

LETTER FROM CANBERRA

Saving you time for eight years.

Another Media Month Edition



IN THIS ISSUE:

**Bronwyn flies off ♦ Westacott: Get on with it
Others also say: Get on with it. ♦ Where will our subs come from
Competition for small business*** ♦ Political fund-raising will change
Socialism removed from Party Platform ♦ The White Paper on Northern Development
shorten at Royal Commission ♦ Perhaps more to come ♦ China trade agreement not popular everywhere
New Energy ♦ Coal attacks ALP ♦ Ferguson stays ♦ Lomborg View
Chinese coal mine ♦ Terror Preoccupation Hampers Crime Fight**

Contact Us

Affairs of State

14 Collins Street
Melbourne, 3000
Victoria, Australia
P 03 9654 1300
F 03 9654 1165

info@affairs.com.au
www.affairs.com.au

Letter From Canberra is a monthly public affairs bulletin, a simple précis, distilling and interpreting public policy and government decisions, which affect business opportunities in Victoria and Australia.

Written for the regular traveller, or people with meeting-filled days, it's more about business opportunities than politics.

Letter from Canberra is independent. It's not party political or any other political. It does not have the imprimatur of government at any level.

The only communication tool of its type, Letter from Canberra keeps subscribers abreast of recent developments in the policy arena on a local, state and federal level.

Published by A.B Urquhart & Company Pty Ltd trading as Affairs of State.

Disclaimer: Material in this publication is general comment and not intended as advice on any particular matter. Professional advice should be sought before action is taken.

Material is compiled from various sources including newspaper articles, press releases, government publications, Hansard, trade journals, etc.

Copyright: This newsletter is copyright. No part may be reproduced, stored in or introduced into a retrieval system, or transmitted, in any form or by any means (electronic, mechanical, photocopying, recording or otherwise), without the prior written permission from the publisher.

Affairs of State respects your privacy. While we do believe that the information contained in Letter from Canberra will be useful to you, please advise us if you do not wish to receive any further communications from us.

Edited words in this edition: 19,341

Staff

Editor
Alistair Urquhart
alistair@affairs.com.au

Sub Editor (since Edition 199)
Josh Davis
jdav23@studet.monash.edu

Design
Cory Zanoni
coryzanoni@gmail.com
This issue designed by Mab Rahman

Copy Editor
Robert Stove
stoverbertjames@yahoo.com

Subscriptions & advertising
Katie Rigg
katie@affairs.com.au

Letter from Canberra

A monthly digest of news from around Australia.
Saving you time; now in its eighth year.

Contents

3	Editorial	14	Justice
3	Governance	15	Health
6	Party Happenings	16	Media, Communication
8	Business, Economy, Manufacturing, Finance	16	Transport
10	Trade	17	Foreign Affairs
11	Industrial Relations and Employment	18	Defence
12	Indigenous Affairs	18	Immigration
12	Mining	19	Education
13	Environment	19	Sports, Arts
14	Agriculture, Cattle, Water	19	Society

About the editor

Alistair Urquhart, BA LLB

Alistair Urquhart graduated from the Australian National University in Canberra, in Law, History and Politics. He may even hold the record for miles rowed on Lake Burley Griffin.

He was admitted as a barrister and solicitor to the Supreme Court of Victoria, and remains a (non-practicing) member of the Law Institute of Victoria. Previously, he graduated from high school in Bethesda, Maryland, and had many opportunities to become aware of the workings of Washington D.C.

For 30 years, he listened every Sunday evening to the late Alistair Cooke and his *Letter from America*. Alistair's early career was mostly in the coal industry, where he became involved with energy, environmental and water issues, and later in the SME finance sector.

He found time to be involved in a range of community activities where he came

to understand some of the practical aspects of dealing with government and meeting people across the political spectrum. He now chairs a large disability employment service, including its British operations.

About the publisher

Affairs of State

Established in 1993, is an independent Australian public affairs firm with contemporary international connections. Affairs of State provides a matrix of professional tools to multinational businesses, professional and industry associations, government agencies, pressure groups, NGOs and community causes in Australia and abroad.

The firm works with many engineering and information technology firms and other professional association and industry groups on a wide range of issues in Victoria, Canberra and overseas.

The firm provides the following to clients:

- Two monthly publications
- Events at our offices and elsewhere
- Charts and specialist directories
- Facilitation with business and legal skills
- Training courses
- Mentoring of senior executives



The editor with his American mother and sister.
Arizona, USA

Now Out

The Affairs of State parliamentary charts for the 2015 Federal and Victorian governments are now available for sale.

Never be at a loss for a name or department again!

Our coffee chart – your guide to the best coffee shops on and around Spring St, Melbourne – will also soon be available.

Contact alistair@affairs.com.au for more information.

EDITORIAL**It's all becoming clearer at the moment**

The National Conference of the Australian Labor Party brought to clear focus, substantially but not totally clearly, the debate in which the Australian public could share, on some very important issues. A conscience vote, well almost, in the parliament on gay marriage, changes to the structure of the union and Australian Labor Party relationship, internal Party reform, and financial aspects of funding political parties and organizations. Stopping the Boats was also almost quite clear as to what it means, as it was discussed on the Conference floor and in coffee places nearby and in the media.

Great to have such transparent thinking and decision-making in front of the Australian people. Well done to most those involved.

There is no doubt that Bronwyn has stolen the Headlines in these past few weeks. And shortened Shorten's odds a little. But for how long... There are other issues. All parliamentarians, as a Team have, over the past twenty years or so, done a rotten job in making more transparent 'entitlements' as modern transport and new methods of entertainment have come along. Gosh. In the Good Old Days, the most that you might do with a politician is take him to a football match. *Letter from Canberra* still has its updated footy chart, alistair@affairs.com.au

The helicopter ride has brought out other 'careless' use of tax-payers money by parliamentarians. and made even more people feel sceptical and worse about our current political system. FUNDING REFORM is on the way. Hopefully, outside of the Parliamentary complex as well as inside.

The 'Politician's Wife' is a three part mini-series about a husband and wife who continue to share the same bed, seriously, yet compete for a position in the British Cabinet. At one moment, a wise old owl suggests that if only all the personal infighting could be swapped for sensible ways of developing business and health and infrastructure, Britain would be a better place. *The Age's* foreign news editor says that 'While totalitarian regimes wield increasing power, liberal demo(n)cracies are failing to deliver compelling messages of progress.

The Cover. Whilst in Washington recently at his high school graduation, the Editor had been told by the Hon. Tim Fischer that he had to visit the home of political lobbying...Even though your Editor reckons that one of his worse days was when he was introduced by a friend in the street by way of an introduction, 'He is a great bloke but he is a f...ing lobbyist'. (Please be assured that the Editor does much more than Lobbying.) The Willard InterContinental. **Washington** is a historic

luxury Beaux-Arts **hotel**. The hotel promotes that this Lobby is the origin of the term **lobbying!**

GOVERNANCE**No Early Poll Yet**

Prime Minister Abbott recently played down reports in the media, speculating on an early election, as 'hyperventilating.' This was mentioned in the Herald Sun, along with the fact that the ALP is threatening to block two bills setting up a commission to deal with union misconduct and restoring the **Australian Building and Construction Commission**. The Prime Minister did, nevertheless, leave open the possibility of using the bills as a trigger for a double-dissolution election, but he said he would prefer not to close down Parliament when it was just 'starting to work.'

A similar paragraph

The federal government plans to give itself the option of calling a double dissolution election based on trade corruption when parliament resumes in mid-August. Banking on its **Royal Commission into Trade Union Governance and Corruption** inflicting reputational damage on **Opposition leader Shorten**, the government will use the resumption of Parliament to put two bills back before the Senate that seek to curb union excess.

According to the *Financial Review*, the bills would restore the powers of the **Australian Building and Construction Commission**, which were diluted by the previous Government, and subject corrupt officials of unions and employer's groups to the same penalties that apply to corrupt business executives.

Necessary Controversy

Declaring Australia 'overly complacent' and warning that his remarks could cause trouble, **John Fraser**, the head of the Treasury, has called for a fresh wave of industrial relations reform, for spending cuts deep enough to slash income tax, and for land tax as a replacement for stamp duty. Commemorating six months in the job by speaking to the **Australian Conference of Economists** in Brisbane, he was quoted in *The Age* as having said that neither China nor Greece posed a significant threat to Australia's outlook.

Flagging Patriotic Spends

Some 90 Liberal and National MPs spent almost \$330,000 over the last six months on flags, compared with \$130,000 from Labor politicians. Together, federal politicians spent close to \$502,000 on giving out flags, according to parliamentary filings. The *Financial Review* reported that until this financial year, politicians were entitled to give out an unlimited number of large flags to eligible organisations such as schools and RSL branches. They could also give up to 50 large

flags to private individuals and up to \$900 worth of desktop and hand-waver flags.

Since July 1, politicians have had a 'single office budget' of about \$98,000 for senators and \$130,000 for lower house MPs, which combines entitlements for publications, stationery, printing, software and flags. The office of **John Alexander** – former tennis star and now MP for Bennelong, John Howard's old electorate – said that he used the flag budget for a number of Rotary clubs which sponsor students' travel overseas, nursing homes, RSLs and all sorts of community groups. Bob Katter said he was 'utterly ashamed' he did not top the list.

Bandanna Man

Peter Fitzsimons, journalist and biographer with the best-known red bandanna in Australian public life these days, has been appointed chairman of the **Australian Republican Movement**. This announcement came in a Financial Review report which also mentioned the fact that **Malcolm Turnbull**, formerly of the ARM himself, has reiterated his support for republicanism but has issued the caveat that republicans might need to wait till a change of monarch occurs in order to achieve success.

Fitzsimons, whose columns regularly appear in *The Age* and the *Sydney Morning Herald*, is married to Lisa Wilkinson of the Nine Network's Today television program. He identified Tony Abbott as the last political obstacle to a republic. 'I do believe,' he said, 'that the Prime Minister will be in all likelihood our last monarchist prime minister.'

On September 9, **Elizabeth II** becomes the longest-reigning monarch in British history, and reports have emerged that she has stopped breeding her **Pembroke Welsh corgis**, partly because she does not wish to leave any of her beloved pets behind when she dies. Fitzsimons commented: 'The French stormed the Bastille, the Americans had a war of independence. We don't have to have a war, we just have to overcome the cult of celebrity and stop believing everything about England is better than us.'

In addition to his ARM chairman's role (former Western Australian Premier **Geoff Gallop** was his immediate predecessor in that role), Fitzsimons is a director of **Ausflag**, which wants to change the Australian flag. In June, Bill Shorten urged Australians not to wait until the Queen dies to renew the debate about becoming a republic.

Super

The Commonwealth Budget would save \$7 billion a year if workers were prevented from accessing their Super before they turned 65. But in *The Age*, the **Productivity Commission** has taken a quiet swipe at the federal government, saying that it is difficult to know

if such a policy would be desirable when no one knows what the superannuation system will look like in the future.

Water everywhere

Twenty-five years after it was opened, the nation's \$1 billion federal parliament is in a state of disrepair, and will require a \$330-million rescue job over the next decade to cope with growing demands on the building. A 14-volume report – discussed in *The Australian* – finds significant problems with the operation of the Parliament's 43 lifts, cold water supply, toilet and sanitary systems, storm water draining, electricity supply, landscape irrigation system and ageing chillers which still use ozone-depleting gases. The security system guarding the nation's 226 federal politicians, including the alarm and CCTV networks, has been assessed as being only in 'average or moderate condition.'

Is this enough?

Frustrated by endless trench warfare in Canberra, the country's peak business, union, welfare and seniors' organisations have signed up to a 'national reform summit' in August to seek consensus among themselves on policy roadblocks, which, they say are putting the nation's living standards at risk. According to *The Age*, unlikely bedfellows at the summit include the **Australian Council of Trade Unions**, the **Business Council of Australia**, the **Council of the Ageing** (representing half a million Australians), and the **Australian Industry Group**, as well as the welfare sector.

Business Council chief executive Jennifer Westacott minced few words when she lashed out at the major political players in Canberra for failing to act in the 'burning' need for reform in areas such as tax, retirement incomes, budget sustainability, and workplace productivity.

To confirm

The Australian reported that Diane Smith-Gander looks set to take on the role as chairman of Tourism Australia. The chairman of Transfield Services and former senior Westpac executive, snow skier and winemaker, will succeed former Qantas chief executive Geoff Dixon, who has run Tourism Australia for the past six years, overseeing a massive increase in Chinese tourists.

Liberals At War

Tony Abbott's sister, **Christine Forster**, has directly challenged the Prime Minister to allow his MPs a free vote on a cross-party same-sex marriage bill. *The Age* mentioned this challenge as Liberal Party divisions erupt and the government's leader in the Senate, Eric Abetz, warns ministers who want to vote for the bill to quit the frontbench. Now the Liberal Party faces six weeks of debate and a potential civil war, with a marriage equality bill to be put to Parliament.

Failure

Gillian Triggs, President of the Australian Human Rights Commission, has bought into the same-sex marriage debate, criticising its absence from the list of Australia's constitutional rights, and also lamenting and the 'failure of parliament to provide leadership on the issue,' according to *The Age*. Professor Triggs also described the 'chilling effect' on freedom of speech and the right to privacy of recent anti-terror and data retention laws, and how they went well beyond what was deemed 'proportionate'. The theme of her speech was the expansion of executive power and the lessening of the judicial role in the application of common law principles.

Abetz On Supreme Court And Democracy

In a democracy, social policy should be decided by the people, not by the judiciary.

