every nomination of a member of the committee be forthwith notified in writing to the President of the Senate and the Speaker of the House of Representatives.
- (c) That the committee elect a Government member as its chair.
- (d) That the committee elect a deputy chair who shall act as chair of the committee at any time when the chair is not present at a meeting of the committee, and at any time when the chair and deputy chair are not present at a meeting of the committee the members present shall elect another member to act as chair at that meeting.
- (e) That, in the event of the votes on a question before the committee being equally divided, the chair, or the deputy chair when acting as chair, have a casting vote.
- (f) That 3 members of the committee constitute a quorum of the committee, provided that in a deliberative meeting the quorum shall include 1 Government member of either House and 1 non-Government member of either House.
- (g) That the committee have power to appoint subcommittees consisting of 3 or more of its members and to refer to any subcommittee any matter which the committee is empowered to examine.
- (h) That the committee appoint the chair of each subcommittee who shall have a casting vote only, and at any time when the chair of a subcommittee is not present at a meeting of a subcommittee the members of the subcommittee present shall elect another member of that subcommittee to act as chair at that meeting.

- (i) That the quorum of a subcommittee be 2 members of that subcommittee, provided that in a deliberative meeting the quorum shall comprise 1 Government member of either House and 1 non-Government member of either House.
- (j) That members of the committee who are not members of a subcommittee may participate in the proceedings of that subcommittee but shall not vote, move any motion or be counted for the purpose of a quorum.
- (k) That the committee or any subcommittee have power to call for witnesses to attend and for documents to be produced.
- (l) That the committee have power to examine and report on such annual and related reports as may be referred to it by the President of the Senate or the Speaker of the House of Representatives.
- (m) That the committee or any subcommittee may conduct proceedings at any place it sees fit.
- (n) That a subcommittee have power to adjourn from time to time and to sit during any adjournment of the Senate and the House of Representatives.
- (o) That the committee may report from time to time.
- (p) That the foregoing provisions of this resolution, so far as they are inconsistent with the standing orders, have effect notwithstanding anything contained in the standing orders.
- (2) That a message be sent to the Senate acquainting it of this resolution and requesting that it concur and take action accordingly.
- Mr Abbott** to move:
- (1) That a Joint Standing Committee on Treaties be appointed to inquire into and report upon:
- (a) matters arising from treaties and related National Interest Analyses and proposed treaty actions presented or deemed to be presented to the Parliament;
- (b) any question relating to a treaty or other international instrument, whether or not negotiated to completion, referred to the committee by:
- (i) either House of the Parliament, or
- (ii) a Minister; and
- (c) such other matters as may be referred to the committee by the Minister for Foreign Affairs and on such conditions as the Minister may prescribe.
- (2) That the committee consist of 16 members, 6 Members of the House of Representatives to be nominated by the Government Whip or Whips, 3 Members of the House of Representatives to be nominated by the Opposition Whip or Whips or by any independent Member, 3 Senators to be nominated by the Leader of the Government in the Senate, 3 Senators to be nominated by the Leader of the Opposition in the Senate and 1 Senator to be nominated by any minority group or groups or independent Senator or independent Senators.
- (3) That every nomination of a member of the committee be forthwith notified in writing to the President of the Senate and the Speaker of the House of Representatives.
- (4) That the members of the committee hold office as a joint committee until the House of Representatives is dissolved or expires by effluxion of time.
- (5) That the committee elect a Government member as its chair.
- (6) That the committee elect a non-Government member as its deputy chair to act as chair of the committee at any time when the chair is not present at a meeting of the committee and at any time when the chair and deputy chair are not present at a meeting of the committee the members present shall elect another member to act as chair at that meeting.
- (7) That in the event of an equality of voting, the chair, or the deputy chair when acting as chair, have a casting vote.
- (8) That 3 members of the committee constitute a quorum of the committee, provided that in a deliberative meeting the quorum shall include 1 Government member of either House

- and 1 non-Government member of either House.
- (9) That the committee have power to appoint not more than 3 subcommittees each consisting of 3 or more of its members, and to refer to any subcommittee any matter which the committee is empowered to examine.
- (10) That, in addition to the members appointed pursuant to paragraph (9), the chair and deputy chair of the committee be ex officio members of each subcommittee appointed.
- (11) That the committee appoint the chair of each subcommittee who shall have a casting vote only, and at any time when the chair of a subcommittee is not present at a meeting of the subcommittee the members of the subcommittee present shall elect another member of that subcommittee to act as chair at that meeting.
- (12) That the quorum of a subcommittee be 2 members of that subcommittee, provided that in a deliberative meeting the quorum shall include 1 Government member of either House and 1 non-Government member of either House.
- (13) That members of the committee who are not members of a subcommittee may participate in the proceedings of that subcommittee but shall not vote, move any motion or be counted for the purpose of a quorum.
- (14) That the committee or any subcommittee have power to call for witnesses to attend and for documents to be produced.
- (15) That the committee or any subcommittee may conduct proceedings at any place it sees fit.
- (16) That a subcommittee have power to adjourn from time to time and to sit during any adjournment of the Senate and the House of Representatives.
- (17) That the committee may report from time to time.
- (18) That the committee have power to consider and make use of the evidence and records of the Joint Standing Committees on Treaties appointed during previous Parliaments.
- (19) That the foregoing provisions of this resolution, so far as they are inconsistent with the standing orders, have effect notwithstanding anything contained in the standing orders.
- (20) That a message be sent to the Senate acquainting it of this resolution and requesting that it concur and take action accordingly.
-