That's the argument propounded by Eric Abetz in an opinion piece for *The Age*. While we have heard much about the United States Supreme Court's extraordinary ruling that a right to marry someone of the same sex has, somehow, always been constitutional, there's been hardly any mention about the overwhelming vote against gay marriage in the Australian legislature.

Most people in a democracy, **Senator Abetz** says, believe that social policy should be determined by the people, not by dubious interpretation of an activist judiciary. The US Supreme Court majority has set a dangerous precedent for the US by asserting that the American people have, since inception, somehow misunderstood their own constitution.

Senate Committee Activities

On the second page of *The Australian's* July 8 edition, there was a half-page advertisement presenting all the present committees currently operating. In brief, the article mentioned the Environment and Communications Committee; the Education and Employment Committee; the Rural and Regional Affairs and Transport Committee; and the Economics Committee amongst others. Submissions can be made online or to the relevant committee at The Senate, PO Box 6100, Parliament House, Canberra, ACT 2600.

Sad. Coalition Poll Test

The death, from a suspected heart attack, of 62-year-old federal parliamentarian Don Randall means that the Abbott government faces a popularity test in the expected by-election. Antony Green, ABC election analyst, told *The Age* that federal governments had suffered an average 5 per cent swing against them at two-party by-elections over the last quarter of a century. Mr Green also said that as Mr Randall

AttentionNOW

to good news & solutions

Communications specialists in:

1. **Content** – Strategic Marketing Communications & Media content, including Video News Releases
2. **Connecting** – Introductions to key target audiences & the Media
3. **Coverage** – Media & Social Media coverage

Key areas:

- **Investment** – Individual, Company & Corporate Social Investment (Corporates & Nonprofits)
- **Health & Wellbeing** - Solutions & Speakers
- **Commercialisation** - Connections & Media Content for take to market strategies

'Working with AttentionNOW has given us strategic direction, more connections and content to connect with our audience',
Alistair Urquhart, Affairs of State & Letter from Melbourne.

Special offer of \$2,800* for a Video News Release & Strategic Media Plan to bring your work to a wider audience NOW!

Contact: info@AttentionNOW.com.au

Video News Releases are at: AttentionNOW.com.au

*Plus GST, and to be used by the end of 2015.

had been a popular Liberal MP, 'you would expect the loss of a local member would cause some loss of support.'

The earliest date upon which a by-election can be held is August 29. From 1996 to his defeat in 1998, Mr Randall had represented the Western Australian seat of Swan. After three years out of parliament, he won the nearby electorate of Canning from the ALP, and represented that constituency for the rest of his life.

Sad

Neil Lawrence, among the most effective advertising moguls in recent Australian history, died on July 15 in an accident while holidaying in the Maldives with his son. Aged 60, Mr Lawrence was responsible for numerous television campaigns, the best known of these being the 'Kevin07' project so crucial to Kevin Rudd defeating John Howard by a landslide in the federal election eight years ago. Nor were his interests confined to the federal sphere. Former Queensland premier Anna Bligh said, according to the Financial Review, that she was 'in shock, after dining with Mr Lawrence only last week.

There "was absolutely no doubt" his marketing campaign had played "a very big part" in her own election to the premiership in 2009.' A tweet from Bill Shorten ran as follows: 'Neil made a tremendous contribution to Labor and the 2007 election victory, for which we will always be grateful.' But the ALP was by no means Mr Lawrence's only client, far from it. He also devised successful campaigns for Qantas, Wesfarmers, AGL, and BHP Billiton.

Yes/No Vote

Campaigners within the federal ALP for same-sex marriage, who are agitating in favour of a binding party vote and who operate under the banner of Rainbow Labor, would be prepared to accept a conscience vote in the current parliament. A report to this effect from The Australian indicated that such campaigners wanted a proviso for this acceptance: namely, that MPs were compelled to support changes to existing marriage laws after the next election.

Powerful

Eight former state and territory ALP leaders have written a letter which urges delegates at the party's national conference to vote for internal reforms which, if put into effect, would democratise the party, promote women, and strengthen internal governance.

The Australian listed the letter's signatories: **Peter Beattie**, former Premier of Queensland; **John Cain**, former Premier of Victoria; **Kristina Keneally**, former Premier of NSW; **Carmen Lawrence** and **Geoff Gallop**, both former Premiers of Western Australia; **Lara Giddings**, former Premier of Tasmania; **Clare Martin**, former Chief Minister of the Northern Territory; and **Katy Gallagher**, former Chief Minister of the ACT.

The Seventh!

The Northern Territory's aspiration to achieve statehood within three years has won backing from federal and state governments, according to *The Australian*. This development has sparked debate over what representation the Territory's 244,000 residents should receive in Canberra. Although the change would not affect the Territory's existing financial arrangements, it would grant Darwin the same legal immunity as other states from federal interference.

Twins

Chris Bowen, Treasurer when the federal ALP was last in power, has lately released a book that deals with 12 of his predecessors. **The Money Men**, published by **Melbourne University Press**, propounds various theories about how treasurers can and should interact with prime ministers. 'A prime minister and a treasurer are partners,' Bowen writes. He also says: 'Knowledge counts, not qualifications'; and 'Treasurer and Treasury: another key relationship.' Further: 'Successful treasurers work in partnership with a supportive prime minister. A prime minister and treasurer do not need to be friends. They may even have once been rivals. But they must work together.'

Verdicts passed by Bowen on earlier treasurers include this one, concerning **Bob Hawke's**

eventual nemesis: '**Paul Keating** conceived of sweeping reforms and was able to implement them by sheer force of will.' On John Howard: 'It is difficult to escape the conclusion that **John Howard** became Treasurer too early [in 1977], but he learned many lessons which he used to forge a long and electorally successful prime ministership.'

On **Peter Costello**: '[He] not only made surplus budgeting a virtue in its own right, but was able to distil his message into an effective (if misleading) essence: surpluses are good, and Liberals deliver surpluses.' On **Wayne Swan**: 'Few treasurers in our history can say they successfully avoided a recession that looked inevitable. Wayne Swan can, and this is a significant achievement.'

Bishop's Move

Amid the front-page controversy over Bronwyn Bishop's expenditures, the Speaker of the House of Representatives – as she was till her recent resignation – caved in to political and public pressure and paid back (along with a \$1,300 fine) the money she had spent on chartering a \$5,227 helicopter to take her from Melbourne to Geelong for a Liberal Party fundraiser. Nevertheless, the ALP's finance spokesman **Tony Burke** says that Bishop may have broken the law. (Crazy, as he is now in the news for somewhat similar activity!. See below.)

'If there is a reasonable explanation, then Bishop should give it to the Australian people and she should provide it to the **Australian Federal Police**.' In the meantime, independent South Australian Senator **Nick Xenophon** wants to introduce during August a bill which, *The Age* reports, would make politicians pay back double the value of expenses incorrectly claimed, and would force them to travel economy-class on short flights within Australia.

He announced: 'I think the federal government needs to be shamed into doing the right thing when it comes to parliamentary entitlements. Look, both sides have done it. This is a problem across the board. Mistakes are made

Empowering job seekers and employers to reach their employment goals



WISE Employment is a not-for-profit organisation. We empower job seekers from diverse backgrounds to find meaningful work and become self-sufficient. We help employers to find the right staff.

Our services are cost-free to eligible job seekers and employers. Each year, our passionate and skilled staff assist over 10,000 people into jobs.

WISE Employment operates four socially-inclusive social enterprises, employing 200 people.

Since 1992, we have been empowering job seekers and employers. We believe the entire community is enriched when everyone is supported to achieve their potential.



Freecall: 1800 685 105 **wiseemployment.com.au**

empowerment through employment

regularly in terms of politicians' entitlements, but there's a better way of doing this.'

A *Herald Sun* column on July 18 by veteran *Laurie Oakes* made the following points: 'It was inevitable that details of the \$5,227 chopper charter from Melbourne for a trip that takes only an hour by car would emerge publicly via the Finance Department's six-monthly audit of MPs' expenses. And the political damage was entirely predictable. That is what really has Bishop's colleagues so aghast. How could she have been so dopey? ... "Nothing embarrasses Bronnie," said a federal minister yesterday. "She's as tough as old boots," said another.'

Over at *The Age*, another veteran columnist, **Michael Gordon**, remarked before Bishop's resignation: 'While she is entitled to attend party room meetings, and participate in party affairs, Speakers are supposed to carry out their functions impartially and detach themselves from government activity. Flying into party fundraising events by chopper at taxpayers' expense when cheaper alternatives are available does not, to put it mildly, sit comfortably with this expectation ... How out of touch can you get?'

An early comment

Meanwhile, this is the first paragraph in an **Andrew Bolt** column for *the Herald Sun*: 'Bronwyn Bishop must resign – or prove she didn't try to cheat taxpayers by charging them \$5,000 for her notorious helicopter jaunt.' The column continues: 'What employee would go unpunished for apparently trying to diddle their boss of that kind of money? So why set a different standard for the Speaker, someone meant to uphold the standards of our parliament? ... What you protect you endorse and, for the sake of the party, Bishop must resign, or explain why she is innocent.'

Nearby

Federal Labor shadow minister **Tony Burke** has been caught also in the Critical Spend Department after he helped to lead the charge against Bishop. Also Christopher Pyne has made the papers in this arena, not too much, back in 2009 with a family holiday from Adelaide to Sydney.

Pokies And Politics

Australia's most powerful gambling lobby, **Clubs NSW**, gave \$20,000 to a fundraising body supporting Defence Minister **Kevin Andrews** as he led formulation of the Coalition's industry-backed poker machines policy before the 2013 election. The donation was made by Clubs NSW – which represents the pokie-dominated clubs in the country's most populous state – to the Victorian-based **Menzies 200 Club**, dedicated to supporting Andrews as the federal member for Menzies, in Melbourne's eastern suburbs, and the Liberal party.

While the lobby did declare the donation to electoral authorities, as required by law, it nominated the Victorian Liberal Party as the recipient, according to *The Age*. This blurred the direct link to Andrews. And although the Menzies 200 Club officially admitted to making the donation, it failed to declare a separate donation of \$10,000 from Clubs NSW, which was made in June 2014, until eight months after the Australian Electoral Commission's deadline had passed.

Reporters **Royce Millar** and **Sean Nicholls** observe: '*Fairfax Media* does not suggest the donations directly influenced Andrews' decision-making. But they are the latest in a long string of controversies that highlight problems with Australia's notoriously lax federal regulation of political donations. Such donations would be prohibited in the US, Canada, and – due to their size – in state elections in NSW.'

Donations And Bans

Anne Davies, columnist in *The Age*, observed on July 27 that 'Unfortunately the simple solution to the potentially corrupting influence of political donations – banning them altogether – is not as simple as it seems. ... For a start, a total ban would likely drive donations underground and shunt political campaigning into third-party identities, giving rise to the new problem of establishing whether the groups were independent or linked to political parties.'

Second, most Western democracies regard financial support for political ideals as part of their democratic right. A total ban would almost certainly fall foul of the implied right of freedom of political communication in the Australian Constitution.'

In a different article for the same newspaper on the same day, Davies commented: 'Scarcely a day passes when political donations are not in the headlines: Treasurer **Joe Hockey's** lawsuit against *Fairfax Media* after it published an article about donations to the North Sydney

Business Forum; allegations that Opposition Leader **Bill Shorten** may have failed to disclose funds flowing from the union he headed; Mafia donations to the Liberal Party.

And then there has been the drip-feed of revelations from the **NSW Independent Commission Against Corruption** that has lifted the lid on the murky world of how politics and political parties blithely circumvent the donations laws.'

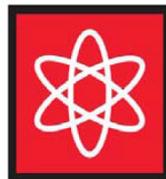
PARTY HAPPENINGS

Real Reforms Robbed

Andrew Robb has always had a passionate interest in development of Australia's north. These days he is Minister for Tourism as well as for Trade. He maintains that economic growth in the region is even more urgent than it was, now that Australia is adjusting to the end of a resources construction boom that has powered much of the region for the past decade. This, according to **Jennifer Hewett** in *the Financial Review*, explains Robb's enthusiasm for a new big idea: to allow foreign airline carriers more flexibility to fly in and out of the towns of the north, and then to fly to or from the major gateway cities of Sydney, Melbourne, Perth and Brisbane.

The general scheme was that this would encourage foreign airlines to carry more passengers, as well as more freight, at cheaper prices. In Robb's view, this was a version of challenging restrictive cabotage rules. Instead, Robb ended up fighting the considerable and combined forces of Qantas and Virgin, the airline industry unions, the ALP and, most important, a majority of his cabinet colleagues. So far, any such change is grounded indefinitely.

(The right for foreign carriers to operate domestically is known as "cabotage", and it is one of nine "[freedoms of the air](#)". It is also a right, or a freedom, that is rarely granted or exchanged between countries. Australia already leads the world in terms of liberalisation of its domestic aviation market,



KOVESS INTERNATIONAL

'Charles Kovess is Australia's Passion Provocateur.'

He has helped many large corporations and many Government Departments to

- improve leadership behaviours • build better teams
- unleash passion and • build world-class performance.

www.kovess.com
p 03 9562 2248
m 0412 317 404

PO Box 1412
Central Park
East Malvern, Vic 3145

Mention this ad when you contact us and we'll send you a FREE one-hour audio CD valued at \$25.00*

so why would it propose to get even further ahead of almost every other country?.. **Google**)

The only concession comes from the few lines in the recent **White Paper on northern development**. This passage does accept criticism that the north is failing to benefit from increased air travel in the Asia-Pacific region, 'even though it lies between Asia and our southern cities and right next to services offered by low cost Asian airlines.'

Treasurer Not For Sale

The *Herald Sun* announced that Joe Hockey was awarded \$200,000 in libel damages over a *Fairfax Media* newspaper poster and tweets that described him as a 'Treasurer for Sale'. The Federal Court ordered Fairfax to pay \$120,000 over the *Sydney Morning Herald* poster, and \$80,000 over *The Age's* tweets on the subject, which were published on May 5 last year. Justice Richard White ruled that these utterances defamed Mr Hockey by suggesting he was corrupt and had solicited bribes.

Joyce On The Farm

Barnaby Joyce supports banning all foreign governments and foreign state-owned companies from buying Australian farmland, saying that such acquisitions could 'undermine the national interest'. In a surprise move, the Agriculture Minister has backed calls for a veto on other nations being allowed to buy vast areas of productive farmland, drawing a distinction between private investment by overseas-based companies and purchases by foreign countries or their entities.

Calculating Your Greens

The Greens have a new and unexpected economics team. One member is a former Wall Street stockbroker. Another is an industrial relations lawyer with a PhD in law and politics. The third is a doctor with health policy expertise. And the three of them plan to shake things up this year. The first signs of change emerged recently when the Greens struck a deal with the Coalition to support the federal government's proposed changes to the pension asset test, allowing the changes to pass the Senate and saving the budget \$2.4 billion over

four years.

Often enough in the past, the Greens have been criticised for not understanding economics. In many ways they have themselves to blame, but in other ways the censure is unfair, reports *The Age*.

Oi!

Agriculture Minister **Barnaby Joyce's** angry outburst against the government's approval of a massive Chinese-owned coal mine may have breached strict protocols for ministerial behaviour and cabinet solidarity. The current cabinet handbook says: 'a Westminster-style cabinet is defined by adherence to the principles of collective responsibility and cabinet solidarity.'

These principles are the binding devices that ensure the unity of purpose of the government and underpin the formulation of consistent policy advice.' Collective responsibility for decisions, it says, is a longstanding and integral part of the cabinet system, where a rift has emerged between Joyce and the Prime Minister, according to **Laura Tingle** in the *Financial Review*.

Who?

A recent *Financial Review* article reported that former independent member for New England **Tony Windsor** says that he is considering a return to politics to fight Barnaby Joyce for his seat, and that he is motivated by the government's approval of the Shenhua mine. The conditional approval of the contentious Shenhua Watermark coal mine by Environment Minister **Greg Hunt** led to a hot-blooded outburst of political tension.

Katter's Mad At The Hatter

Federal MP **Bob Katter** is considering hanging up his signature Akubra because, according to the *Herald Sun*, he's hopping mad about the hat-maker's decision to ditch its Australian rabbit skin supplies to cut costs. Katter is possibly the country's most prominent Akubra fan, wearing the wide-brimmed head-wear everywhere he goes. Akubra plans to source all its rabbit skins from Europe because it has become too costly and difficult to produce

them and cut them in Australia.

Bill Copping a Flack

The federal government's royal commission into union corruption inflicted damage on Bill Shorten during the former AWU boss's first appearance as a witness, which took place on July 8. Shorten admitted that he had failed to declare tens of thousands of dollars in company and union donations to his 2007 election campaign. One Coalition MP contacted by *Fairfax Media* was delighted with the first day's hearing, claiming it had revealed more than expected.

Manwhile, **Jeremy Stoljar SC** has come under fire from ALP and union figures in recent days for his grilling of Mr Shorten. But the legal fraternity says that the well-respected commercial barrister, who was hand-picked by Commissioner and former High Court judge **Dyson Heydon** to assist the commission, has no political axe to grind. It is part of a broader Labor attack on the legitimacy of the federal government-appointed commission.

Secret Building The Revolution

Bill Shorten was forced to deny that he used his position as a prominent union leader for personal advantage after admitting he failed to declare up to \$63,777 in payments from a labour hire company that covered the wages of a former campaign director. According to *The Age*, Shorten admitted to the Royal Commission into Trade Union Governance and Corruption that he had only instructed the Labor Party recently to declare the 'donation' from the company, Unibilt, to the Australian Electoral Commission.

Senior union officials are, as at 8 August, preparing to challenge some of Shorten's evidence about kickbacks over the EastLink project, says *The Age*.

Plumbing New Depths

The most revealing comparison in the July Fairfax Ipsos National Poll is not between Tony Abbott and Bill Shorten, but between both leaders and those who went before them. Make no mistake. These are the worst set of numbers recorded by a prime minister and



R-Co is an innovative brand design + digital agency. We use strategy, creativity and technology to invent, re-invent and build brands that accelerate business growth and success.

R-Co can use brand design to benefit your business: call 9639 8332 or visit www.r-co.com.au



leader of the opposition in the recent history of modern polling. We can debate the attributes where Abbott and Shorten are seen as outperforming each other, but there can be little argument about the central proposition: neither man is cutting it with the electorate, according to *The Age*.

Meanwhile, in a commentary in *The Australian*, **Niki Savva** says that polls show that Australians think both the PM and the Opposition Leader are on the nose.

Show Me The Money

Recently *The Age* told its readers that ALP supporters are being asked for a little fiscal stimulation to start up a new media site, to be called **Labor Herald**. The digital-only venture, designed to tell the stories of Australian Labor, will feature articles from politicians, business leaders and others. All that's needed to get the venture up and running is \$30,000.

The party hopes that an online campaign will raise a little over \$23,000 in the next 26 days. **Bill Shorten** and **Wayne Swan** are backing the campaign and have tweeted their support. For \$5,000, you can get your hands on a limited edition copy of **True Believer: The Story of the Federal Parliamentary Party** signed by Bob Hawke, Paul Keating and Gough Whitlam.

Running Me Time

Foreign Minister Julie Bishop believes she comes up with her best political lines during her 'me time': when she is running. The deputy Liberal leader donned her exercise gear for an interview with *Vogue Australia* magazine.

Emily's List And Preselections

The Australian announced that Emily's List, a lobby group that supports Labor women, has recommended major rule changes to ensure that female secure half of all preselections, constitute half of the party's national executive, and make up half of all union delegations to conferences. The formal recommendations to the ALP's national conference would, if carried out, impose a 50 per cent gender equality rule across the party and would represent a significant challenge to the male-dominated party organisation and union movement.

Wow

Greg Combet, ACTU Secretary 2000 to 2007 said, 'Labor has an obligation to reflect the national interest and not just the union interest. And that's where people can come into the view that it can be suffocating. Where the unions are against economic change, it can never work for Australia and for the Party.'

The Shackles of the Past

NSW Labor leader **Luke Foley**, as reported in *The Australian*, has urged the party to abolish its historic commitment to socialism and its attachment to state ownership, and to embrace competitive markets alongside individual freedom and opportunity. He so moved this

formally at the party's national conference. Foley, from Labor's Left faction, will unite with the NSW Right to replace the objective and throw down the gauntlet to Bill Shorten to put his weight behind a rewrite of the party's philosophy for the 21st century.

Delivering in Sydney the fifth Wran lecture, named in honour of the **late Neville Wran**, NSW Premier 1976-86, Foley called on Labor to demonstrate its 'courage and conviction' and 'renew its central purpose.'

The Australian columnist **Denis Shanahansay** 'For too long Labor has avoided hard decisions on its over-reliance on a narrow union base, its internal organisation and transparency, the reality of long-term budgetary challenges and the need for real reform.'

Access To Shorten

During the last weekend of July, according to *The Australian*, corporate leaders were able to get exclusive access to Bill Shorten and other key ALP frontbenchers at the national Labor conference, under a \$10,000-per-head business observer program being run in parallel with the conference. For members of the ALP's Federal Labor Business Forum, the cost per head was reduced to \$7,500.

BUSINESS. ECONOMY. MANUFACTURING. FINANCE

Grattan Calls For Property Tax

Recently the **Grattan Institute** announced that a broad-based property levy could raise \$7 billion a year and would be the best way for states and territories to raise revenue to address their deteriorating budgets. Property Taxes, the second in a series of the institute's working papers on tackling Australia's weakening fiscal position, finds that a levy of just \$2 for every \$1,000 of unimproved land value would raise \$7 billion a year with an annual charge of \$772 on the median-priced Sydney home, \$560 on the median-priced Melbourne home, and lower average rates in other cities and the regions. The paper was released on July 14, and the Institute itself is based in Carlton.

GST Retreat

A first-ever policy retreat attended by premiers, chief ministers, and **Tony Abbott** himself failed to deliver the breakthrough which some had hoped for, concerning critical funds issues facing the states. That's the judgement of **Mark Kenny**, chief political correspondent for *The Age*. Nevertheless the marathon talks were described by multiple sources as 'constructive,' with genuinely 'meaty' issues having been canvassed regarding the burgeoning health budgets of state and territory governments.

While some leaders went into the talks favouring an open discussion over increasing the GST rate or broadening the consumption tax's base, others supported a 2 per cent hike to the current Medicare levy, doubling its size and

pushing the effective top marginal income tax rate to a politically and economically dangerous 51 cents in the dollar.

On July 28, the **Australian Local Government Association** commended the heads of government on their discussions at the retreat, and its president, **Troy Pickard**, stated: 'The significant fiscal challenges for the Commonwealth, states, and territories discussed at the retreat also have implications for local government's role in terms of maintaining the delivery of quality community services at the local level, and I was pleased to see our important role in the federation explicitly acknowledged.'

Biggest Since Uruguay

A Financial Review cover story reported that services firms in the mining and energy sectors are set to be the biggest winners from the **Trans-Pacific Partnership**. **Trade Minister Andrew Robb** called the relevant meeting (at Maui, Hawaii) 'the biggest agreement since the [1994] Uruguay Round, anywhere, by a long way. We are moving into areas that haven't been dealt with before.'

As well as gains for lawyers and education providers, Robb held special hopes for Australian mining-related services firms which enjoy comparative advantage over their global rivals, but which face difficulties in several of the 12 Pacific Rim nations that make up the TPP. He is looking for new mining and exploration opportunities from Malaysia to Vietnam and Mexico, along with a slew of related environmental, research, training, safety and engineering services.

Negative Gearing

The Financial Review reported that the growing push to abolish, or at least to scale back, negative gearing received a boost when the **Reserve Bank of Australia** called on the federal government to review whether a related capital gains tax break for investment property is driving too much money into housing.

Spurned Abbott Denies Victoria \$1B

Victoria is being short-changed by almost \$1 billion per annum in Commonwealth funding, *The Age* says, amid claims that Tony Abbott has abandoned the state ahead of the next federal election. An analysis of the federal infrastructure carve-up shows that Victoria has been allocated an annual average of just \$83 per person over the five years to 2018-19.

The funding share is way below the national average, with Queensland set to gain \$342 per person, Western Australia \$282, and NSW \$271. The carve-up follows a decision by the federal government to withdraw \$1.5 million from Victoria which had been previously set aside for the East-West Link, after the project, which remains popular in the Melbourne's eastern suburbs, was dumped by the incoming state ALP administration. The federal

government remains enthusiastic about the project.

Labor Condemns FTA

The ALP under Bill Shorten will increase its attacks on the proposed Free Trade Agreement with China, in order to fight an election campaign on the issues of jobs and immigration. It wants the federal government to modify the deal to protect Australian workers. Negotiations at Labor's national conference were described by The Australian as preparing the ground 'for a fight against the deal with China – designed to boost \$160 billion in annual two-way trade – all the way to the next election unless Trade Minister **Andrew Robb** accepts the opposition demands.

With unions already running a TV campaign against the China deal, Labor is ready to delay the agreement and continue its attacks in order to paint Tony Abbott as a threat to local jobs.'

Inequality Not Growing

The Financial Review recently ran a detailed article which said that the welfare system in this country has succeeded in offsetting diverging market incomes to such a degree as to ensure there was no discernible change in household income inequality from 2001 to 2012. It gave as the source for this conclusion a study carried out by Household Income and Labour Dynamics in Australia.

The study found little change in the distribution of household disposable incomes over the 11-year period, despite strong growth and increased inequality in market incomes, or salaries and wages. It concluded: 'Taxes and transfers to work to redistribute income to lower-income households. But poverty measures for the under-18s, lone parents, and single males are up.'

Attack By Coal

Bill Shorten's plan to recast Australia's energy

landscape, with an increasing emphasis upon renewables and a decreased emphasis upon coal, has been attacked by representatives of the coal industry. *The Age* on July 23 carried details of the criticisms made of the ALP leader by the **Minerals Council of Australia** chief executive Brendan Pearson, who said that a 50 per cent share of renewable energy by 2030 – which is what Labor aims at bringing about – was 'not economically responsible and ... technically questionable.'

The existing renewal energy target guaranteed subsidies to the renewable energy sector which translated to higher overall energy costs for industry.

Meanwhile the **CFMEU** has expressed concern that a firm 50 per cent renewable energy target would harm manufacturers. **Tony Maher**, the CFMEU's national president, said that the target 'imposes harsh restructuring on one industry, power generation, while failing to achieve the goal of broadly reducing Australia's emissions.'

Clean Energy Council chief executive **Kane Thornton** expressed the view that Labor's plan would help attract billions of dollars' worth of investment and boost new technologies. Kobad Bhavnagri, Head of Australia at **Bloomberg New Energy Finance**, said that a 'suite of policy mechanisms' would be needed to achieve the 50 per cent goal.

The Australian carried, under the heading '**Electricity Bill's carbon reboot**', the following front-page comments in its July 23 issue: 'Labor has failed to detail the cost to consumers and electricity generators of its ambition to rapidly accelerate Australia's renewable energy use to 30 per cent in just 15 years, condemning **Bill Shorten** to a re-run of the electorally fatal carbon tax campaign. With business, unions, and Labor figures expressing dismay at the calculated shift to the Left on climate change, incoming ALP national

president and opposition environment spokesman **Mark Butler** struggled to spell out the impact of the surprise policy.

He equivocated on the crucial question of whether ratcheting up the use of heavily subsidised renewables such as wind farms and rooftop solar panels would bring down household electricity prices, saying "there are too many factors in the electricity system to be definitive about this." The **Energy Supply Association of Australia**, however, was unambiguous. "Increasing the proportion of higher-cost renewable energy into the market will increase power prices – no ifs, no buts," said its chief executive, Matthew Warren.'

Shorten And Carbon

Sid Maher, columnist for *The Australian*, observed on July 16: 'Bill Shorten faces a ... Coalition carbon tax scare campaign through to the next election after the damaging leak of draft Labor plans for an emissions trading scheme and an extra tax on electricity generators further undermined his leadership credibility ... Whether he likes it or not, Bill Shorten must confront and defeat the carbon tax bogey that claimed both **Kevin Rudd** and **Julia Gillard**.

After the damaging leak of a draft Labor climate change policy, Shorten is a big-target opposition leader facing a rampant scare campaign from **Tony Abbott**, and a series of policy dilemmas. Without shadow cabinet having one meeting on the issue, Labor is committed to an emissions trading scheme, linking to international permits, looking at a higher renewable energy target and potentially deeper emission cuts targets than the Prime Minister will commit to.'

Easy Vision, Difficult Reality

The latest statement from the **Group of Seven** is meant to sound reassuring and resolute on taking firm action to deal with climate change. **G7** is a group of seven industrialized nations of

COMPLIANCE MASTER™

Smart, Risk-Based Auditing Software

- * Quantitatively assesses regulatory performance
- * Automatically optimises audit efficiency
- * Promotes continuous improvement
- * Real-time alerts and scientific reporting
- * Conforms to Australian and International standards



Visit www.compliance-master.com, call 1300 827 933, email info@compliance-master.com

the world, formed by Canada, USA, France, Germany, Italy, Japan, and the UK. ("G6" refers to the same group minus Canada, while "G8" refers to the group plus Russia. Thanks, Wikipedia.) That includes backing emissions cuts of up to 70 per cent of 2010 levels by 2050 as well as a 'decarbonisation' of the global economy over the course of the century. The statement is rather less detailed and optimistic on the subject of how far there is to go to achieve anything like this, especially when it comes to power generation.

It is true that the broad appeal of 'clean' renewable energy is rapidly escalating, along with the sophistication and efficiency of the technology, while at the same time 'dirty' coal in particular is now under constant attack. Certainly the assault on coal's reputation is no longer a fringe issue. The industry has lost the public relations battle, even as it tries to promote its role in lifting hundreds of millions of people out of poverty. According to **Jennifer Hewett** in *The Australian*, the real catch is that coal-fired power still contributes more than 40 per cent of global electricity generation.

Advertising

The so regular advertisements about Payments to eligible businesses in response to the insulation programme must have been read by most readers by now.

Fascinating

The **Harper Review of Competition** will be dead if big business succeeds in knocking off the proposed 'effects test' for determining if an abuse of market power has occurred, former competition regulator **Allan Fels** says. In the *Financial Review*, Professor Fels maintained that small companies would have no reason to support the Harper reforms if the effects test was dropped, because this test was the main benefit for small businesses in the review.

An effects test would add an objective test to the prohibition already existing in section 46 of the **Australian Competition and Consumer Act**, which requires the regulator to prove the accused business exploited its market power to substantially harm competition. Such a test would outlaw conduct by companies with market power that had the purpose or effect of substantially lessening competition. **Professor Fels**, a former chairman of the Australian Competition and Consumer Commission, told a **Committee for Economic Development of Australia** lunch that the effects test already applied to abuse of market power in 128 out of 180 countries.

From the horse's mouth

Council Of Small Businesses Of Australia is concerned by the recent statements from the **Business Council of Australia** and its supporters that an **Effects Test** would be detrimental to Australia and to small business; an Effects Test is actually essential for a fair

and competitive marketplace.

Peter Strong, CEO of COSBOA, stated: "We know from hard experience that when big business associations and the likes of Coles, Woolworths and their supporters claim to represent what is good for small business, it is time to worry. The continued over reaction, to an effects test, by some of the businesses in the big end of town is very concerning and bizarre.

Kelly's Lament

The Australian's Editor-At-Large, **Paul Kelly**, complained in his column on July 18 that "Australia has become the 'rule out' country – stacks of policies that contribute to jobs, investment and the budget are rejected because of the ideological obsessions and electoral calculations of our highly destructive political and media system ... This culture is entrenched. The days of 'big bang' reform in this country are gone."

The Giant Takes A Stand

Wesfarmers will unleash the huge growth potential of its two best-performing businesses, **Coles and Bunnings**, as the conglomerate that began life as a sleepy farmer's co-operative more than 100 years ago prepares to plough hundreds of millions of dollars into creating a dominant network of supermarket, hardware, liquor and merchandise stores. Fueled by snipping its planned capital expenditure by as much as \$400 million, while also stripping away at costs at its 'ugly duckling' businesses such as chemicals, coal and fertilisers, Wesfarmers will pour investment dollars into its two retail-earning engines, according to *The Australian*.

In a clear competition threat to rival Woolworths, as well as a rallying call to take on niche discounters **Aldi** and **Costco**, the Perth-based conglomerate has unveiled a road map for expansion of Coles. If this plan goes into effect, it will move Coles away from its current reliance on discounted promotional pricing to an emphasis on 'stable everyday pricing' of its on private-label groceries.

Close The Kembla Port

The Australian has announced that investor pressure is growing on **BlueScope Steel** management to close the Port Kembla steelworks. This pressure comes in the face of sliding global steel prices and the coming closure of the Australian car industry. **Goldman Sachs** is the latest investment bank to urge Bluescope to make a major restructuring decision. It thereby joins **Morgan Stanley, UBS and Credit Suisse**, all of which have called on Bluescope Steel to close the last of its blast furnaces in the New South Wales city.

Another Split

Two ALP leaders have broken away from their federal counterparts and given conditional support to a GST increase following a call by

NSW Liberal Premier Mike Baird to lift the rate to 15 per cent in return for tax cuts and other compensation for lower-income earners. Former Victorian Premier **John Brumby** said to *the Financial Review*, "The least worst option is to increase the GST." [

Care needed

Australia's AAA credit rating, according to *The Age*, is at risk from parliamentary gridlock. This warning comes from one of the world's biggest credit rating agencies. **Standard and Poor** reaffirmed on July 24 its AAA rating for Australia, but said that it might yet lower the rating if Australia's budgetary performance did not improve.

New AFMA Chair

Steve Harker of Morgan Stanley has been elected new chairman of the **Australian Financial Markets Association**. This move comes, according to *the Financial Review*, as the AFMA works towards releasing a revamped code of conduct for its members within the next three months.

TRADE

Shorten Backs Unions On FTA

Bill Shorten has endorsed a union-led assault against the China-Australia free-trade pact, revealing Labor will take up the fight in parliament to rewrite labour standards, conditions and skills testing in the historic multi-billion-dollar agreement. Mr Shorten argues that the Free Trade Agreement with China undermines safeguards for Australian jobs and that the flaws go further than just the agreement.

'The deal Mr Abbott has struck threatens the much broader consensus that trade is a cornerstone of economic growth and jobs,' Mr Shorten wrote in *The Australian*.

'Freedom' Not At Risk

The federal government was recently described by *The Australian* as having made preparations to stare down opponents of its trade agreements and commit to controversial provisions in the 12-nation **Trans-Pacific Partnership** that will allow multinational companies to sue Australian authorities in third countries. It believes that the gains to Australian exporters and consumers, and to trade liberalisation across the Asia-Pacific, will win over critics in parliament and the broader public.

China Undercuts State Forests

Low-grade native timber from Victoria could soon be packed into shipping containers and sent to China and other cut-price countries for processing under a rescue plan to help ailing state timber company **VicForests**. VicForests has been left without a market for hundreds of thousands of tonnes of so-called 'residual' timber after the loss of a key contract with Japanese wood-chip company, South East Fibre Exports.

In response, the state government is now considering relaxing a rule requiring local processing before export in a bid to open up new markets for the struggling state-owned wood business. 'VicForests indicates that the Victorian Association of Forest Industries now supports relaxing certain aspects of the export restrictions.' So said former Treasurer **Michael O'Brien** in *The Age*.

INDUSTRIAL RELATIONS AND EMPLOYMENT

But he stays

A trio of militant unionists was reported by *The Age* as having condemned ALP veteran **Martin Ferguson** for his behaviour during March's New South Wales election, in which he backed the incumbent Liberal government's plan to privatise electricity assets. Ferguson, formerly an ACTU president, was Resources and Energy Minister during the Rudd and Gillard administrations.

He belongs to a notable political dynasty: his brother is **Laurie Ferguson**, likewise a long-serving Labor parliamentarian; and the father of both men was the late **Jack Ferguson**, NSW's Deputy Premier 1976-84. The unionists who successfully moved a Labor conference motion to condemn Mr Ferguson were Paddy Crumlin (**Maritime Union of Australia**), Christy Cain (**Maritime Union of Australia**), and Scott McDine (**Australian Workers Union**). Ferguson remains a member of the ALP.

Hutchison Ports is slashing more than 40 per cent of its waterfront workforce in Brisbane and Sydney, prompting union claims the company is trying to bust the influence of the MUA, says the Australian Financial Review.

The Big Boys' Club

Workplace reform must consider the interests of smaller businesses, unlike the current industrial relations rules, which were written by the 'club' of big business, major industry groups and the union movement. This is the conclusion expounded by **Small Business Minister Bruce Billson** recently in the Financial Review. One of the solutions promoted by small business advocates to the Productivity Commission, which has been asked to come up with new workplace rules, is a new industrial award for businesses with fewer than 20 staff and with simplified rates of pay and conditions. God Bless ASBA, the **Australian Small Business Association**, a la 1980's!

Fair Work's Internal Concerns

According to *The Australian*, concerns about almost eight months of unexplained sick leave taken in the past year by one of the most senior members of the **Fair Work Commission**, vice-president **Michael Lawler**, have spilled over to his colleagues. They have prompted a meeting of the organisation's top-ranking personnel to discuss the issue.

The periods of leave overlap with the significant court actions faced by his partner, former **Health Services Union** national secretary **Kathy Jackson**, over allegations of misappropriation of \$1.4 million in union funds. Due to the conditions of Mr Lawler's employment, there is no capacity for the FWC, the national body that sets award pay rates and conditions and helps resolve workplace issues, to curtail Mr Lawler's sick leave.

Get Prepared For War

As reported in *The Australian*, the ACTU will amass a \$14 million war chest to place the union on a permanent campaign footing over the next three years, ramping up on-the-ground activism and lobbying of federal cross-benchers. The triennial **Australian Council of Trade Unions Congress**, held in Melbourne, set out the direction for the union movement and seek consensus on a range of policy areas including portable leave entitlements and better regulation of labour-hire agencies. To help prevent the federal government gaining a second term, unions will be asked to increase their affiliation fee from \$4 to \$6 per member each year, hoping thereby to raise an extra \$3.5 million per year.

A separate article in *The Australian* announced that the ALP has shrugged off a renewed push by the federal government to pass laws which would clamp down on union misbehaviour, saying that if the government wanted to make this an election issue, Labor would welcome the idea. While **Tony Abbott** has downplayed the likelihood of an early election, **Bill Shorten** has taken a different tack on the issue. He reckons the ALP would not change its mind and would not support the two union-curbing bills which the government wants to put to the Senate as a priority during August.

Bills To Curb Union Power

The Age reported that the Abbott government wants to put before parliament two bills aimed at decreasing union power, but that the Prime Minister himself has so far refused to answer questions as to whether he is seeking a trigger for a double dissolution and an early election. One of the bills, if passed, would restore the powers of the Australian Building and Construction Commission. The other would increase the penalties – including criminal penalties – that could be meted out to corrupt union officials.

Prices Are Down, Wages Are Up

Supermarket giant **Coles** will have to pay millions of dollars more in casual and junior staff wages after Australia's industrial umpire intervened in a deal covering 75,000 workers. **The Fair Work Commission** has sought changes to the three-year work-place agreement struck between Coles and the conservative **Shop, Distributive and Allied Employees' Association**, which had been criticised as a sweetheart deal.

Caltex Tanker Stand-off

A tense waterfront stand-off is developing over the manning of one of just two coastal tanker ships still crewed by Australians. The crew of the Caltex-chartered *Alexander Spirit* have staged a week-long sit-in, refusing to leave the ship or sail to Singapore, where they will be laid off and replaced by foreign workers on a new international route. In a bid to head off the 36 job losses, the **Maritime Union of Australia** says it will appeal against a Fair Work Commission decision which ordered that the seafarer cease the industrial action. Caltex said the use of foreign crew was consistent with common practice.

Very Interesting

The industry body representing vehicle part manufacturers has followed in the unhappy path of other bodies involved with automobile manufacture, as the demise of Australia's car-making industry shifts into another gear. Recently the **Federation of Automotive Products Manufacturers**, which has almost 120 members, was liquidated and merged with the **Victorian Automobile Chamber of Commerce**.

This development comes 14 months before **Ford** will stop making the Falcon and other cars in Australia, and just two years before Holden and Toyota will quit local manufacturing. FAPM chief executive **Richard Reilly** said that the winding up of the group had been planned for 18 months and was endorsed by its members at an extraordinary general meeting in June.

CFMEU wants 20 Per Cent

A cover story in the *Financial Review* on July 24 noted that employers are set to cave in to demands by the militant construction union CFMEU for a four-year wages deal in Queensland that delivers 20 per cent in pay rises but offers a zero increase in workplace productivity. Also included in these demands is an extraordinary clause permitting workers to take paid four-hour stoppages, specifically to participate in 'union activities,' increasing the capacity for massive union disruption of building sites.

In a move that could well attract the attention of the federal government's **Royal Commission Into Trade Union Governance and Corruption**, the **Master Builders' Association** said that the CFMEU had been asking companies to pay \$2,000 each, up-front, to receive a draft copy of the pattern agreement and to get the deal registered.

Eight days earlier, *The Australian* had reported that the CFMEU had engaged in collusion and price-fixing by setting the rates across the Canberra market for commercial concrete subcontractors. This emerged in evidence before the Royal Commission.

Already, according to the Financial Review, the CFMEU has spent 'north of \$2 million'

defending before the commission its own conduct, and its NSW branch is now once again being led by Brian Parker, despite commission findings against him. Mr Parker stood down from his job during June, and at the time it was expected that he would remain out of the job for the rest of the year while the commission continued to investigate the CFMEU's activities.

Women Need To Be More Confident

Rio Tinto CEO **Sam Walsh**, *The Age* reports, is looking to fill the company's senior ranks with more women, yet he reckons that before this can occur, female employees need to be more confident. With 82 per cent of the mining giant's workforce made up of men, Mr Walsh has acknowledged that the gender gap needs to be closed, especially with Rio's senior management ranks. But he says women just aren't confident enough in the workplace when it comes to climbing the corporate ladder.

We Will Not Endorse This

The Age announced that one of the nation's leading business figures has come out strongly against the introduction of quotas for female members on government boards. **Elmer Funke Kupper**, the boss of sharemarket operator ASX Limited and an advocate for women in leadership roles, called quotas a 'tick-in-the-box' approach to gender diversity.

Senator **Nick Xenophon** is seeking to mandate a 40 per cent female representation on government boards. Mr Funke Kupper said that, while 'hard targets' had proven effective in improving female representation, he stopped short of enforcing quotas. 'While there are voices in business calling for quotas, in general the business community is not in favour of setting quotas for board representation.'

Institutionalised Leeches

New figures from the Department of Social Services, figures quoted in *the Herald Sun*, reveal the number of people moving from one payment to another as they continue to collect Centrelink cheques. Among them are 14,600 people who have been on the dole for more than 10 years and 65,000 more who have been on the dole for five to 10 years. About 560,000 have been stranded on the Disability Support Pension for more than five years.

Wow

The *Australian's* Foreign Editor **Greg Sheridan** has just released a memoir, **When We Were Young And Foolish**, which deals with his own youthful activities in **B.A. Santamaria's National Civic Council** and the NSW Labor Right. A column he wrote for his newspaper recently mentions details of corporate donations during the Cold War made to right-wing union leaders, to help them in their battles against the Far Left. 'Historically, the Soviet Union had given large amounts of money to various Australian communist parties and front organisations.

Corporate giving was predominantly so that right-wing union leaders could defend themselves in campaigns waged against them by left-wing opponents, and so that right-wing challengers could mount campaigns against communist and Far Left leaderships in traditionally left-wing unions. There is no suggestion that any of this corporate giving was illegal, unethical or in any way improper ... Long-term Labor Council secretary **John Ducker** was an especially effective fundraiser. He sought donations from senior business figures such as Kerry Packer.'

Unions And The ALP

Penetration of the federal Labor Party by trade unions is holding back industrial relations reform. That's the verdict of a prominent right-wing think-tank, the **Institute of Public Affairs**, as reported in *The Australian*. According to the IPA's analysis, half the politicians in the federal ALP have held positions as union officials, although union membership has declined elsewhere in Australia. The IPA's authors **Patrick Hannaford** and **James Paterson** concluded that there was 'disproportionate' trade union representation in parliament, the ALP national executive, and the Fair Work Commission.

Nevertheless, according to a *Herald Sun* report recently, Labor has abandoned a century-old membership rule by which only persons affiliated with a union may join the party. Of course the ALP was formed as a political arm of the union movement in the late 19th century. Over time, most states have tended to relax the ruling, but this is the first occasion on which it has been breached. The new regulation states that members should be encouraged – rather than being compelled – to take part in a union or to employ union labourers.

Tim Ayres, who is the NSW secretary of the **Australian Manufacturing Workers Union**, said that Labor processes needed to be opened to a wider range of members than currently exists, and he also maintained that the influence of factional leaders was 'untenable,' 'unsustainable,' and 'wrong,' although he described as 'equally untenable' the concept of the ALP severing ties with unionism altogether.

INDIGENOUS AFFAIRS

The Great Silence Ends

Tony Abbott has chosen not to put limits on the scope of constitutional recognition of indigenous Australians, ahead of a consultation process that could see a referendum on the issue in 2017. As reported in *The Age*, the Prime Minister told a summit of 40 indigenous leaders in Sydney that it was not the time to rule things in or out, but exuded confidence that the question could be put and carried in the life of the next parliament, ending the 'great silence about indigenous people in our founding document.' Instead, the summit agreed to a process designed to achieve

consensus on a referendum question before the election due next year.

Referendum And Leadership

Michael Gordon, columnist for *The Age*, wrote on July 18 about the Prime Minister's hopes that a referendum could be put to the people in May 2017, and that this referendum would fulfil his own long-standing dream of giving formal recognition to Aboriginal and Torres Strait Islander peoples in the Australian Constitution. Gordon said that Tony Abbott 'has demonstrated his interest in indigenous Australia by spending time in Aboriginal communities every year and [in August] will run the country from communities in the Torres Strait.

But despite promising to "sweat blood" for the cause, he has shown no willingness to lead this debate. When the expert panel appointed by the **Gillard** government presented its report in January 2012, proposing that the referendum question include a ban on racial discrimination, Abbott chose not to respond beyond expressing "reservations about anything that might turn out to be a one-clause bill of rights."

Since then, he has said little beyond observing last year that the referendum was more likely to succeed if it was "spiritually ambitious" but legally conservative. ... "I don't think it would be fitting for me or other authority figures to be saying at this point in time, 'It's got to be this or it can't be that'."

Now, in the absence of clarity from Canberra, the country's two most significant indigenous figures, **Noel Pearson** and **Patrick Dodson**, have taken charge, forging agreement with other indigenous leaders on a way forward that offers some grounds for optimism. Having been a member of the expert panel that proposed the racial discrimination ban, Pearson read the wind, decided it was not a goer, and proposed an alternative: an indigenous body recognised in the constitution to ensure that Aboriginal and Torres Strait Islander voices were heard on legislation affecting them.'

MINING

Move On Ice Scourge

The discovery of an ice pipe in the cab of a 300-tonne haul truck at a **BHP Billiton** coal mine in the Bowen Basin has triggered, according to the *Financial Review*, a year of anxiety that could yet lead to the introduction of a long-contested drug-testing regimen, designed specifically to stem the scourge of methamphetamine in mining. Management of the Goonyella Riverside mine has recently sought approval from the Queensland Mines Inspectorate to reshape unilaterally the project's impairment and drug-testing policies, so that they best deal with the risk posed by miners working while under the influence of ice.

Uranium Mine Shut Down

A recent report in *The Age* said that the future of one of the nation's most controversial mines, Ranger's uranium operation near Kakadu, is in doubt after its owner decided to abandon expansion plans. Rio Tinto subsidiary Energy Resources of Australia confirmed the expansion project would not proceed amid depressed uranium prices, prompting a savage 48 per cent slump in its shares.

Forrest A Gold-Digger

Andrew Forrest, the Fortescue Metals founder, recently took a \$2 million stake in Victorian gold minnow *A1 Consolidated*, which is working to rekindle some of the state's glory mining days. According to the *Herald Sun*, Mr Forrest made the investment in May through Squadron Resources, a new investment vehicle set up earlier this year. The miner is seeking to breathe new life into the A1 Consolidated mine at the old gold town of Woods Point, 180 kilometres northeast of Melbourne.

The Hatter

Federal MP **Bob Katter** is considering hanging up his signature Akubra because, according to the *Herald Sun*, he's hopping mad about the hat-maker's decision to ditch its Australian rabbit skin supplies to cut costs. Mr Katter is possibly the country's most prominent Akubra fan, wearing the wide-brimmed head-wear everywhere he goes. Akubra plans to source all its rabbit skins from Europe because it has become too costly and difficult to produce them and cut them in Australia.

ENVIRONMENT

Laugh, Kookaburra, Laugh

Sightings of some of Australia's most common birds, including those who have inspired folk songs and become mascots of football teams, are decreasing in parts of Australia, according to a major report on the health of the country's bird population. The laughing kookaburra, the magpie and the willy-wagtail are among the species for which fewer sightings have been recorded. Released by **Environment Minister Greg Hunt**, the State of Australia's Birds 2015 report included the surprising finding that it was the country's 'common birds' which weren't faring so well.

Former Veep Visit

Al Gore, United States Vice-President 1993-2001, flew into Australia during late July for a whistle-stop tour of the country. *The Age* described his local schedule as follows: 'meetings with state government ministers and senior business figures as part of efforts to build global momentum towards the Paris climate change summit later this year.'

War On Wind Power

The *Sunday Age* announced that the Prime Minister has dramatically escalated his war against wind power, creating a new cabinet split on the issue, and provoking a warning that he is putting international investment at risk.

Recently the government ordered the \$10 billion *Clean Energy Finance Corporation* not to make any new investments in wind power projects.

It is understood that the directive, overseen by **Joe Hockey** and **Mathias Cormann** in their capacities as Treasurer and Finance Minister respectively, was issued without the approval – or even the knowledge – of **Environment Minister Greg Hunt**.

Lomborg At Flinders

The Abbott government, *The Australian* reports, has held talks with Adelaide's **Flinders University** over the question of hosting a major policy centre in South Australia's capital, based on the methodology of controversial Danish academic **Bjorn Lomborg**. **Education Minister Christopher Pyne** has been searching for an institution which is willing to host the Australian Consensus Centre with \$4 million in federal funds, ever since last May, when the University of Western Australia pulled out of the contract.

Dr Lomborg has attracted controversy for suggesting that the dangers of climate change have been overestimated and that the world faces more pressing challenges, such as poverty. Meanwhile, an article in *The Age* noted that both staff members and students at Flinders have warned of an angry backlash if Dr Lomborg is indeed allowed to set up the centre at the campus.

Hunt And Chinese Mine Review

Greg Hunt, federal Environment Minister, took the opportunity of a radio interview to reopen the approval of a Chinese-owned coalmine near prime farming land in the Northern Tablelands region of New South Wales. This gesture came after a torrent of complaints led by one of his own cabinet colleagues, Agriculture **Minister Barnaby Joyce**, and by radio broadcaster Alan Jones.

As the *Financial Review* put it: 'In an interview on [Sydney's] *Radio 2GB* that was designed but failed to placate **Mr Jones**, Mr Hunt stuck to his position that the Shenhua mine at Mount Watermark near the Namoi catchment would not harm water supplies, but will make sure the company has safeguards in case the water table starts to drop. The new external review of the company's water strategy, which isn't legally necessary, opens the possibility that the government will reverse what seemed like a final approval ... a switch that could harm trade relations with China and would cost the owner the \$600 million it has spent on the project.'

Liberal Backs Renewables

Parliamentarian **Sarah Henderson** has broken ranks with the federal government over its directive for the **Green Bank** to stop investing in wind farms and rooftop solar. A recent *Herald Sun* article noted that Ms Henderson,

formerly an ABC reporter, has written to **Finance Minister Matthias Cormann**, urging a rethink of the government's draft directive to the Clean Energy Finance Corporation.

She said that the people of her federal electorate (Corangamite in Victoria's south-west, which she has held for the Liberals since 2013) were 'extremely supportive' of renewable energy. 'Wind and small-scale solar should be included in [the] CEFC mandate.'

Tyre Idea Gains Traction

An Australian company with a world-first method for recycling tyres has found it easier to raise capital overseas than at home, because local investors have grown cool on green technology in the current political climate. Green Distillation Technologies, according to *The Australian*, is about to open its first plant in central NSW, and has already committed itself to building a second plant in regional Tasmania at a cost of \$8.5 million.

An unlisted public company, GST was formed so as to commercialise an innovation that converts tyres back into carbon, oil and steel, without producing emissions. Australia produces 24 million end-of-life tyres every year and most of them are burnt, buried or dumped. GDT has been running pilot projects in Warren – 120 kilometres north-west of Dubbo – since 2009 and hopes to increase operations more rapidly once its first plant is operating.

How is the Gas Up North?

The federal government has directed the **Australian Competition and Consumer Commission** to commence a 12-month public inquiry into the competitiveness of wholesale gas prices in Eastern and South Australia. 'The ACCC will be considering competition levels on the East Coast upstream gas market – the producer, processor, pipeline and wholesale levels of the market. The inquiry does not cover retail,' **ACCC chairman Rod Sims** said. By holding an inquiry, the ACCC can use compulsory information gathering powers to get the information required to assess whether insufficient competition is driving up prices according to a ACCC press release.

Fish For Your Life

Australian fisheries are in remarkably good health, even though official statistics have underestimated the catch by almost half, a global study has found. But Canadian marine biologist **Daniel Pauly** was described by *The Australian* as having said that Australia's fish stocks will be decimated if it allows freezer factory trawlers into its waters. 'Your country has a light foot print on the ocean. Given that there is a crisis of fisheries all over the world, why would you want to join the madness?' Dr Pauly, a zoology professor at the **University of British Columbia**, has spearheaded a 16-year project to tally the world's true fish catch.

Prayer for the Climate

The Church of England, according to *The Age*, has pledged to fast for climate change action and pray for the Paris talks to succeed, urging the world's 70 million Anglicans to take up the global warming fight. The pledge comes from the powerful English General Synod, which leads the mother **Church of Anglicans** worldwide.

Opposition's Sneaky Tax Racket

Labor has secretly drafted plans for a special carbon tax, one for the electricity industry and one for everybody else, according to the Herald Sun. The scheme would include vehicle emissions standards, which Labor admits would raise the cost of a new car by \$1,500. It would also include new laws to govern power plants and inclusion of the family home in energy-efficiency targets.

The new plan by Bill Shorten's Opposition has been drawn up despite the previous carbon tax having doomed Julia Gillard's government, after she pledged 'there will be no carbon tax under the government I lead.'

Gas Supply Threatened

A recent *Herald Sun* report described one of Australia's biggest plastic makers as having added its voice to concerns about Shell's planned takeover of **BG Group**, saying that further consolidation in the gas industry will likely harm manufacturers. Melbourne-based **Qenos** has also attacked Victoria's ban on onshore oil and gas drilling, saying the restriction put at risk a new wave of major investment in the nation's petrochemical and plastics industry.

Sun Dawns On Revenge Politics

The solar energy industry has accused the federal government of hypocrisy over a decision to ban the \$10 billion **Clean Energy Finance Corporation** from investing in wind power or roof top solar panels. **Environment Minister Greg Hunt** confirmed reports which appeared in the Financial Review, and which said that the government had issued a directive changing the mandate of the corporation.

The CEFC was established by the Gillard government to invest in innovative carbon emission reduction technology. Mr Hunt said that the corporation should steer clear of projects that could be handled by the private sector. **John Grimes**, chief executive of the **Australian Solar Council**, accused Mr Hunt of being hypocritical in saying that the government approach to the corporation would support solar.

Carbon Puts Down the Foot

Emissions from Australia's main power sector are rising at an increasing rate one year after the end of the carbon price, with plants in Victoria fired by brown coal having been the biggest contributors, according to *The Age*. In the year to June, emissions from the **National**

Electricity Market jumped by about 6.4 million tonnes of carbon dioxide equivalent, or about 4.3 per cent. These figures come from **Pitt & Sherry's monthly Cedex report**.

Hmmm

The Age has said that our children and grandchildren could be confronting a humanitarian crisis unlike anything the world has faced. Rather than leaving vast numbers of victims of a warmer world stranded, without nay place allowing them in, industrialised countries ought to pledge to take a share of the displaced population equal to how much each nation has historically contributed to greenhouse gas emissions. They will cross borders regardless of whether they are welcome. And, in their desperation, they could become violent. **Michael Gerrard** contends that climate refugees should be assigned to the nations that have caused the most damage to the climate.

Ah! Nature.

Thousands of Australians remain stranded in Bali and hundreds of travellers have had their holiday plans thrown into chaos as volcanic ash continues to disrupt flights in and out of the island, as reported in *The Age*.

Infrastructure Feeds Hungry Seals

A study looking at the feeding behaviour of Australian fur seals has found the animals benefit from the shipwrecks, pipelines and cables in their underwater world. The researchers found that these structures act like artificial reefs, attracting fish and other marine life. This makes them a happy hunting ground for hungry fur seals, which feed on a variety of bony fish, squid and octopus.

In *The Australian*, the 'UN's Clean Bill of Health Gives the Lie to Reef Madness', foreign editor **Greg Sheridan** contends that restoring the heritage site is a little-heralded win for the Government.

Two Out Of Three

The Financial Review recently reported that no one buyer will be allowed to take stakes in all three New South Wales electricity network companies. This limitation is a move designed to encourage competitive auctions and prevent any competition or regulatory problems.

AGRICULTURE. CATTLE. WATER

Get Into Beef

Australia's biggest privately owned cattle producer says that the triumvirate of free trade deals with China, Japan and Korea is already reaping benefits. **Consolidated Pastoral Company**, which operates 20 cattle stations on more than 5.7 million hectares of land, maintains that we are living in an exciting time for the domestic beef industry. The combination of growing demand for cattle and beef and declining global beef herds provides positives for CPC, according to *the Herald Sun*.

Water Rights Down the River

Local farmer..**Lindsay Schultz** is so worried by the way that the national **Murray Darling Basin Plan** is progressing that he helped to organise a mass meeting of local farmers in the nearby town of Barham. 'It should be possible,' he says, 'to have a balance, to manage this river system so farmers can viably grow food, local communities can thrive and the river environment is looked after too ... too much water has been taken from the farms in the southern basin, and the more water that goes out of the system the more overhead costs of delivering that water are borne by fewer farmers, so the cost of water eventually rises and no one can make a living.'

The Murray Darling Basin Plan, passed by Parliament in late 2012, aimed to take 2750 gegalitres or 20 per cent of allocated irrigation water - equal to five Sydney harbours full of fresh water - back from farmers by 2019 and to return that annual 'spare' water flow to the environment and river health restoration. But *The Australian* reports that 18 months into the plan, and with 71 per cent of water cuts achieved, farmers claim its impact has been dire, and so much more grave than previously predicted.

Cattle Cancel Overseas Trip

Northern Territory farmers are scrambling to find a market for about 150,000 head of cattle after Indonesia slashed the number of cattle it will accept. Indonesia, which accounts for 56 per cent of Australia's live export market, will take 50,000 head of cattle this quarter, down from 250,000 for the same period in 2014. According to **The Age**, the dramatic reduction is expected to affect Northern Territory farmers the most. WATCH THIS SPACE

JUSTICE

FWC, ABA, And Parliament

The powerful **Australian Bar Association**, according to a front-page news item in *The Australian*, has made an extraordinarily intervention into the controversy swirling around **Fair Work Commission** vice-president **Michael Lawler**, rejecting the Abbott government's repeated claims that the matter must be dealt with by his superiors. Instead, the peak legal body for barristers says that the law is clear, and that the issue of Mr Lawler's continued role at Fair Work can be resolved only by parliament.

Lawler, the partner of former unionist **Kathy Jackson** - who is facing allegations of having misappropriated more than \$1.4 million from her time at the **Health Services Union** - has been on sick leave for nine months of the year on full pay of \$435,000 a year. The ABA threw down the gauntlet to the federal government, describing as 'unfair and misguided' comments that **Fair Work president Justice Iain Ross** had the power to deal with Mr Lawler. Both **Tony Abbott** and **Employment Minister Eric Abetz** have insisted that Mr Lawler's activities,

and the questions over conflicts of interest in which he is caught up, can and should be dealt with by Justice Ross.

Premier's U-Turn Not Just A Policy Matter

New South Wales' Premier Mike Baird might still be personally popular with voters – who returned him to power last March with a substantial, if reduced, parliamentary majority – and might retain a reputation for being a clean-skin.

Yet when he does a U-turn, it's not merely a matter of changing policy course. Recently, according to the Herald Sun, he incurred a \$311 fine and the loss of three demerit points from his driving licence, because he not only performed a U-turn in an area where such things are forbidden (on Sydney's northern beaches), but also drove without a seatbelt. The young highway patrol officer who originally booked Mr Baird let him off with a warning. In fairness to the Premier, he admitted his own errors and asked to be fined.

Commission Digs Deeper

The CFMEU pressured a \$23 billion superannuation fund run by Victoria's former premier Steve Bracks to change its investment strategy, following a dispute with major builder **Grocon**, a royal commission has heard. According to the Herald Sun, CBUS introduced new processes for its investments after the Victorian branch of the union threatened to walk away from CBUS because of its investment in a Grocon project.

100 Charges For Nine Men

The Herald Sun reported that nine men embroiled in an alleged \$25 million government cash for contracts scam have faced court after being charged in an anti-corruption sting. These men were charged following the first public hearings of the **Independent Broad-based Anti-corruption Commission**. It is alleged that the men, all of whom who were employed by **Victoria's Transport Department**, shared in millions of dollars after companies they were linked to score dozens of lucrative government contracts.

As well as Mr Wells and Mr Ooi, Graham Davis, Michael De La Torre, Samuel Furphy, Andrew Hayes, Todd Huggard and Mr Ooi's son, Andrew Ooi, appeared at **Melbourne Magistrates' Court** for filing hearings where a timetable for how their cases would progress was set out. During IBAC hearings Mr Wells, who sat on a tender panel for infrastructure projects, admitted to preparing quotes for work which he later awarded to himself or companies to whom he was linked.

Bribe Your Judge

An Australian Mafia boss allegedly paid \$2.2 million in bribes to get a lighter jail sentence, and the Mafia approached **Defence Force** personnel to supply them with military grade weapons. These are some of the findings to

come out from top-secret police intelligence reports quoted by *The Age*. The reports also reveal the price of some food, including the price of certain types of seafood in Sydney, may be more expensive than they would be otherwise, due to Mafia supply of the supply chain across Australia.

Very Big Interruption

The Age has reported that Italy's top anti-Mafia prosecutor and Australian police are warning that the massive diversion of law-enforcement resources to combat terrorism is eroding the fight against the Mafia and other serious organised crime groups. Australian authorities have failed for decades to dismantle the 'board of directors' of Calabrian Mafia godfathers across Australia, allowing them to entrench their drug trafficking operations, build alliances with outlaw bikie gangs and infiltrate government and police agencies.

Jackson's Fund Plea

Claims that Kathy Jackson needed a 'fighting fund' to maintain a strong position within the union movement and ALP have been demolished by accounts showing 'very little left over' after she spent the money on overseas travel, luxury shopping and divorce payments to her ex-husband. The Health Services Union's case against its former national secretary, as reported in *The Australian*, was launched with further details about how the \$660,000 was spent.

Charities In Trouble

Over 5,000 registered charities that have failed to report to the **Australian Charities and Not-for-profits Commission** on time received a 'red mark' against their names at the end of July. The ACNC urged those charities to join the 38,000 registered charities that have already submitted annual reports. Charities reporting on a standard financial year of July 1 to June 30 were due to report on January 31, and in many cases are thus six months overdue. **Susan Pascoe AM, Commissioner** at the ACNC, said that charities with overdue 2014 Annual Information Statements needed to take urgent action.

HEALTH

American Medicine, Here We Come?

The Age recently carried a report from the **Australian Medical Association's** president, **Brian Owler**, warning that Australia is heading towards a 'US-style' healthcare system. Owler also said that the cost-cutting behaviour of private insurance giant **Medibank** is 'offensive.' Under current negotiations with hospitals, Medibank has dramatically reduced its hospital costs by simply refusing to cover what it deems to be mistakes made by a hospital. It will also refuse to pay the hospital if a woman dies while giving birth. 'I find it offensive that a private insurer would refuse to cover the costs of that patient and hospital in such a tragic event,' Owler told the **National Press Club**.

Allergies In Australia

A recent *Age* article stated that allergies to food – notably peanuts, tree nuts, milk, egg, and sesame – appear to be an especially severe problem for Australians in general, and Melbourne in particular. As far back as 2010, a team of scientists found that 10 per cent of Melbourne infants tested positive for food allergies of one sort or another. In 2015, that finding led another team, which included some of the original researchers, to describe Melbourne's rate as 'the highest in the world.'

The reference came in a study that found that allergy numbers among infants in the Geelong region were significantly lower than those recorded in Melbourne. It was a result that, in a way, underlined the problems encountered by scientists as they struggle to discover the causes of an unprecedented leap in food allergies over the past two decades.

Bully.....?

More criticism has been aimed at **Medibank Private**, this time by private hospital staffers. Under new insurance conditions, according to a recent article in *The Age*, Medibank will no longer cover 165 'highly preventable adverse events' that occur to patients in hospitals, claiming that it will eliminate mistakes that hospitals and doctors are making. The list shows that the insurer will no longer cover infections following a procedure or fractures while in hospital, although the number of 'events' has greatly risen: it used to be only 20.

While Medibank defends these alterations to coverage on the grounds that they will reduce waste and improve quality – it has used the example of a patient with a hip replacement who falls out of bed because the hospital did not put up bed rails – the **Private Hospitals Association** and **Calvary Health Care** both condemned the insurer, saying that Medibank has resorted to 'schoolyard bully' tactics for having refused to negotiate with hospitals over the list, which is not publicly available because of its commercial sensitivity.

Levy Rise First, Please

Queensland's Labor Premier **Annastacia Palaszczuk** has backed a proposal by her Victorian counterpart **Daniel Andrews** to use the Medicare levy to cover future health funding. She was reported by *The Australian* as having said that such a levy could be gradually doubled to 4 per cent over the next eight years.

Hospital Cost Controls

A recent agreement between **Tony Abbott** and the state premiers was described by *the Financial Review* as reviving one of the Rudd government's signature policies. In this agreement, state hospitals would receive federal payments based on a cost-control system that sets an efficient price for every medical procedure. The Prime Minister and the premiers decided that they would all work towards a system whereby the **Medicare**

arrangement is used to cover treatments in hospitals based on efficient pricing.

Goodbye Dr Google

A new website, curated by a board of prominent Melbourne doctors, aims to strip Dr Google of its stethoscope once and for all, with animations and verified information on more than 400 health conditions. The health website launched by Melbourne start-up Sonoa Health presents topics on the risks of medical tourism and why babies refuse to eat, to the causes of headaches and treating anaphylaxis. Chair of the project's advisory board **Leon Piterman, Professor of General Practice at Monash University**, said while patients had access to more health information than ever before, it often lacked the context or personalisation to make it useful. 'The danger of Dr Google is the same danger as trying to self-diagnose or self-manage in any circumstance,' Prof Piterman said in *the Herald Sun* article.

Climate Changing Health

The biggest boost to public health this century could come from the same actions needed to tackle climate change, such as shutting down coal-fired power plants and designing better cities. British medical journal **The Lancet** has drawn together a team of more than 40 health experts from Europe and China to assess what harm climate change will cause to human health. The review finds climate change represents a 'potentially catastrophic' risk to human health that threatens to undo 50 years of medical gains, as reported in *The Age*.

MEDIA. COMMUNICATIONS

No More ABC (Shops)

ABC Shops will be phased out around the country, according to a report from *the Herald Sun*, with 300 staffers set to be affected by the cutback. **Robert Patterson, ABC commercial director**, said that the decision 'has not been taken lightly,' but that it was 'in keeping with the shift of ABC audiences to accessing content across digital platforms.'

But people can still buy ABC products via the Internet. Moreover, under a new strategy announced recently by the ABC's commercial arm, the national broadcaster will look to bolster its ABC Shop Online and enter into partnerships with other retailers for branded space within existing stores. At present, there are 50 ABC Shops around the country, and there are 78 ABC Centres located in other retail outlets.

Martin Spoke Too Soon

A recent report in *The Australian* mentioned the conclusion made by former *60 Minutes* executive producer **Gerald Stone**, who conducted a recent audit into bias at the ABC, that **Ray Martin** should not have made public comments about Q&A ahead of his own independent review. Martin has been accused by the federal government of prejudging the inquiry, which he is yet to conduct, into Q&A.

He defended the show's host, **Tony Jones**, against accusations of left-wing bias. Bias on Q&A is a key area which Martin will examine when he reviews the first 22 episodes of 2015 with former SBS managing director **Shaun Brown**.

No Questions And No Answers

From a recent *Age* report, it emerged that Communications Minister **Malcolm Turnbull** was under intense pressure to cancel a scheduled appearance on Q&A, with Agriculture Minister Barnaby Joyce warning of chaos if cabinet ministers disobey Tony Abbott's directive to boycott the ABC program. Mr Turnbull, who has previously said he would not take part in the boycott of the show, stayed silent when asked questions about his intentions. Mr Abbott's stance has caused confusion in the Coalition, with MPs uncertain about the criteria for the boycott and how long it will last.

Eventually, Turnbull said – according to the *Herald Sun* – that the Prime Minister was only putting pressure on the ABC, not ordering the ABC, to make structural changes which would end a ministerial boycott of the show. Abbott wrote recently to Jim Spigelman, the ABC's chairman, suggesting that the ABC's News and Current Affairs department oversee Q&A instead of, as is now the case, the television programming division. The Communications Minister described the Prime Minister's decision to ban frontbenchers from appearing on Q&A as having been his personal intervention...

Meanwhile **former ABC chairman Maurice Newman** insisted in *The Australian* that the Internet "has changed everything, leaving people less reliant on public broadcasting." This comes as Britain's Conservatives, newly elected to power in their own right, have announced – according to *The Age* – their aim to remake the BBC, which they have charged with an innate left-wing bias. At present, the BBC is supported by a national licence fee, just as it has been since its foundation before World War II.

Industry Groups Slam Draft Cyber Laws

The Age revealed on July 17 that groups representing companies including Google, Telstra, and Singtel-Optus had condemned the Abbott government's proposed cyber-security laws, calling them intrusive, detrimental, and lacking in transparency. During June, the government released draft amendments to the current **Telecommunications Act**.

If the amendments were to become law, they would compel telcos to pass on confidential supplier information to security agencies and would let them veto purchases found to pose national security risks. Among those in opposition to the planned changes are the **Australian Industry Group, the Australian Information Industry Association**, and the

Australian Mobile Telecommunications Association and Communications Alliance. Together, these organisations represent most of the national telco and technology sectors.

As for the ALP, although in the past it has supported much of the government's controversial data retention legislation, it is now reviewing such support. The *Age* notes that this change of attitude 'comes at a testing time for ... Bill Shorten following his surprise announcements on new asylum-seekers and renewable energy policies, and a bruising appearance at the Royal Commission into Trade Union Governance and Corruption.'

TRANSPORT

Regional Airports And Safety

Air travel to and from some regional airports within this country is 'nowhere near' as safe as it should be. This, *The Australian* maintains, is because available radar systems are not being fully used at lower altitudes. The warning comes from the Virgin Independent Pilots Association, affiliated with Virgin Australia, which entered a growing debate over air safety. The Association called recently for greater use of radar and radar-like surveillance systems to guide planes at regional airports.

Next..

In a development that sounds like an idea from that ancient cartoon **The Jetsons**, driverless cars will take to this country's roads for the first time during November, according to *The Australian*. The trial concerned is intended to pave the way for new laws to integrate the technology into the daily commute. A fully automated Volvo XC90 will be tested on a closed section of Adelaide's Southern Expressway in real-life driving scenarios with other vehicles such as changing lanes, emergency braking, and using the on-and-off-road ramps.

Trials of driverless valet services between **Flinders University campuses** at Tonsley Innovation Park and at Adelaide Airport would also coincide with a world conference on technology in Adelaide on November 5 and 6.

Independent road research body **ARRB Group** has joined the South Australian government, Bosch, Telstra, Cohda Wireless, and Volvo to run the trials, in order to establish how driverless technology should be engineered and manufactured for local driving behaviour, climate, road conditions, markings, surfaces, roadside signage, and other factors. **Stephen Mulligan, South Australia's Transport Minister**, said that the trials would inform legislative change as early as next year, to allow driverless cars on the state's roads.

Uber Versus ATO

In an event which resembles similar happenings abroad, **Uber** has accused the Australian Taxation Office of having been unduly influenced by the taxi-drivers' lobby

over the recent ATO decision to require drivers using ride-sharing services – such as Uber itself – to register for GST. *The Age* reported recently that the taxi industry wants to have Uber drivers meet the same rules and regulations by which taxi-drivers themselves must abide. Last May, the industry had a big win when the ATO handed down its interpretation of existing tax law.

According to this interpretation, ride-sharing services are just like taxi services and therefore become eligible for GST charges. As a consequence of that, August 1 was the last day on which Uber drivers around Australia were able to acquire GST registration. Those who had not done so by then would risk hefty penalties. Uber is challenging the ATO decision, and its leaders wrote to the 9,000 drivers who are currently working for it within Australia, advising them not to register for GST at all until the company gives them further advice.

New Freight Advertising Campaign

A new advertising campaign encouraging Australian businesses to consider the benefits of freight rail – as opposed to road transport – highlights the many economic, social and environmental advantages of moving freight by rail.

The **Australian Rail Track Corporation's See Rail in a New Light** advertising campaign seeks to change the mindset of businesses moving products around the country, and to convince such businesses that rail is a viable option that can improve the efficiency of our nation's supply chains. This all comes from a press release supplied by the **Australian Logistics Council**.

Aussie Telescope Exported

The **CSIRO** has sold advanced technology it developed for its new radio telescope, the most powerful in the world, to a major institute operating an observatory in Germany, *The Age* reports. Antony Schnickel, the project director of the Australian Square Kilometre Array Pathfinder telescope, said that the CSIRO was building a device called a phased array feed, or PAF, receiver for the world-renowned Max Planck Institute for Radio Astronomy. The PAF will be installed on the institute's facility near Effelsberg, Germany, one of the biggest telescopes in the world.

Cyber Attack In Thin Air

Airlines are increasingly at risk of cyber attacks that could pose safety issues and force carriers to ground their fleets to protect passenger welfare, security experts say in *The Age*. 'There are huge risks and challenges facing the airlines,' Eric Lowenstein, a Sydney-based cyber-risks practice leader at insurance group Aon, said. 'We are not just talking about [passenger data] privacy.'

Rural Flyers Revolt

In a bid – reported by *The Australian* – to save money, **Airservices Australia**, the government-owned body that runs the nation's air traffic control and navigation system, is soon to decommission about half the 415 fixed navigation aids across the country. The Civil Aviation Safety Authority had promised charter aircraft operators an exemption from having to install an expensive new air navigation system, but backed down after Airservices Australia reversed its position and insisted on no such breaks.

According to Hugh Brownlee, the chief flying instructor at the **Wimmera Aero Club**, it is an example of how Airservices focuses on the interests of the big airlines rather than the many small businesses of general aviation.

Non-directional beacons are radio transmitters that send out signals picked up by automatic direction finders on aircraft. They can be used to home in on an airfield for a landing approach, or, in combination with other NDB signals, give the pilot a fix on the aircraft's position. Horsham is not an airline destination, but it has considerable general aviation activity.

533,000 New Pilots

Australian pilot training schools are bracing for a tidal wave of demand from Asian countries seeking to train thousands of people to fly commercial aircraft, according to *the Herald Sun*. In its most recent forecast, Boeing predicted that an additional 533,000 commercial airline pilots would be needed between now and 2034 and 584,000 maintenance technicians. Australian Wings' Academy Chief Pilot Nathan James said that there was not enough training capacity in Australia to fulfill the forecast demand for pilots in the region.

FOREIGN AFFAIRS

ALP Soft-Pedals US Alliance

A front-page report by *The Australian* announced that the Labor Party has watered down its language on the US-Australia alliance, abandoning favourable references to the **ANZUS Treaty**. The significant foreign policy shift, which could give a future ALP federal government more room to balance the relationship between the US and China in the Asia-Pacific region, was drafted by **shadow Foreign Minister Tanya Plibersek**, in consultation with members of the party's national security committee.

Our new British High Commissioner

'It's been over a month since I arrived with my family in Australia; and it's been busy! I've been investing time in getting to know the country and have travelled 6,500 miles in the last two weeks, shuttling between Canberra, Sydney, Melbourne, Perth and Brisbane. I've met our fantastic "UK in Australia" team spread across our five posts, as well as governors, premiers, ministers, MPs,

academics, think-tankers and local business leaders.' This report by Menna Rawlings, new UK High Commissioner, comes from a press release from the **Australian British Chamber of Commerce**.

It's Not Racist, It's True

A new **Foreign Investment Review Board** report shows that Chinese buyers spent \$12.4 billion on Australian property in 2013-14. This figure, which is twice as high as that for the previous financial year, makes China easily the second-biggest source of overseas investment in our country. According to Susie O'Brien in the *Herald Sun*, the biggest demand is for land near good schools.

In Melbourne, that includes Balwyn, Balwyn North, Glen Waverley and Glen Iris, but there's a flow on to surrounding areas such as Doncaster, Box Hill and Lower Plenty. In Sydney, the biggest demand is for inner-city harbour suburbs such as Rose Bay, Vaucluse and Bellevue Hill. But there's also a lot of interest in Castlecrag, Turramurra, Cammeray and Wahroonga.

Switkowski Blasts

RMIT chancellor and NBN chairman **Ziggy Switkowski** has lashed out at the Coalition and Labor for their lack of bipartisanship on the formulation of science policy, warning that the nation lacks a consistent narrative on the importance of science to the economy. Dr Switkowski, who was named a specially elected fellow at the Australian Academy of Science, has also come out in support of the establishment of the **Australian Consensus Centre** proposed by controversial Danish academic Bjorn Lomborg.

Plans to establish the centre at the **University of Western Australia** were abandoned earlier in July after protests from students and staff. Dr Lomborg, an author and director of the **Copenhagen Consensus Centre** and self-described 'sceptical environmentalist', has expressed frustration to *The Australian* about his views on climate change hijacking the debate on his new centre in Australia, which was allocated \$4 million in the federal budget.

Small Islands, Big Bill

Australia's small island neighbours in the South Pacific face an enormous bill to protect their coastal buildings and infrastructure from the impacts of climate change and extreme weather. *The Age* insists that the bill is one which such countries are unlikely to afford. Research emerging from the University of New England has for the first time sought to determine the extent of coastal buildings at risk in 12 South Pacific island nations, including Vanuatu and Samoa.

This research put the cost of replacing those in harm's way at almost \$24 million. The paper, published in the journal *Nature Climate Change*, is a part of a larger project the

researchers carried out for Australia's Department of Foreign Affairs and Trade to help it prioritise its aid effort in the South Pacific. Of the 23 countries and territories in the region, the 12 studied had the most complete data.

Topless Backpacker Apologises

A British backpacker jailed for stripping topless on a sacred mountain returned home and made a tearful apology for offending the indigenous tribe who believed that she caused a devastating earthquake. Eleanor Hawkins, 23, and other tourists who posed naked on Mount Kinabalu in Sabah province on the island of Borneo had been blamed for angering the gods. She made her first comments after arriving home in Draycott, Derbyshire, according to *The [London] Times*.

Dragan Faces Justice

Balkans paramilitary commander Dragan Vasiljkovic, as reported by *The Australian*, will finally face questioning in his homeland over war crimes allegations. This development comes after an extraordinary decade-long legal saga and what will be the first successful extradition of an accused war criminal from Australia.

Kokoda Track Anger

Angry Papua New Guinean landowners, a recent *Age* article reports, have fenced off two of the Kokoda Track's best-known battlefield memorials. They are demanding that Australian trekkers pay for access.

DEFENCE

Budget Blowout?

Prior to winning federal office in 2013, the Coalition promised that if elected, it would boost defence spending to two per cent of GDP within a decade. But now this promise is putting pressure on the government to start spending more money immediately on defence-related concerns, a step that would prolong and aggravate the budget deficit. Sources told *the Financial Review* that Defence Department officials informed the government of their concern that the original target simply cannot be reached unless extra money is spent now by bringing forward acquisitions.

Spying On Spies

Before the end of the year, **Margaret Stone**, a former Federal Court judge, will take the place of **Dr Vivienne Thom as Inspector-General of Intelligence**. This announcement was made by Tony Abbott on July 16 and reported in *the Herald Sun*. Judge Stone's new role will include responsibility for dealing with complaints made against ASIO and ASIS.

Choppers Won't Start, Won't Stop

Australia's new \$4 billion fleet of army and navy helicopters are having trouble starting and stopping their rotors in strong winds, causing damage to the choppers' rotor heads. The problems affecting the new multi-role

helicopter, the MRH90 Taipan, were discovered during ocean testing on the navy's giant new amphibious assault ship HMAS Canberra. According to *The Australian*, the helicopters will not be deployed until the issue is resolved.

Upgrading To An Inferior Jet

An aircraft designed 40 years ago has outmaneuvered the hi-tech **Joint Strike Fighter**, re-igniting debate about whether the JSF needs to be able to 'dogfight' with other jets to win air battles. The debate erupted after the American pilot's report on his unsuccessful efforts to outmaneuver a 1970s designed F-16 Fighting Falcon fighter-bomber was leaked onto the US blog War is Boring.

The blog's editors reported that the test pilot had said his JSF was too sluggish for him to target the F-16 or for him to get out of the way when the older jet tracked him. According to *The Australian*, Australia has ordered 72 of the fifth-generation fighter-bombers for the RAAF and may ultimately get 100 of them.

Strip The Terrorist

The Age reports that a whopping three-quarters of voters support a controversial proposal to strip the citizenship of sole Australian nationals who take part in citizenship terrorist activities, if they are able to obtain citizenship of another country.

Private Data Sent To China

Eye test records and personal contact details of hundreds of military personnel, including soldiers posted overseas, were sent to China in a significant data security breach, *Fairfax Media* has learnt. The records, which included in many cases, mobile phone numbers of personnel, were sent to a processing facility in China's Guangdong province by a health contractor, Luxottica Retail Australia.

Submarine Deals Surface

A joint bid by Japanese and Swedish companies for Australia's \$20-billion plus submarine contract is emerging as an unlikely solution to fears that sending shipbuilding jobs offshore could cost the federal government several seats at the next election. *The Australian* reports that private talks are under way which, if successful, could see a major part of the nation's biggest defence project being carried out in South Australia, even if the contract is awarded to a foreign company.

Beyond the private talks, the real (non-media/confusing) story is that the Germans, the French and the Japanese each are polishing up their best offers for new submarines which would be built in Japan or Australia. Many parts for these vessels will come from factories and other clever places all over the world.

IMMIGRATION

Refugee Review Body

The Federal Government recently oversaw a dramatic purge of the tribunals responsible for reviewing refugee and migration claims. This move, *The Australian* noted, raised concerns that the system is being loaded against asylum-seekers. Of the 38 members of the Migration Review Tribunal and Refugee Review Tribunal whose terms expired at the end of June, only seven were kept on for the newly created Migration and Refugee Division of the **Administrative Appeals Tribunal**, which is now responsible for reviewing failed visa applications.

The other 31 were let go. Among those thus dispensed with were some of the longest-serving RRT members, including three founding members who individually have over two decades' experience in hearing appeals, and including eight members who individually have 14 or more years' experience. **Richard Marles**, the ALP's spokesman on immigration, said: 'It is absolutely essential that the tribunal is and has the appearance of being completely independent of government and free of perceptions of any partisan political bias.'

On July 1, the MRT-RRT and the Social Security Appeals Tribunal were formally amalgamated into an expanded AAT. Speaking at the official opening of the new-look super tribunal, AAT president Duncan Kerr – who was briefly a federal (Labor) Attorney-General during the 1990s – expressed concern that so few MRT-RRT members had been re-appointed. Lots of politics here.

Give and take

'At Labor's weekend national conference,' Andrew Bolt complained in his *Herald Sun* column on July 27, '**Bill Shorten** revealed his plan to not just reopen our back door to them [refugees] but fling the front door open even wider by doubling our refugee intake. Sure, the Opposition Leader won headlines for at last ending Labor's ban on turning back boats. But that commitment is a smokescreen for actually dismantling key parts of the Abbott government's border politics while still seeming "tough."

Don't be fooled. Both Shorten and his immigration spokesman, **Richard Marles**, have said only that Labor now wants "the option" of turning back the boats, but both refuse to promise they'll actually do it ... Indonesia already says boats should not be turned back. So Labor's policy, as explained by its immigration spokesman, means no boat ever would be returned under a Shorten government. In fact, both deputy Labor leader **Tanya Plibersek** and Senate leader **Penny Wong** voted on Saturday [July 25] against turn-backs.

So how many boats would Labor turn back if Plibersek does replace the unpopular Shorten, as many tip? ... Shorten won't just encourage illegal immigrants. He also promises to double

our refugee intake to 27,000 – the population of Alice Springs – every year.’

Will He Call Australia Home?

A Kurd extradited to Australia to face people-smuggling charges following his role in transporting 555 asylum-seekers to Christmas Island has been sentenced to 10 years’ jail. According to *The Australian*, Sayed Omeid was extradited from Malaysia to Perth in 2010. Later, while in Perth, he pleaded guilty to two counts of organising groups of non-citizens to be brought to Australia in 2001.

Refugees Are Not Criminals

The Age has revealed that almost 450 killers, rapists, violent offenders and other serious criminals are being held in Australian detention centres, triggering concern that vulnerable asylum seekers are being forced to mix with felons and thugs.

EDUCATION

Times Are A-Changin’

Lectures are obsolete, says **University of Adelaide** vice-chancellor **Warren Bebbington**. ‘My view is, they’re gone; and they are never coming back,’ he said as he described his university’s experience in replacing lectures with online learning. If students can get the material online, they are not going to come to the lecture, he said.

Last year, Adelaide began a major shift in its teaching program, phasing out traditional lectures and replacing them with online learning integrated with small-group work. The aim in the initial year is to have at least one small-group discovery experience, Professor Bebbington said. They reached 82 per cent of first-year students last year, according to the *Financial Review*.

Rich Schools Sharp Edge

Well-resourced schools with computers and iPads could have a head start over poorer schools in the next round of tests for the National Assessment Program - Literacy And Numeracy, **NAPLAN**. This admission comes from the Australian Curriculum Assessment and Reporting Agency. Representatives of the nation’s biggest schooling system, that of NSW, was described by *The Australian* as having said that they would wait until all its schools were ready for online exams before scrapping the traditional pen and paper tests.

SPORTS. ARTS

July til November

More than 500 paintings, sculptures and decorative art treasures from **Catherine the Great’s** vast collection at the State Hermitage Museum in Saint Petersburg were being carefully packed by an army of Russian curators ahead of the journey to Melbourne’s current display at the **National Gallery of Victoria**. NGV director Tony Ellwood told *The Australian* that it was ‘one of the most

important collections to come to Australia in living memory.’

Mind the Pay Gap

Australia’s greatest female athlete has called for a review into pay rates of the nation’s four top sportswomen. Four-time Olympic gold medallist Dawn Fraser believes that Aussie women competing on the world stage should be better paid. Experts and academics have backed the call in light of revelations members of Australia’s history-making women’s soccer team were paid \$500 per group match at the World Cup compared to the \$6,000 which each man in the Socceroos squad earned at the equivalent tournament. Professional sporting bodies contacted by the *Herald Sun* defended the female pay gap, but said that gradually it was closing.

The Bar Has Been Lowered: Again

A painter who was released from jail in 2014 has won the \$100,000 Archibald Prize for a portrait of his barrister, Charles Waterstreet. Discussing the award, the *Herald Sun* noted that Nigel Milsom was imprisoned after having pleaded guilty to the armed robbery of a Sydney convenience store three years ago, a crime carried out after he had consumed a heady mixture of ice, heroin, and prescription drugs. Milsom won the Archibald with what the newspaper called ‘a bleak, Dickensian portrait’ of Waterstreet, who defended him in court, and whose exploits have been depicted in fictionalised form by the ABC television series *Rake* (slogan: ‘The bar has been lowered’).

Tell Him He’s Dreaming

A portrait of actor **Michael Caton** has won this year’s Packing Room Prize in the **Archibald Competition**. Sydney artist **Bruno Jean Grasswill**, 69, was reported by the *Herald Sun* as having won the prize of \$1,500. The assessment of this particular award is carried out by the gallery staff who receive, unpack, and hang the Archibald entries.

Atticus Again

Revelations in **Harper Lee’s, Go Set A Watchman** that Atticus Finch – the lawyer who battles inequality in **To Kill A Mockingbird** – becomes decidedly racist in his old age might have deterred some readers, but not enough of them to stop the sequel from holding the number one sales spot on Amazon’s most popular authors list. Since it was announced in February, the novel, according to a *Financial Review* report, has become Amazon’s most frequently pre-ordered book of any genre in the past four years, with two million copies thus pre-ordered.

Literary critic **Peter Craven** told *The Age’s* readers on July 17: ‘**Go Set A Watchman** has had the weird misfortune to be published after the Charleston, South Carolina church shooting and a few days following its legislature’s decision to stop flying the Confederate flag.

The timing could hardly have been worse, though the book is enthralling, not least because you see the fire of controversy almost burn the pages before your eyes.’

SOCIETY

Vets To Tackle Family Violence

control their victims, according to *The Age*. Because of this, the **RSPCA** wants the **Royal Commission into Family Violence** to include animal welfare as a key consideration. Research has found that women were more likely to stay in an abusive relationship if they owned a pet, according to the **Royal New Zealand Society for the Prevention of Cruelty to Animals**.

Recipe For Health and Happiness

The **University of Melbourne’s** Household, Income and Labour Dynamics in Australia Survey has released results, the subject of an article in *The Age*, which indicate health in life choices for Australians through a long-term comprehensive study of 20,000 Australians. Surprisingly, the survey concluded that drinking up to 42 alcoholic drinks per week is compatible with high levels of short-term health and wellbeing. The survey also concludes that work-life balance is overrated, and that in practice employees often carry out up to 51 hours of paid work per week or 81 hours of total work without any detrimental impact on their well-being. As expected, being overweight and living in a major city are not conducive to good health and life satisfaction.

Tempted

An intolerant outburst was followed by a quick apology. It shows we have matured, according to columnist Tim Soutphommasane in *The Age*. He wrote: ‘I can understand why **Dawn Fraser** took Nick Kyrgios to task. For all his prodigious talents, Kyrgios’ antics on and off the tennis court have been questioned by many commentators. Fraser was entitled to add her voice to those criticisms. But bringing Kyrgios’ (and Bernard Tomic’s) heritage into the matter was gratuitous. The immediate public outcry showed that many felt Fraser had gone too far.’

Don’t Vilify Them

Communications Minister **Malcolm Turnbull** has rallied behind the government’s scaled-back citizenship laws, but was quoted in *The Australian* as saying that critics of the new measures should be entitled to make their case. In an address to **The Sydney Institute**, Turnbull acknowledged the balance between security and liberty would ‘always be controversial’ after the government’s earlier plans to strip citizenship from terrorists caused cabinet dissent.

Publications

ORDER FORM / TAX INVOICE

Please complete this form and email to info@affairs.com.au



AFFAIRS OF STATE
 14 Collins St Melbourne 3000 Australia Telephone: (03) 9654 1300 E-mail: info@affairs.com.au



Letter from Canberra 10 Issues Per Year

- 1 Year ----- \$275 GST Inc _____
- 2 Years ---- \$495 GST Inc _____



Letter from Melbourne 10 Issues Per Year

- 1 Year ----- \$275 GST Inc _____
- 2 Years ---- \$495 GST Inc _____



Letter from Melbourne & Letter from Canberra

- 1 Year ----- \$385 GST Inc _____
- 2 Years ---- \$770 GST Inc _____



Victorian Government Wall Chart

- \$66 GST Inc Per Chart _____
- OR
- \$130 For 5 Charts for the Team _____



Federal Government Wall Chart

- \$66 GST Inc Per Chart _____
- OR
- \$130 For 5 Charts for the Team _____



Victorian MP Footy Chart

- \$66 GST Inc Per Chart _____



Federal MP/Senator Footy Chart

- \$66 GST Inc Per Chart _____



'Coffee, Minister?' Chart

- \$66 GST Inc Per Chart _____

Order Now!

Total Items:	Total Amount: \$	Date:
--------------	------------------	-------

This document becomes a Tax Invoice / Receipt upon payment.

SUBSCRIBER DETAILS	PAYMENT OPTIONS
Mr/Mrs/Miss/Ms: _____ Title: _____ Company: _____ Address: _____ Phone: _____ Fax: _____ E-mail: _____	Pay to Affairs of State, ABN 44 230 891 629 I enclose a cheque (payable to Affairs of State) Please debit my: <input type="checkbox"/> Mastercard <input type="checkbox"/> Amex <input type="checkbox"/> Visa Cardholder: _____ Card Number: _____ Signature: _____ Expiry: _____